As filed with the Securities and Exchange Commission on November 3, 2010

No. 333-168919

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 5
TO
FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

GENERAL MOTORS COMPANY

(Exact name of registrant as specified in its charter)

Delaware	3711	27-0756180
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

300 Renaissance Center
Detroit, Michigan 48265-3000
(313) 556-5000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Nick S. Cyprus
Vice President, Controller and Chief Accounting Officer
General Motors Company
300 Renaissance Center
Detroit, Michigan 48265-3000
(313) 556-5000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Robert C. Shrosbree, Esq.	**Joseph P. Gromacki, Esq.**	**Richard A. Drucker, Esq.**
General Motors Company	**William L. Tolbert, Jr., Esq.**	**Sarah E. Beshar, Esq.**
300 Renaissance Center	**Brian R. Boch, Esq.**	**Davis Polk & Wardwell LLP**
Detroit, Michigan 48265-3000	**Jenner & Block LLP**	**450 Lexington Avenue**
(313) 556-5000	**353 N. Clark Street**	**New York, New York 10017**
	Chicago, Illinois 60654-3456	**(212) 450-4000**
	(312) 222-9350	

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer (Do not check if a smaller reporting company) ☒	Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)
Common stock, par value $0.01 per share	419,750,000	$29	$12,172,750,000	$867,918
Series B mandatory convertible junior preferred stock, par value $0.01 per share (3)	69,000,000	$50	$3,450,000,000	$245,985
Common stock, par value $0.01 per share	24,982,758 (4)	$29	$724,500,000	$51,657

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(a) under the Securities Act of 1933, as amended.
(2) $14,260 of this amount was previously paid in connection with the August 18, 2010 filing of the original Registration Statement on Form S-1 to which this Amendment No. 5 relates.
(3) In accordance with Rule 457(i) under the Securities Act, this registration statement also registers the shares of our common stock that are initially issuable upon conversion of the Series B preferred stock registered hereby. The number of shares of our common stock issuable upon such conversion is subject to adjustment upon the occurrence of certain events described herein and will vary based on the public offering price of the common stock registered hereby. Pursuant to Rule 416 under the Securities Act, the number of shares of our common stock to be registered includes an indeterminable number of shares of common stock that may become issuable upon conversion of the Series B preferred stock as a result of such adjustments.
(4) Represents common stock that may be issued as dividends on Series B preferred stock in accordance with the terms thereof.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

This Registration Statement contains a prospectus relating to an offering of shares of our common stock (for purposes of this Explanatory Note, the Common Stock Prospectus), together with separate prospectus pages relating to an offering of shares of our Series B preferred stock (for purposes of this Explanatory Note, the Series B Preferred Stock Prospectus). The complete Common Stock Prospectus follows immediately. Following the Common Stock Prospectus are the following alternative and additional pages for the Series B Preferred Stock Prospectus:

- front and back cover pages, which will replace the front and back cover pages of the Common Stock Prospectus;
- pages for the "Prospectus Summary—The Offering" section, which will replace the "Prospectus Summary—The Offering" section of the Common Stock Prospectus;
- pages for the "Risk Factors—Risks Relating to this Offering and Ownership of Our Series B Preferred Stock and Common Stock" section, which will replace the "Risk Factors—Risks Relating to this Offering and Ownership of Our Common Stock" section of the Common Stock Prospectus;
- pages for the "Ratio of Earnings to Fixed Charges and Preferred Stock Dividends" section, which will be added to the Series B Preferred Stock Prospectus;
- pages for the "Description of Series B Preferred Stock" section, which will replace the "Concurrent Offering of Series B Preferred Stock" section of the Common Stock Prospectus;
- pages for the "Material U.S. Federal Tax Considerations" section, which will replace the "Material U.S. Federal Tax Considerations for Non-U.S. Holders" section of the Common Stock Prospectus; and
- pages for the "Underwriting" section, which will replace the "Underwriting" section of the Common Stock Prospectus.

In addition, the following disclosures contained within the Common Stock Prospectus will be replaced in the Series B Preferred Stock Prospectus as follows:

- the reference to "—Risks Relating to this Offering and Ownership of Our Common Stock—" contained in the last sentence of footnote (2) to the beneficial ownership table included in the "Principal and Selling Stockholders" section of the Common Stock Prospectus will be replaced with a reference to "—Risks Relating to this Offering and Ownership of Our Series B Preferred Stock and Common Stock—" in the Series B Preferred Stock Prospectus.
- the reference to "Risk Factors—Risks Relating to this Offering and Ownership of Our Common Stock—Canada Holdings, a selling stockholder in the common stock offering, is a wholly owned subsidiary of Canada Development Investment Corporation, which is owned by the federal Government of Canada, and your ability to bring a claim against Canada Holdings under the U.S. securities laws or otherwise, or to recover on any judgment against it, may be limited" contained in the last sentence of footnote (3) to the beneficial ownership table included in the "Principal and Selling Stockholders" section of the Common Stock Prospectus will be replaced with a reference to "Risk Factors—Risks Relating to this Offering and Ownership of Our Series B Preferred Stock and Common Stock—Canada Holdings is a wholly owned subsidiary of Canada Development Investment Corporation, which is owned by the federal Government of Canada, and your ability to bring a claim against Canada Holdings alleging any complaint, or to recover on any judgment against it, may be limited" in the Series B Preferred Stock Prospectus.

Each of the complete Common Stock Prospectus and Series B Preferred Stock Prospectus will be filed with the Securities and Exchange Commission in accordance with Rule 424 under the Securities Act of 1933, as amended. The closing of the offering of common stock is not conditioned upon the closing of the offering of Series B preferred stock, but the closing of the offering of Series B preferred stock is conditioned upon the closing of the offering of common stock.

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The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell the securities and it is not soliciting an offer to buy the securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 3, 2010

PRELIMINARY PROSPECTUS

365,000,000 Shares

GENERAL MOTORS COMPANY

Common Stock

Selling stockholders, including the United States Department of the Treasury, are offering 365,000,000 shares of our common stock. We are not selling any shares of our common stock in this offering. We will not receive any proceeds from the sale of the shares by the selling stockholders.

Currently, no public market exists for our common stock. We currently estimate that the public offering price of our common stock will be between $26.00 and $29.00 per share. Our common stock has been approved for listing on the New York Stock Exchange under the symbol “GM”. The Toronto Stock Exchange has conditionally approved the listing of our common stock under the symbol “GMM”, subject to our fulfilling all of the requirements of the Toronto Stock Exchange.

The selling stockholders have granted the underwriters an option to purchase up to an additional 54,750,000 shares of common stock to cover over-allotments at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus.

Concurrently with this offering, we are also making a public offering of 60,000,000 shares of our Series B preferred stock. In that offering, we have granted the underwriters an option to purchase up to an additional 9,000,000 shares of Series B preferred stock to cover over-allotments. We cannot assure you that the offering of Series B preferred stock will be completed or, if completed, on what terms it will be completed. The closing of this offering is not conditioned upon the closing of the offering of Series B preferred stock, but the closing of our offering of Series B preferred stock is conditioned upon the closing of this offering.

Investing in our common stock involves risks. See “Risk Factors” beginning on page 15 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions	$	$
Proceeds, before expenses, to the selling stockholders	$	$

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or the accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock to investors on or about , 2010.

Morgan Stanley **J.P. Morgan** **BofA Merrill Lynch** **Citi**
Barclays Capital **Credit Suisse** **Deutsche Bank Securities**
Goldman, Sachs & Co. **RBC Capital Markets**

Bradesco BBI **CIBC** **COMMERZBANK**

BNY Mellon Capital Markets, LLC **ICBC International** **Itaú BBA** **Lloyds TSB Corporate Markets**
CICC **Loop Capital Markets** **The Williams Capital Group, L.P.** **Soleil Securities Corporation**

The date of this prospectus is , 2010.

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ABOUT THIS PROSPECTUS

In this prospectus, unless the context indicates otherwise, for the periods on or subsequent to July 10, 2009, references to "we," "our," "us," "ourselves," the "Company," "General Motors," or "GM" refer to General Motors Company and, where appropriate, its subsidiaries. General Motors Company is the successor entity solely for accounting and financial reporting purposes to General Motors Corporation, which is sometimes referred to in this prospectus, for the periods on or before July 9, 2009, as "Old GM."

General Motors Company was formed by the United States Department of the Treasury (UST) in 2009. Prior to July 10, 2009, our business was operated by Old GM. On June 1, 2009, Old GM and three of its domestic direct and indirect subsidiaries filed voluntary petitions for relief under Chapter 11 (Chapter 11 Proceedings) of the U.S. Bankruptcy Code (Bankruptcy Code) in the United States Bankruptcy Court for the Southern District of New York (Bankruptcy Court). On July 10, 2009, we, through certain of our subsidiaries, acquired substantially all of the assets and assumed certain liabilities of Old GM (the 363 Sale). The accompanying audited consolidated financial statements and unaudited condensed consolidated interim financial statements include the financial statements and related information of Old GM as it is our predecessor entity solely for accounting and financial reporting purposes. On July 10, 2009 in connection with the closing of the 363 Sale, General Motors Corporation changed its name to Motors Liquidation Company, which is sometimes referred to in this prospectus for the periods on or after July 10, 2009 as "MLC." MLC continues to exist as a distinct legal entity for the sole purpose of liquidating its remaining assets and liabilities.

Neither we, the selling stockholders nor the underwriters have authorized anyone to provide any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We, the selling stockholders and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We have not, the selling stockholders have not, and the underwriters have not, authorized any other person to provide you with different information. We are not, the selling stockholders are not and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and in any free writing prospectus prepared by or on behalf of us to which we have referred you is accurate only as of the date on the front cover of this prospectus or the date of such free writing prospectus, as applicable. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: Neither we, the selling stockholders nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus.

MARKET AND INDUSTRY DATA

Information relating to our relative position in the global automotive industry is based upon the good faith estimates of management, and includes all sales by joint ventures on a total vehicle basis, not based on the percentage of ownership in the joint venture.

PROSPECTUS SUMMARY

This summary highlights aspects of our business and this offering, but it does not contain all of the information that you should consider in making your investment decision. You should read this entire prospectus carefully, including the "Risk Factors" section and our audited consolidated financial statements and unaudited condensed consolidated interim financial statements and related notes, before making an investment decision.

GENERAL MOTORS COMPANY

Our Company

We are a leading global automotive company. Our vision is to design, build and sell the world's best vehicles. We seek to distinguish our vehicles through superior design, quality, reliability, telematics (wireless voice and data) and infotainment and safety within their respective vehicle segments. Our business is diversified across products and geographic markets, with operations and sales in over 120 countries. We assemble our passenger cars, crossover vehicles, light trucks, sport utility vehicles, vans and other vehicles in 71 assembly facilities worldwide and have 88 additional global manufacturing facilities. With a global network of over 21,000 independent dealers we meet the local sales and service needs of our retail and fleet customers. In 2009, we and Old GM sold 7.5 million vehicles, representing 11.6% of total vehicle sales worldwide. Approximately 72% of our and Old GM's total 2009 vehicle sales volume was generated outside the United States, including 38.7% from emerging markets, such as Brazil, Russia, India and China (collectively BRIC), which have recently experienced the industry's highest volume growth.

Our business is organized into three geographically-based segments:

- General Motors North America (GMNA), with manufacturing and distribution operations in the U.S., Canada and Mexico and distribution operations in Central America and the Caribbean, represented 33.2% of our and Old GM's total 2009 vehicle sales volume. In North America, we sell our vehicles through four brands – Chevrolet, GMC, Buick and Cadillac – which are manufactured at plants across the U.S., Canada and Mexico and imported from other GM regions. In 2009, GMNA had the largest market share of any competitor in this market at 19.0% based on vehicle sales volume.

- General Motors International Operations (GMIO), with manufacturing and distribution operations in Asia-Pacific, South America, Russia, the Commonwealth of Independent States, Eastern Europe, Africa and the Middle East, is our largest segment by vehicle sales volume, and represented 44.5% of our and Old GM's total 2009 vehicle sales volume including sales through our joint ventures. In these regions, we sell our vehicles under the Buick, Cadillac, Chevrolet, Daewoo, FAW, GMC, Holden, Isuzu, Jiefang, Opel and Wuling brands. In 2009, GMIO had the second largest market share for this market at 10.2% based on vehicle sales volume and the number one market share across the BRIC markets based on vehicle sales volume. Approximately 54.9% of GMIO's volume is from China, where, primarily through our joint ventures, we had the number one market share at 13.3% based on vehicle sales volume in 2009.

- General Motors Europe (GME), with manufacturing and distribution operations across Western and Central Europe, represented 22.3% of our and Old GM's total 2009 vehicle sales volume. In Western and Central Europe, we sell our vehicles under the Opel and Vauxhall (U.K. only) brands, which are manufactured in Europe, and under the Chevrolet brand, which is imported from South Korea where it is manufactured by GM Daewoo Auto & Technology, Inc. (GM Daewoo) of which we own 70.1%. In 2009, GME had the number five market share in this market, at 8.9% based on vehicle sales volume.

We offer a global vehicle portfolio of cars, crossovers and trucks. We are committed to leadership in vehicle design, quality, reliability, telematics and infotainment and safety, as well as to developing key energy efficiency,

energy diversity and advanced propulsion technologies, including electric vehicles with range extending capabilities such as the new Chevrolet Volt.

Our company commenced operations on July 10, 2009 when we completed the acquisition of substantially all of the assets and assumption of certain liabilities of Old GM through a 363 Sale under the U.S. Bankruptcy Code. Immediately prior to this offering, our common stock was held of record by four stockholders: the United States Department of the Treasury, Canada GEN Investment Corporation (Canada Holdings), the UAW Retiree Medical Benefits Trust (New VEBA) and Motors Liquidation Company. As a result of the 363 Sale and other recent restructuring and cost savings initiatives, we have improved our financial position and level of operational flexibility as compared to Old GM when it operated the business. We commenced operations upon completion of the 363 Sale with a total amount of debt and other liabilities at July 10, 2009 that was $92.7 billion less than Old GM's total amount of debt and other liabilities at July 9, 2009. We reached a competitive labor agreement with our unions, began restructuring our dealer network and reduced and refocused our brand strategy in the U.S. to our four brands.

Our results for the three months ended March 31 and June 30, 2010 included net income of $1.2 billion and $1.6 billion. For the period from July 10, 2009 to December 31, 2009, we had a net loss of $3.8 billion, which included a settlement loss of $2.6 billion related to the 2009 revised UAW settlement agreement. We reported revenue of $31.5 billion and $33.2 billion in the three months ended March 31 and June 30, 2010, representing 40.3% and 43.9% year-over-year increases as compared to Old GM's revenue for the corresponding periods. For the period from July 10, 2009 to December 31, 2009, our revenue was $57.5 billion.

Our Industry and Market Opportunity

The global automotive industry sold 66 million new vehicles in 2009. Vehicle sales are widely distributed across the world in developed and emerging markets. We believe that total vehicle sales in emerging markets (Asia, excluding Japan, South America and Eastern Europe) will equal or exceed those in mature markets (North America, Western Europe and Japan) starting in 2010, as rising income levels drive secular growth. We believe that this expected growth in emerging markets, combined with an estimated recovery in mature markets, creates a potential growth opportunity for the global automotive industry.

Designing, manufacturing and selling vehicles is capital intensive. It requires substantial investments in manufacturing, machinery, research and development, product design, engineering, technology and marketing in order to meet both consumer preferences and regulatory requirements. Large original equipment manufacturers (OEMs) are able to benefit from economies of scale by leveraging their investments and activities on a global basis across brands and nameplates (commonly referred to as models). The automotive industry is also cyclical and tends to track changes in the general economic environment. OEMs that have a diversified revenue base across geographies and products and have access to capital are well positioned to withstand industry downturns and to capitalize on industry growth. The largest automotive OEMs are GM, Toyota, Volkswagen, Hyundai and Ford, all of which operate on a global basis and produce cars and trucks across a broad range of vehicle segments.

Our Competitive Strengths

We believe the following strengths provide us with a foundation for profitability, growth and execution on our strategic vision to design, build and sell the world's best vehicles:

- *Global presence, scale and dealer network*. We are currently the world's second largest automaker based on vehicle sales volume and, as a result of our relative market positions in GMNA and GMIO, are positioned to benefit from future growth resulting from economic recovery in developed markets and continued secular growth in emerging markets. In 2009, we and Old GM sold 7.5 million vehicles

in over 120 countries and generated $104.6 billion in revenue, although our and Old GM's combined worldwide market share of 11.6% based on vehicle sales volume in 2009 had declined from Old GM's worldwide market share of 13.2% based on vehicle sales volume in 2007. We operate a global distribution network with over 21,000 independent dealers. Our presence and scale enable us to deploy our purchasing, research and development, design, engineering, marketing and distribution resources and capabilities globally across our vehicle production base.

- *Market share in emerging markets, such as China and Brazil*. Across the BRIC markets, we and Old GM had the industry-leading market share of 12.7% based on vehicle sales volume in 2009, which has grown from a 9.8% share in 2004. In China, the fastest growing global market by volume of vehicles sold, through our joint ventures we and Old GM had the number one market position with a share of 13.3% based on vehicle sales volume in 2009. We and Old GM also held the third largest market share in Brazil at 19.0% based on vehicle sales volume in 2009.

- *Portfolio of high-quality vehicles*. Our global portfolio includes vehicles in most key segments, with 31 nameplates in the U.S. and another 140 nameplates internationally. Our and Old GM's long-term investment over the last decade in our product portfolio has resulted in successful recent vehicle launches such as the Chevrolet Equinox, GMC Terrain, Buick LaCrosse and Cadillac SRX. Sales of these vehicles have had higher transaction prices than the products they replaced and have increased vehicle segment market shares. These vehicles also have had higher residual values. The design, quality, reliability and safety of our vehicles has been recognized worldwide by a number of third parties, including J.D. Power, Consumers Digest, the European Car of the Year Organizing Committee, the Chinese Automotive Media Association and Brazil's AutoEsporte Magazine.

- *Commitment to new technologies*. We have invested in a diverse set of new technologies designed to meet customer needs around the world. Our research and product development efforts in the areas of energy efficiency and energy diversity have been focused on advanced and alternative propulsion and fuel efficiency. Our investment in telematics and infotainment technology enables us to provide through OnStar a service offering that creates a connection to the customer and a platform for future infotainment initiatives.

- *Competitive cost structure in GMNA*. We have substantially completed the restructuring of our North American operations, which has reduced our cost base and improved our capacity utilization and product line profitability. We accomplished this through brand rationalization, manufacturing footprint reduction, ongoing dealer network optimization, salaried and hourly headcount reductions, labor agreement restructuring and transfer of hourly retiree healthcare obligations to the New VEBA. The reduced costs resulting from these actions, along with our improved price realization and lower incentives, have reduced our profitability breakeven point in North America. For the three months ended June 30, 2010 and based on GMNA's current market share, GMNA's earnings before interest and income taxes (EBIT) (EBIT is not an operating measure under U.S. GAAP—refer to the section of this prospectus entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliation of Segment Results" for additional discussion) would have achieved breakeven at an implied annual U.S. industry sales of approximately 10.5 to 11.0 million vehicles.

- *Competitive global cost structure*. Global architectures (that is, vehicle characteristics and dimensions supporting common sets of major vehicle underbody components and subsystems) allow us to streamline our product development and manufacturing processes, which has resulted in reduced material and engineering costs. This allows us to design and engineer our vehicles globally while balancing cost efficient production locations and proximity to the end customer. Approximately 43% of our vehicles are manufactured in regions we believe to be low-cost locations, such as China, Mexico, Eastern Europe, India and Russia, with all-in active labor costs of less than $15 per hour.

- *Strong balance sheet and liquidity*. As of June 30, 2010, we had available liquidity (cash, cash equivalents and marketable securities) of $31.5 billion and outstanding debt of $8.2 billion. On October 26, 2010, we repaid $2.8 billion of our then outstanding debt (together with accreted interest thereon) utilizing available liquidity and entered into a new five year $5.0 billion secured revolving credit facility. In addition, we have no significant contractual debt maturities until 2015. Although our U.S. and non-U.S. pension plans were underfunded by $17.1 billion and $10.3 billion on a U.S. GAAP basis at December 31, 2009, as of June 30, 2010 we have no expected material mandatory pension contributions until 2014. We believe that our combination of cash and cash equivalents, cash flow from operations and availability under our new secured revolving credit facility should provide sufficient cash to fund our new product and technology development efforts, European restructuring program, growth initiatives and further cost-reduction initiatives in the medium term.

- *Strong leadership team with focused direction*. Our new executive management team, which includes our new Chief Executive Officer and Chief Financial Officer from outside the automotive industry as well as many senior officers who have been promoted to new roles from within the organization, combines years of experience at GM and new perspectives on growth, innovation and strategy deployment, and operates in a streamlined organizational structure. This allows for more direct lines of communication, quicker decision-making and direct responsibility for individuals in various areas of our business. The members of our Board of Directors, a majority of whom were not directors of Old GM, are directly involved in strategy formation and review.

Our Strategy

Our vision is to design, build and sell the world's best vehicles. The primary elements of our strategy to achieve this vision are to:

- Deliver a product portfolio of the world's best vehicles, allowing us to maximize sales under any market conditions;

- Sell our vehicles globally by targeting developed markets, which are projected to have increases in vehicle demand as the global economy recovers, and further strengthening our position in high growth emerging markets;

- Improve revenue realization and maintain a competitive cost structure to allow us to remain profitable at lower industry volumes and across the lifecycle of our product portfolio; and

- Maintain a strong balance sheet by reducing financial leverage given the high operating leverage of our business model.

Our management team is focused on hiring new and promoting current talented employees who can bring new perspectives to our business in order to execute on our strategy as follows:

Deliver quality products. We intend to maintain a broad portfolio of vehicles so that we are positioned to meet global consumer preferences. We plan to do this in several ways.

- *Concentrate our design, engineering and marketing resources on fewer brands and architectures*. We plan to increase the volume of vehicles produced from common global architectures to more than 50% of our total volumes in 2014 from less than 17% today. We expect that this initiative will result in greater investment per architecture and brand and will increase our product development and manufacturing flexibility, allowing us to maintain a steady schedule of important new product launches in the future. We believe our four-brand strategy in the U.S. will continue to enable us to allocate higher marketing expenditures per brand.

- *Develop products across vehicle segments in our global markets*. We plan to develop vehicles in each of the key segments of the global markets in which we compete. For example, in September 2010 we introduced the Chevrolet Cruze in the U.S. small car segment, an important and growing segment where we have historically been under-represented.

- *Continued investment in a portfolio of technologies*. We will continue to invest in technologies that support energy diversity and energy efficiency as well as in safety, telematics and infotainment technology. We are committed to advanced propulsion technologies and intend to offer a portfolio of fuel efficient alternatives that use energy sources such as petroleum, bio-fuels, hydrogen and electricity, including the new Chevrolet Volt. Additionally, we are expanding our telematics and infotainment offerings and, as a result of our OnStar service and our partnerships with companies such as Google, are in a position to deliver safety, security, navigation and connectivity systems and features.

Sell our vehicles globally. We will continue to compete in the largest and fastest growing markets globally.

- *Broaden GMNA product portfolio*. We plan to launch 19 new vehicles in GMNA across our four brands between 2010 and 2012, primarily in the growing car and crossover segments, where, in some cases, we are under-represented, and an additional 28 new vehicles between 2013 and 2014.

- *Increase sales in GMIO, particularly China and Brazil*. We plan to continue to execute our growth strategies in countries where we already hold strong positions, such as China and Brazil, and to improve share in other important markets, including South Korea, South Africa, Russia, India and the Association of Southeast Asian Nations (ASEAN) region. We aim to launch 84 new vehicles throughout GMIO through 2012. We plan to enhance and strengthen our GMIO product portfolio through three strategies: leveraging our global architectures, pursuing local and regional solutions to meet specific market requirements and expanding our joint venture partner collaboration opportunities.

- *Refresh GME's vehicle portfolio*. To improve our product quality and product perception in Europe, by the start of 2012, we plan to have 80% of our Opel/Vauxhall carlines volume refreshed such that the model stylings are less than three years old. We have three product launches scheduled in 2010 and another four product launches scheduled in 2011.

- *Ensure competitive financing is available to our dealers and customers*. Through our long-standing arrangements with Ally Financial Inc., formerly GMAC, Inc. (Ally Financial), and a variety of other worldwide, regional and local lenders, we provide our customers and dealers with access to financing alternatives. We plan to further expand the range of financing options available to our customers and dealers to help grow our vehicle sales. In particular, on October 1, 2010, we acquired AmeriCredit Corp. (AmeriCredit), which we subsequently renamed General Motors Financial Company, Inc. (GM Financial) and which we expect will enable us to offer increased availability of leasing and sub-prime financing for our customers throughout economic cycles.

Reduce breakeven levels through improved revenue realization and a competitive cost structure. In developed markets, we are improving our cost structure to become profitable at lower industry volumes.

- *Capitalize on cost structure improvement and maintain reduced incentive levels in GMNA*. We plan to sustain the cost reduction and operating flexibility progress we have made as a result of our North American restructuring. We aim to increase our vehicle profitability by maintaining competitive incentive levels with our strengthened product portfolio and by actively managing our production levels through monitoring of our dealer inventory levels.

- *Execute on our Opel/Vauxhall restructuring plan*. The objective of our Opel/Vauxhall restructuring plan along with the refreshed product portfolio pipeline is to restore the profitability of the GME business. The restructuring plan includes an agreement to reduce our European manufacturing capacity by 20% and reduce labor costs by $323 million per year.

- *Enhance manufacturing flexibility*. We primarily produce vehicles in locations where we sell them and we have significant manufacturing capacity in medium- and low-cost countries. We intend to maximize capacity utilization across our production footprint to meet demand without requiring significant additional capital investment.

Maintain a strong balance sheet. Given our business's high operating leverage and the cyclical nature of our industry, we intend to minimize our financial leverage. We plan to use excess cash to repay debt and to make discretionary contributions to our U.S. pension plan. Based on this planned reduction in financial leverage and the anticipated benefits resulting from our operating strategy described above, we will aim to attain an investment grade credit rating over the long term.

Risks Affecting Us

Investing in our securities involves substantial risk, and our business is subject to numerous risks and uncertainties. You should carefully consider all of the information set forth in this prospectus and, in particular, the information under the heading "Risk Factors," prior to making an investment in our securities.

UST Ownership of our Common Stock

Immediately following this offering, the UST will own approximately 43.3% of our outstanding shares of common stock (40.6% if the underwriters in the offering of common stock exercise their over-allotment option in full). As a result of this stock ownership interest, the UST has the ability to exert control, through its power to vote for the election of our directors, over various matters. Although we believe that the UST has not exerted control to influence our business and operations since the July 10, 2009 closing of the 363 Sale, to the extent the UST elects to exert such control in the future, its interests (as a government entity) may differ from those of our other stockholders. In particular, the UST may have a greater interest in promoting U.S. economic growth and jobs than our other stockholders. For example, while we have repaid in full our indebtedness under our credit agreement with the UST that we entered into on the closing of the 363 Sale, a continuing covenant requires that we use our commercially reasonable best efforts to ensure, subject to exceptions, that our manufacturing volume in the United States is consistent with specified benchmarks.

In addition, due to the UST's ownership interest in the Company, we are subject to executive compensation limitations under various statutes and regulations. Various executive compensation covenants in our credit agreement with the UST also continue to apply to us. These statutes, regulations and covenants restrict the compensation that we can provide to our top executives and prohibit certain types of compensation or benefits for any employees. Despite these compensation limitations, we have been able to recruit strong people to join our senior leadership team from outside our Company, including our new Chief Executive Officer and Chief Financial Officer, and we have been able to retain other strong members of our senior leadership team that have many years of experience at GM.

Corporate Information

Our principal executive offices are located at 300 Renaissance Center, Detroit, Michigan 48265-3000, and our telephone number is (313) 556-5000. Our website is www.gm.com. Our website and the information included in, or linked to on, our website are not part of this prospectus. We have included our website address in this prospectus solely as a textual reference.

Recent Developments

Capital Structure Actions

We have taken recent actions, and expect to take additional actions after the completion of the common stock offering and Series B preferred stock offering, to reduce our financial leverage. We implemented the following capital structure actions in October 2010:

- Repayment in full of the $2.8 billion outstanding amount (including accreted interest thereon) of the notes (the VEBA Notes) issued under our secured note agreement with the New VEBA (as amended and restated, the VEBA Note Agreement) and that accreted interest at an implied 9% annual rate. We will record a $0.2 billion non-cash gain in the three months ending December 31, 2010 related to this early extinguishment of debt.

- Entry into a new five year, $5.0 billion secured revolving credit facility. While we do not believe the proceeds of the secured revolving credit facility are required to fund operating activities, the facility is expected to provide additional liquidity and financing flexibility.

We expect to implement the following additional capital structure actions after the completion of the common stock offering and Series B preferred stock offering:

- Purchase of 83.9 million shares of our Series A Fixed Rate Cumulative Perpetual Preferred Stock (Series A Preferred Stock), which accrue cumulative dividends at a 9% annual rate, from the UST for a purchase price equal to 102% of their $2.1 billion aggregate liquidation amount pursuant to an agreement that we entered into with the UST in October 2010. We expect to record a $0.7 billion charge to Net income attributable to common stockholders for the difference between the purchase price and the carrying amount of the shares of Series A Preferred Stock.

- Contribution of $4.0 billion in cash and $2.0 billion of our common stock to our U.S. hourly and salaried pension plans. The common stock contribution is contingent on Department of Labor approval, which we expect to receive in the near-term. Based on the number of shares determined using an assumed public offering price per share of our common stock in the common stock offering of $27.50, the midpoint of the range set forth on the cover of this prospectus, the anticipated common stock contribution would consist of 72.7 million shares of our common stock. Although the $2.0 billion common stock contribution would be valued as a plan asset for pension funding purposes at the time of contribution, we would not reflect the contributed stock as plan assets for accounting purposes until the shares become freely tradable, which we expect would be at some later date. While we currently expect to make the cash and common stock pension plan contributions, we are not obligated to do so and cannot assure you that those actions will occur.

Preliminary Third Quarter and Projected Fourth Quarter Results

With respect to the estimated financial information for the three and nine months ended September 30, 2010 and the prospective financial information for the fourth quarter of 2010, our independent registered public accounting firm has not compiled, examined, or performed any procedures with respect to the estimated and prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the estimated and prospective financial information.

Our final results of operations for the three months ended September 30, 2010 are not currently available. For the three and nine months ended September 30, 2010, based on currently available information, management

of the Company estimates that Total net sales and revenues will be $34.0 billion and $99.0 billion, Net income attributable to common stockholders will be in the range of $1.9 billion to $2.1 billion and $4.0 billion to $4.2 billion, and EBIT will be in the range of $2.2 billion to $2.4 billion and $6.0 billion to $6.2 billion. The Company believes these expected improved results are largely attributable to improved sales due to moderate improvement in the U.S. economy as well as continuing growth in international markets outside of Europe.

These results are estimated, preliminary and may change. Because we have not completed our normal quarterly closing and review procedures for the three and nine months ended September 30, 2010, and subsequent events may occur that require adjustments to our results, there can be no assurance that our final results for the three and nine month periods ended September 30, 2010 will not differ materially from these estimates. These estimates should not be viewed as a substitute for full interim financial statements prepared in accordance with U.S. GAAP or as a measure of our performance. In addition, these estimated results of operations for the three and nine months ended September 30, 2010 are not necessarily indicative of the results to be achieved for the remainder of 2010 or any future period.

The Company expects to generate positive EBIT in the fourth quarter of 2010, albeit at a significantly lower level than that of each of the first three quarters, due to the fourth quarter having a different production mix, new vehicles launch costs (in particular the Chevrolet Cruze and Volt) and higher engineering expenses for future products.

As the fourth quarter of 2010 is still in progress, any forecast of our operating results is inherently speculative, is subject to substantial uncertainty, and our actual results may differ materially from management's views. Refer to the section of the prospectus entitled "Risk Factors" for a discussion of risks that could affect our future operating results. Our views for the fourth quarter rely in large part upon assumptions and analyses we have developed.

Below is a reconciliation of the estimated EBIT (a non-GAAP measure) range to estimated Net income attributable to common stockholders (dollars in millions):

	Three Months Ended September 30, 2010		Nine Months Ended September 30, 2010	
	Low	High	Low	High
EBIT	$2,200	$2,400	$6,000	$6,200
Interest income	125	125	330	330
Interest expense	265	265	850	850
Income tax expense (benefit)	(40)	(10)	830	860
Net income attributable to stockholders	2,100	2,270	4,650	4,820
Less: Cumulative dividends on preferred stock	203	203	608	608
Net income attributable to common stockholders	$1,897	$2,067	$4,042	$4,212

As a result of the foregoing considerations and the other limitations of non-GAAP measures described elsewhere in this prospectus, investors are cautioned not to place undue reliance on this preliminary estimated financial information and forecasted financial information. There are material limitations inherent in making estimates of our results for the current period prior to the completion of our normal review procedures for such periods, and for future periods. Refer to the sections of this prospectus entitled "Risk Factors," "Cautionary Statement Concerning Forward-looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Summary Historical Consolidated Financial Data," "Selected Historical Consolidated Financial Data" and our audited consolidated financial statements and our unaudited condensed consolidated interim financial statements.

THE OFFERING	
Common stock offered by the selling stockholders	365,000,000 shares
Common stock to be outstanding immediately after this offering	1,500,000,000 shares
Voting rights	Holders of our common stock are entitled to one vote for each share of common stock held.
Common stock listing	Our common stock has been approved for listing on the New York Stock Exchange under the symbol “GM”. The Toronto Stock Exchange has conditionally approved the listing of our common stock under the symbol “GMM”, subject to our fulfilling all of the requirements of the Toronto Stock Exchange.
Use of proceeds	We will not receive any proceeds from the sale of our common stock by the selling stockholders in this offering. We estimate that the net proceeds to us from the concurrent offering of our Series B preferred stock, after deducting underwriting discounts and commissions and estimated offering expenses, will be approximately $2.9 billion (or approximately $3.3 billion if the underwriters in that offering exercise their over-allotment option in full). We intend to use the net proceeds from the concurrent offering of our Series B preferred stock, together with cash on hand, to purchase shares of our Series A Preferred Stock in accordance with our agreement with the UST and to make a voluntary contribution to our U.S. hourly and salaried pension plans.
Underwriters’ option	The selling stockholders have granted the underwriters a 30-day option to purchase up to 54,750,000 additional shares of our common stock to cover over-allotments at the public offering price, less the underwriting discount.
Dividend policy	We have no current plans to pay dividends on our common stock. Our payment of dividends on our common stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings, liquidity and capital requirements, the covenants in our new secured revolving credit facility, and other factors. So long as any share of our Series A Preferred Stock or our Series B preferred stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock and our Series B preferred stock, subject to exceptions such as dividends on our common stock payable solely in shares of our common stock.
Transfer Restrictions	Our certificate of incorporation contains provisions restricting transfers of various securities of the Company (including shares of our common

	stock and warrants to purchase our common stock, and shares of our Series B preferred stock issued in the Series B preferred stock offering) if the effect would be to (1) generally increase the direct or indirect stock ownership by any person or group from less than 4.9% of the value of all such securities of the Company to 4.9% or more or (2) generally increase the direct or indirect stock ownership of a person or group having or deemed to have a stock ownership of 4.9% or more of the value of all such securities of the Company. These restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits. See the section of this prospectus entitled "Description of Capital Stock—Certain Provisions of Our Certificate of Incorporation and Bylaws—Transfer Restrictions" for a more detailed description of these restrictions.
Concurrent Series B preferred stock offering	Concurrently with this offering of common stock, we are making a public offering of 60,000,000 shares of our Series B preferred stock, and we have granted the underwriters of that offering a 30-day option to purchase up to 9,000,000 additional shares of Series B preferred stock to cover over-allotments. Such shares of Series B preferred stock will be convertible into an aggregate of up to shares of our common stock (up to shares of our common stock if the underwriters in that offering exercise their over-allotment option in full), in each case subject to anti-dilution, make-whole and other adjustments. We cannot assure you that the offering of Series B preferred stock will be completed or, if completed, on what terms it will be completed. The closing of this offering is not conditioned upon the closing of the Series B preferred stock offering, but the closing of our offering of Series B preferred stock is conditioned upon the closing of this offering. See the section of this prospectus entitled "Concurrent Offering of Series B Preferred Stock" for a summary of the terms of our Series B preferred stock and a further description of the concurrent offering.
Conflicts of Interest	Because Citigroup Global Markets, Inc. is an affiliate of the UST under Rule 2720 of the Conduct Rules of the Financial Industry Regulatory Authority, Inc. (FINRA), a "conflict of interest" is deemed to exist under Rule 2720. Accordingly, this offering will be made in compliance with the applicable provisions of Rule 2720 of the FINRA Conduct Rules. For more information, see the section of this prospectus entitled "Underwriting—Conflicts of Interest."
Risk factors	See "Risk Factors" beginning on page 15 of this prospectus for a discussion of risks you should carefully consider before deciding whether to invest in our common stock.

The number of shares of common stock that will be outstanding after this offering is based on 1,500,000,000 shares of our common stock outstanding as of November 2, 2010 and excludes:

- 136,363,635 shares of our common stock issuable upon the exercise of warrants held by MLC as of November 2, 2010 at an exercise price of $10.00 per share;

- 136,363,635 shares of our common stock issuable upon the exercise of warrants held by MLC as of November 2, 2010 at an exercise price of $18.33 per share; and

- 45,454,545 shares of our common stock issuable upon the exercise of warrants held by the New VEBA as of November 2, 2010 at an exercise price of $42.31 per share.

The number of shares of common stock that will be outstanding after this offering also excludes up to approximately 17 million shares issuable upon settlement of restricted stock units awarded pursuant to the General Motors Company 2009 Long-Term Incentive Plan and salary stock units awarded pursuant to the General Motors Company Salary Stock Plan as of June 30, 2010. Upon completion of this offering, substantially all of these awards will be reclassified from cash-based awards recorded as liabilities to equity-based awards and, consequently, these awards will be considered in the determination of basic and diluted earnings per share. Because the salary stock unit awards vest immediately, upon completion of this offering, our basic and diluted earnings per share calculation will include approximately 2 million additional shares underlying the salary stock unit awards. Similarly, we have approximately 2 million restricted stock units outstanding to retirement eligible participants which are fully vested and accordingly, upon completion of this offering, will be included in our basic and diluted earnings per share calculation. In addition, we have approximately 13 million restricted stock units outstanding which will not be included in basic earnings per share until they are vested. The vesting period is over a 3 year period that began on their initial grant date of March 15, 2010. Assuming a common stock price of $27.50 per share, the midpoint of the range for the common stock offering set forth on the cover of this prospectus, under the application of the treasury stock method, these unvested restricted stock units will result in the inclusion of approximately 2 million additional shares in the denominator of our diluted earnings per share computation immediately after this offering.

The number of outstanding shares also excludes any additional shares of our common stock we are obligated to issue to MLC (Adjustment Shares) in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum number of Adjustment Shares (30,000,000 shares, subject to adjustment for stock dividends, stock splits and other transactions) issued if estimated general unsecured claims total $42.0 billion or more. We currently believe that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In the circumstance where estimated general unsecured claims equal $37.0 billion, we would be required to issue 8.6 million Adjustment Shares to MLC.

The number of shares of common stock that will be outstanding after this offering also excludes up to shares of our common stock (up to shares if the underwriters in our offering of Series B preferred stock exercise their over-allotment option in full), in each case subject to anti-dilution, make-whole and other adjustments, that would be issuable upon conversion of shares of Series B preferred stock issued in our concurrent offering of Series B preferred stock.

The number of shares of common stock that will be outstanding after this offering also excludes the $2.0 billion of common stock that we expect to contribute to our U.S. hourly and salaried pension plans after the completion of this offering and our concurrent offering of Series B preferred stock. The common stock contribution is contingent on Department of Labor approval, which we expect to receive in the near-term. Based on the number of shares determined using an assumed public offering price per share of our common stock in the common stock offering of $27.50, the midpoint of the range set forth on the cover of this prospectus, this anticipated contribution would consist of 72.7 million shares of our common stock. Although we reserve the right to modify the amount or timing of the contribution, or to not make the contribution at all, we currently expect to complete the contribution to the pension plans in the near-term.

All applicable share, per share and related information in this prospectus for periods on or subsequent to July 10, 2009 has been adjusted retroactively for the three-for-one stock split on shares of our common stock effected on November 1, 2010.

SUMMARY FINANCIAL AND OPERATING DATA

The following table summarizes the consolidated historical financial data of General Motors Company (Successor) and Old GM (Predecessor) for the periods presented. We derived the consolidated historical financial data for the periods July 10, 2009 through December 31, 2009 (Successor) and January 1, 2009 through July 9, 2009 (Predecessor) and the years ended December 31, 2008 and 2007 (Predecessor) and as of December 31, 2009 (Successor) and December 31, 2008 (Predecessor) from the audited consolidated financial statements included elsewhere in this prospectus. We derived the consolidated historical financial statement data for the years ended December 31, 2006 and 2005 (Predecessor) and as of December 31, 2007, 2006 and 2005 (Predecessor) from our audited consolidated financial statements for such years, which are not included in this prospectus. We derived the consolidated historical financial data for the six months ended June 30, 2010 and as of June 30, 2010 from the unaudited condensed consolidated interim financial statements included elsewhere in this prospectus.

The data set forth in the following table should be read together with the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus. We have prepared the unaudited condensed consolidated interim financial statements on the same basis as our audited consolidated financial statements and, in our opinion, have included all adjustments necessary to present fairly in all material respects our financial position and results of operations. Historical results for any prior period are not necessarily indicative of results to be expected in any future period, and results for any interim period are not necessarily indicative of results for a full fiscal year.

Summary Financial Data
(Dollars in millions, except per share amounts)

	Successor		Predecessor				
	Six Months Ended June 30, 2010(a) Unaudited	July 10, 2009 Through December 31, 2009(a)(b)	January 1, 2009 Through July 9, 2009	Years Ended December 31, 2008	2007	2006	2005
Income Statement Data:							
Total net sales and revenue(c)	$ 64,650	$ 57,474	$ 47,115	$148,979	$179,984	$204,467	$192,143
Reorganization gains, net(d)	$ —	$ —	$128,155	$ —	$ —	$ —	$ —
Income (loss) from continuing operations(d)(e)	$ 2,808	$ (3,786)	$109,003	$ (31,051)	$ (42,685)	$ (2,155)	$ (10,625)
Income from discontinued operations, net of tax(f)	—	—	—	—	256	445	313
Gain on sale of discontinued operations, net of tax(f)	—	—	—	—	4,293	—	—
Cumulative effect of a change in accounting principle(g)	—	—	—	—	—	—	(109)
Net income (loss)(d)	2,808	(3,786)	109,003	(31,051)	(38,136)	(1,710)	(10,421)
Less: Net (income) loss attributable to noncontrolling interests	(204)	(511)	115	108	(406)	(324)	(48)
Less: Cumulative dividends on preferred stock	(405)	(131)	—	—	—	—	—
Net income (loss) attributable to common stockholders(d)	$ 2,199	$ (4,428)	$109,118	$ (30,943)	$ (38,542)	$ (2,034)	$ (10,469)
GM $0.01 par value common stock and Old GM $1-2/3 par value common stock							
Basic earnings (loss) per share:							
Income (loss) from continuing operations attributable to common stockholders before cumulative effect of change in accounting principle	$ 1.47	$ (3.58)	$ 178.63	$ (53.47)	$ (76.16)	$ (4.39)	$ (18.87)
Income from discontinued operations attributable to common stockholders(f)	—	—	—	—	8.04	0.79	0.55
Loss from cumulative effect of a change in accounting principle attributable to common stockholders(g)	—	—	—	—	—	—	(0.19)
Net income (loss) attributable to common stockholders	$ 1.47	$ (3.58)	$ 178.63	$ (53.47)	$ (68.12)	$ (3.60)	$ (18.51)
Diluted earnings (loss) per share:							
Income (loss) from continuing operations attributable to common stockholders before cumulative effect of change in accounting principle	$ 1.40	$ (3.58)	$ 178.55	$ (53.47)	$ (76.16)	$ (4.39)	$ (18.87)
Income from discontinued operations attributable to common stockholders(f)	—	—	—	—	8.04	0.79	0.55
Loss from cumulative effect of a change in accounting principle attributable to common stockholders(g)	—	—	—	—	—	—	(0.19)
Net income (loss) attributable to common stockholders	$ 1.40	$ (3.58)	$ 178.55	$ (53.47)	$ (68.12)	$ (3.60)	$ (18.51)
Cash dividends per common share	$ —	$ —	$ —	$ 0.50	$ 1.00	$ 1.00	$ 2.00
Balance Sheet Data (as of period end):							
Total assets(c)(e)(h)	$ 131,899	$136,295		$ 91,039	$148,846	$185,995	$473,938
Notes and loans payable(c)(i)	$ 8,161	$ 15,783		$ 45,938	$ 43,578	$ 47,476	$286,943
Series A Preferred Stock	$ 6,998	$ 6,998		$ —	$ —	$ —	$ —
Equity (deficit)(e)(g)(j)(k)	$ 23,901	$ 21,957		$ (85,076)	$ (35,152)	$ (4,076)	$ 15,931

(a) All applicable Successor share, per share and related information has been adjusted retroactively for the three-for-one stock split effected on November 1, 2010.

(b) At July 10, 2009 we applied fresh-start reporting following the guidance in ASC 852, “Reorganizations.” The audited consolidated financial statements for the periods ended on or before July 9, 2009 do not include the effect of any changes in the fair value of assets or liabilities as a result of the application of fresh-start reporting. Therefore, our financial information at and for any period after July 10, 2009 is not comparable to Old GM’s financial information. We have not included pro forma financial information giving effect to the Chapter 11 Proceedings and the 363 Sale because the latest filed balance sheet, as well as the December 31, 2009 audited financial statements, include the effects of the 363 Sale. As such, we believe that further information would not be material to investors.

(c) In November 2006 Old GM sold a 51% controlling ownership interest in Ally Financial, resulting in a significant decrease in total consolidated net sales and revenue, assets and notes and loans payable.

(d) In the period January 1, 2009 through July 9, 2009 Old GM recorded Reorganization gains, net of $128.2 billion directly associated with the Chapter 11 Proceedings, the 363 Sale and the application of fresh-start reporting. Refer to Note 2 to our audited consolidated financial statements for additional detail.

(e) In September 2007 Old GM recorded full valuation allowances of $39.0 billion against net deferred tax assets in Canada, Germany and the United States.

(f) In August 2007 Old GM completed the sale of the commercial and military operations of its Allison business. The results of operations, cash flows and the 2007 gain on sale of Allison have been reported as discontinued operations for all periods presented.

(g) In December 2005 Old GM recorded an asset retirement obligation of $181 million, which was $109 million net of related income tax effects.

(h) In December 2006 Old GM recorded the funded status of its benefit plans on the consolidated balance sheet with an offsetting adjustment to Accumulated other comprehensive loss of $16.9 billion in accordance with the adoption of new provisions of ASC 715, “Compensation – Retirement Benefits” (ASC 715).

(i) In December 2008 Old GM requested and received financial assistance from the U.S. government and entered into a loan and security agreement with the UST (as amended, the UST Loan Agreement), pursuant to which the UST agreed to provide a $13.4 billion loan facility (UST Loan Facility). In December 2008 Old GM borrowed $4.0 billion under the UST Loan Facility.

(j) In January 2007 Old GM recorded a decrease to Retained earnings of $425 million and a decrease of $1.2 billion to Accumulated other comprehensive loss in accordance with the early adoption of the measurement provisions of ASC 715.

(k) In January 2007 Old GM recorded an increase to Retained earnings of $137 million with a corresponding decrease to its liability for uncertain tax positions in accordance with ASC 740-10, “Income Taxes.”

RISK FACTORS

Investing in our securities involves risk. You should carefully consider each of the following risks and all of the other information contained in this prospectus before deciding to invest in our securities. Any of the following risks could materially adversely affect our business, financial condition, or results of operations. In such case, the trading price of our securities could decline, and you may lose all or part of your original investment. While we describe each risk separately, some of the risks are interrelated and certain risks could trigger the applicability of other risks described below.

Risks Relating to Our Business

Our business is highly dependent on sales volume. Global vehicle sales have declined significantly from their peak levels, and there is no assurance that the global automobile market will recover in the near future or that it will not suffer a significant further downturn.

Our business and financial results are highly sensitive to sales volume, as demonstrated by the effect of sharp declines in vehicle sales on our business in the U.S. since 2007 and globally since 2008. Vehicle sales in the U.S. have fallen significantly on an annualized basis since their peak in 2007, and sales globally have shown steep declines on an annualized basis since their peak in January 2008. Many of the economic and market conditions that drove the drop in vehicle sales, including declines in real estate and equity values, increases in unemployment, tightened credit markets, depressed consumer confidence and weak housing markets, continue to affect sales. In addition, recent concerns over levels of sovereign indebtedness have contributed to a renewed tightening of credit markets in some of the markets in which we do business. Although vehicle sales began to recover in certain of our markets in the three months ended December 31, 2009 and the recovery has continued through September 30, 2010, the recovery in vehicle sales in certain of our markets, including North America, has been proceeding slowly and there is no assurance that this recovery in vehicle sales will continue or spread across all our markets. Further, sales volumes may again decline severely or take longer to recover than we expect, and if they do, our results of operations and financial condition will be materially adversely affected.

Our ability to change public perception of our company and products is essential to our ability to attract a sufficient number of consumers to consider our vehicles, particularly our new products, which is critical to our ability to achieve long-term profitability.

Our ability to achieve long-term profitability depends on our ability to entice consumers to consider our products when purchasing a new vehicle. The automotive industry, particularly in the U.S., is very competitive, and our competitors have been very successful in persuading customers that previously purchased our products to purchase their vehicles instead as is reflected by our loss of market share over the past three years. We believe that this is due, in part, to a negative public perception of our products in relation to those of some of our competitors. Changing this perception, including with respect to the fuel efficiency of our products, as well as the perception of our company in light of Old GM’s bankruptcy and our status as a recipient of aid under TARP, will be critical to our long-term profitability. If we are unable to change public perception of our company and products, especially our new products, including cars and crossovers, our results of operations and financial condition could be materially adversely affected.

The pace of introduction and market acceptance of new vehicles is important to our success, and the frequency of new vehicle introductions and vehicle improvements may be materially adversely affected by reductions in capital expenditures.

Our competitors have introduced new and improved vehicle models designed to meet consumer expectations and will continue to do so. Our profit margins, sales volumes, and market shares may decrease if we are unable to produce models that compare favorably to these competing models. If we are unable to produce new and improved vehicle models on a basis competitive with the models introduced by our competitors, including models of smaller vehicles, demand for our vehicles may be materially adversely affected. Further, the

pace of our development and introduction of new and improved vehicles depends on our ability to implement successfully improved technological innovations in design, engineering, and manufacturing, which requires extensive capital investment. Any capital expenditure cuts in these areas that we may determine to implement in the future to reduce costs and conserve cash could reduce our ability to develop and implement improved technological innovations, which may materially reduce demand for our vehicles.

Our future competitiveness and ability to achieve long-term profitability depends on our ability to control our costs, which requires us to successfully implement restructuring initiatives throughout our automotive operations.

We are continuing to implement a number of cost reduction and productivity improvement initiatives in our automotive operations, including labor modifications and substantial restructuring initiatives for our European operations. Our future competitiveness depends upon our continued success in implementing these restructuring initiatives throughout our automotive operations, especially in North America and Europe. In addition, while some of the elements of cost reduction are within our control, others such as interest rates or return on investments, which influence our expense for pensions, depend more on external factors, and there can be no assurance that such external factors will not materially adversely affect our ability to reduce our structural costs. Reducing costs may prove difficult due to our focus on increasing advertising and our belief that engineering expenses necessary to improve the performance, safety, and customer satisfaction of our vehicles are likely to increase.

Failure of our suppliers, due to difficult economic conditions affecting our industry, to provide us with the systems, components, and parts that we need to manufacture our automotive products and operate our business could result in a disruption in our operations and have a material adverse effect on our business.

We rely on many suppliers to provide us with the systems, components, and parts that we need to manufacture our automotive products and operate our business. In recent years, a number of these suppliers have experienced severe financial difficulties and solvency problems, and some have sought relief under the Bankruptcy Code or similar reorganization laws. This trend intensified in 2009 due to the combination of general economic weakness, sharply declining vehicle sales, and tightened credit availability that has affected the automotive industry generally. Suppliers may encounter difficulties in obtaining credit or may receive an opinion from their independent public accountants regarding their financial statements that includes a statement expressing substantial doubt about their ability to continue as a going concern, which could trigger defaults under their financings or other agreements or impede their ability to raise new funds.

When comparable situations have occurred in the past, suppliers have attempted to increase their prices, pass through increased costs, alter payment terms, or seek other relief. In instances where suppliers have not been able to generate sufficient additional revenues or obtain the additional financing they need to continue their operations, either through private sources or government funding, which may not be available, some have been forced to reduce their output, shut down their operations, or file for bankruptcy protection. Such actions would likely increase our costs, create challenges to meeting our quality objectives, and in some cases make it difficult for us to continue production of certain vehicles. To the extent we take steps in such cases to help key suppliers remain in business, our liquidity would be adversely affected. It may also be difficult to find a replacement for certain suppliers without significant delay.

Increase in cost, disruption of supply, or shortage of raw materials could materially harm our business.

We use various raw materials in our business including steel, non-ferrous metals such as aluminum and copper, and precious metals such as platinum and palladium. The prices for these raw materials fluctuate depending on market conditions. In recent years, freight charges and raw material costs increased significantly. Substantial increases in the prices for our raw materials increase our operating costs and could reduce our profitability if we cannot recoup the increased costs through increased vehicle prices. In addition, some of these raw materials, such as corrosion-resistant steel, are only available from a limited number of suppliers. We cannot

guarantee that we will be able to maintain favorable arrangements and relationships with these suppliers. An increase in the cost or a sustained interruption in the supply or shortage of some of these raw materials, which may be caused by a deterioration of our relationships with suppliers or by events such as labor strikes, could negatively affect our net revenues and profitability to a material extent.

We operate in a highly competitive industry that has excess manufacturing capacity and attempts by our competitors to sell more vehicles could have a significant negative effect on our vehicle pricing, market share, and operating results.

The global automotive industry is highly competitive, and overall manufacturing capacity in the industry exceeds demand. Many manufacturers have relatively high fixed labor costs as well as significant limitations on their ability to close facilities and reduce fixed costs. Our competitors may respond to these relatively high fixed costs by attempting to sell more vehicles by adding vehicle enhancements, providing subsidized financing or leasing programs, offering option package discounts or other marketing incentives, or reducing vehicle prices in certain markets. In addition, manufacturers in lower cost countries such as China and India have emerged as competitors in key emerging markets and announced their intention of exporting their products to established markets as a bargain alternative to entry-level automobiles. These actions have had, and are expected to continue to have, a significant negative effect on our vehicle pricing, market share, and operating results, and present a significant risk to our ability to enhance our revenue per vehicle.

Our competitors may be able to benefit from the cost savings offered by industry consolidation or alliances.

Designing, manufacturing and selling vehicles is capital intensive and requires substantial investments in manufacturing, machinery, research and development, product design, engineering, technology and marketing in order to meet both consumer preferences and regulatory requirements. Large OEMs are able to benefit from economies of scale by leveraging their investments and activities on a global basis across brands and nameplates. If our competitors consolidate or enter into other strategic agreements such as alliances, they may be able to take better advantage of these economies of scale. We believe that competitors may be able to benefit from the cost savings offered by consolidation or alliances, which could adversely affect our competitiveness with respect to those competitors. In addition, competitors could use consolidation or alliances as a means of enhancing their competitiveness or liquidity position, which could also materially adversely affect our business.

Our business plan and other obligations require substantial liquidity, and inadequate cash flow could materially adversely affect our financial condition and future business operations.

We will require substantial liquidity to support our business plan and meet other funding requirements. We expect total engineering and capital spending of approximately $12.0 billion in 2010 as we continue to refresh and broaden our product portfolio, increase our sales, and develop advanced technologies, with continued substantial expenditures on engineering and capital spending in subsequent years. In addition, at June 30, 2010 we have debt maturities and capital lease obligations of $3.6 billion through 2014, after giving effect to the repayment in full of the outstanding amount (including accreted interest) of the VEBA Notes of $2.8 billion on October 26, 2010. While we do not expect significant mandatory U.S. pension contributions prior to 2014, a hypothetical funding valuation at June 30, 2010 projects contributions of $4.3 billion and $5.7 billion in 2014 and 2015, and additional contributions may be required thereafter. We also expect to spend $785 million to $970 million to fund various escrow deposits in connection with certain South American tax-related administrative and legal proceedings. We also anticipate continued expenditures to implement long-term cost savings and restructuring plans, including our Opel/Vauxhall restructuring plan. In addition to the foregoing liquidity needs, we also have minimum liquidity covenants in our new secured revolving credit facility, which require us to maintain at least $4.0 billion in consolidated global liquidity and at least $2.0 billion in consolidated U.S. liquidity. Refer to the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources” for a further discussion of these liquidity requirements and to the section of this prospectus entitled “Management’s Discussion and Analysis of Financial

Condition and Results of Operations—Contractual Obligations and Other Long-Term Liabilities" for a further discussion of the assumptions utilized to estimate the U.S. pension contributions in the hypothetical funding valuation.

If our liquidity levels approach the minimum liquidity levels necessary to support our normal business operations, we may be forced to raise additional capital on terms that may not be favorable, curtail engineering and capital spending, and reduce research and development and other programs that are important to the future success of our business. A reduction in engineering and capital and research and development spending would negatively affect our ability to meet planned product launches and to refresh our product line-up at the pace contemplated in our business plan. If this were to happen, our future revenue and profitability could be negatively affected.

Although we believe we possess sufficient liquidity to operate our business, our ability to maintain adequate liquidity over the long-term will depend significantly on the volume, mix and quality of our vehicle sales and our ability to minimize operating expenses. Our liquidity needs are sensitive to changes in each of these and other factors.

As part of our business plan, we have reduced compensation for our most highly paid executives and have reduced the number of our management and non-management salaried employees, and these actions may materially adversely affect our ability to hire and retain salaried employees.

As part of the cost reduction initiatives in our business plan, and pursuant to the direction of the Special Master for TARP Executive Compensation (the Special Master), the form and timing of the compensation for our most highly paid executives is not competitive with that offered by other major corporations. Furthermore, while we have repaid in full our indebtedness under our secured credit agreement with the UST dated July 10, 2009, as amended (the UST Credit Agreement), the executive compensation and corporate governance provisions of Section 111 of the Emergency Economic Stabilization Act of 2008, as amended (the EESA), including the Interim Final Rule implementing Section 111 (the Interim Final Rule), will continue to apply to us for the period specified in the EESA and the Interim Final Rule. In addition, certain of the covenants in the UST Credit Agreement will continue to apply to us until the earlier to occur of (i) us ceasing to be a recipient of Exceptional Financial Assistance, as determined pursuant to the Interim Final Rule or any successor or final rule, or (ii) UST ceasing to own any direct or indirect equity interests in us. The effect of Section 111 of EESA, the Interim Final Rule and the covenants is to restrict the compensation that we can provide to our top executives and prohibit certain types of compensation or benefits for any employees. At the same time, we have substantially decreased the number of salaried employees so that the workload is shared among fewer employees and in general the demands on each salaried employee are increased. Companies in similar situations have experienced significant difficulties in hiring and retaining highly skilled employees, particularly in competitive specialties. Given our compensation structure and increasing job demands, there is no assurance that we will continue to be able to hire and retain the employees whose expertise is required to execute our business plan while at the same time developing and producing vehicles that will stimulate demand for our products.

Our plan to reduce the number of our retail channels and brands and to consolidate our dealer network may reduce our total sales volume and our market share and not result in the cost savings we anticipate.

As part of our business plan, we will focus our resources in the U.S. on four brands: Chevrolet, Cadillac, Buick and GMC. We completed the sale of Saab Automobile AB (Saab) in February 2010, and have ceased production of our Pontiac, Saturn and HUMMER brands. We have recently completed the federal arbitration process concerning dealer reinstatement and are on track with our plan to consolidate our dealer network by reducing the total number of our U.S. dealerships from approximately 5,200 as of June 30, 2010 to approximately 4,500 by the end of 2010. We anticipate that this reduction in retail outlets, brands, and dealers will result in cost savings over time, but there is no assurance that we will realize all the savings expected. We also anticipate our sales volume and market share will increase over time, but it is also possible that our market share could decline in the short-term and beyond because of these reductions in brands and dealers which may adversely affect our results of operations.

Our business plan contemplates that we restructure our operations in various European countries, but we may not succeed in doing so, and our failure to restructure these operations in a cost-effective and non-disruptive manner could have a material adverse effect on our business and results of operations.

Our business plan contemplates that we restructure our operations in various European countries, and we are actively working to accomplish this. We continue to work towards a restructuring of our German and certain other European operations. We cannot be certain that we will be able to successfully complete any of these restructurings. In addition, restructurings, whether or not ultimately successful, can involve significant expense and disruption to the business as well as labor disruptions, which can adversely affect the business. Moreover, in June 2010 the German federal government notified us of its decision not to provide loan guarantees to Opel/ Vauxhall. As a result, we decided to fund the requirements of Opel/Vauxhall internally and withdrew all applications for government loan guarantees from European governments. We anticipate that our decision to restructure our European operations will require us to invest $1.3 billion of additional funds and require significant management attention. We cannot assure you that any of our contemplated restructurings will be completed or achieve the desired results, and if we cannot successfully complete such restructurings, we may choose to, or the directors of the relevant entity may be compelled to, or creditors may force us to, seek relief for our various European operations under applicable local bankruptcy, reorganization, insolvency, or similar laws, where we may lose control over the outcome of the restructuring process due to the appointment of a local receiver, trustee, or administrator (or similar official) or otherwise and which could result in a liquidation and us losing all or a substantial part of our interest in the business.

Our U.S. defined benefit pension plans are currently underfunded, and our pension funding obligations could increase significantly due to a reduction in funded status as a result of a variety of factors, including weak performance of financial markets, declining interest rates, investment decisions that do not achieve adequate returns, and investment risk inherent in our investment portfolio.

Our future funding obligations for our U.S. defined benefit pension plans qualified with the Internal Revenue Service (IRS) depend upon the future performance of assets placed in trusts for these plans, the level of interest rates used to determine funding levels, the level of benefits provided for by the plans and any changes in government laws and regulations. Our employee benefit plans currently hold a significant amount of equity and fixed income securities. A detailed description of the investment funds and strategies is shown in Note 19 to our audited consolidated financial statements, which also describes significant concentrations of risk to the plan investments. Due to Old GM’s contributions to the plans and to the strong performance of these assets during prior periods, the U.S. hourly and salaried pension plans were consistently overfunded from 2005 through 2007, which allowed Old GM to maintain a surplus without making additional contributions to the plans. However, the funded status subsequently deteriorated due to a combination of factors. Adverse equity and credit markets reduced the market value of plan assets, while the present value of pension liabilities rose significantly in response to declines in the discount rate, the effect of separation programs and increases in the level of pension benefits and number of beneficiaries. This increase in beneficiaries was partially due to the inclusion of certain Delphi Corporation (Delphi) hourly employees. As a result of these adverse factors, our U.S. defined benefit pension plans were underfunded on a U.S. GAAP basis by $17.1 billion at December 31, 2009. In addition, at December 31, 2009 our non-U.S. defined benefit pension plans were underfunded on a U.S. GAAP basis by $10.3 billion.

The defined benefit pension plans are accounted for on an actuarial basis, which requires the selection of various assumptions, including an expected rate of return on plan assets and a discount rate. In the U.S., from December 31, 2009 to June 30, 2010, interest rates on high quality corporate bonds decreased. We believe that a discount rate calculated at June 30, 2010 would be approximately 65 to 75 basis points lower than the rates used to measure the pension plans at December 31, 2009, the date of the last remeasurement for the U.S. pension plans. As a result, funded status would decrease if the plans were remeasured at June 30, 2010, holding all other factors (e.g., actuarial assumptions and asset returns) constant (see the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting

Estimates" for an indication of the sensitivity associated with movements in discount rates). It is not possible for us to predict the economic environment at our next scheduled remeasurement as of December 31, 2010. Accordingly, discount rates and plan assets may be significantly different from those at June 30, 2010.

The next U.S. pension funding valuation date based on the requirements of the Pension Protection Act (PPA) of 2006 is October 1, 2010, and this valuation has not been completed. However, based on a hypothetical funding valuation at June 30, 2010, we may need to make significant contributions to our U.S. pension plans in 2014 and beyond (see the section of this prospectus entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Other Long-Term Liabilities" for more details).

If the total values of the assets held by our pension plans decline and/or the returns on such assets underperform the Company's return assumptions, our pension expenses would generally increase and could materially adversely affect our financial position. Changes in interest rates that are not offset by contributions, asset returns and/or hedging activities could also increase our obligations under such plans. If local legal authorities increase the minimum funding requirements for our pension plans outside the U.S., we could be required to contribute more funds, which would negatively affect our cash flow.

Due to the complexity and magnitude of our investments, additional risks exist. Examples include significant changes in investment policy, insufficient market capacity to complete a particular investment strategy, and an inherent divergence in objectives between the ability to manage risk in the short term and inability to quickly rebalance illiquid and long-term investments.

If we are unable to meet our required funding obligations for our U.S. pension plans under the terms imposed by regulators at a given point in time, we would need to request a funding waiver from the IRS. If the waiver were granted, we would have the opportunity to make up the missed funding, with interest to the plan. Additional periods of missed funding could further reduce the plans' funded status, resulting in limitations on plan amendments and lump sum payouts from the plans. Continued deterioration in the plans' funded status could result in benefit accrual elimination. These actions could materially adversely affect our relations with our employees and their labor unions.

If adequate financing on acceptable terms is not available through Ally Financial or other sources to our customers and dealers, distributors, and suppliers to enable them to continue their business relationships with us, our business could be materially adversely affected.

Our customers and dealers require financing to purchase a significant percentage of our global vehicle sales. Historically, Ally Financial has provided most of the financing for our and Old GM's dealers and a significant amount of financing for our and Old GM's customers. Due to recent conditions in credit markets, particularly later in 2008, retail customers and dealers experienced severe difficulty in accessing the credit markets. As a result, the number of vehicles sold or leased declined rapidly in the second half of 2008, with lease contract volume dropping significantly by the end of 2008. This had a significant adverse effect on Old GM vehicle sales overall because many of its competitors had captive financing subsidiaries that were better capitalized than Ally Financial during 2008 and 2009 and thus were able to offer consumers subsidized financing and leasing offers.

Similarly, the reduced availability of Ally Financial wholesale dealer financing (in the second half of 2008 and 2009), the increased cost of such financing, and the limited availability of other sources of dealer financing due to the general weakness of the credit market has caused and may continue to cause dealers to modify their plans to purchase vehicles from us.

Because of recent modifications to our commercial agreements with Ally Financial, Ally Financial no longer is subject to contractual wholesale funding commitments or retail underwriting targets. In addition, Ally Financial's credit rating has declined in recent years. This may negatively affect its access to funding and therefore its ability to provide adequate financing at competitive rates to our customers and dealers. In addition, a number of other factors could negatively affect Ally Financial's business and financial condition and therefore its

ability to provide adequate financing at competitive rates. These factors include regulations to which Ally Financial is subject as a result of its bank holding company status, disruptions in Ally Financial's funding sources and access to credit markets, Ally Financial's significant indebtedness, adverse conditions in the residential mortgage market and housing markets that have adversely affected Ally Financial because of its mortgage business, increases or decreases in interest rates, changes in currency exchange rates and fluctuations in valuations of investment securities held by Ally Financial.

Our failure to successfully develop our own captive financing unit, including through GM Financial, could leave us at a disadvantage to our competitors that have their own captive financing subsidiaries and that therefore may be able to offer consumers and dealers financing and leasing on better terms than our customers and dealers are able to obtain.

Many of our competitors operate and control their own captive financing subsidiaries. If any of our competitors with captive financing subsidiaries are able to continue to offer consumers and dealers financing and leasing on better terms than our customers and dealers are able to obtain, consumers may be more inclined to purchase our competitors' vehicles and our competitors' dealers may be better able to stock our competitors' products.

On October 1, 2010 we completed our acquisition of AmeriCredit, which we subsequently renamed GM Financial and which we expect will enable us to offer increased availability of leasing and sub-prime financing for our customers. Our failure to successfully develop our own captive financing unit, including through the AmeriCredit acquisition, could result in our loss of customers to our competitors with their own captive financing subsidiaries and could adversely affect our dealers' ability to stock our vehicles if they are not able to obtain necessary financing at competitive rates from other sources.

We intend to rely on our new captive financing unit, GM Financial, to support additional consumer leasing of our vehicles and additional sales of our vehicles to consumers requiring sub-prime vehicle financing, and GM Financial faces a number of business, economic and financial risks that could impair its access to capital and negatively affect its business and operations and its ability to provide leasing and sub-prime financing options to consumers to support additional sales of our vehicles.

GM Financial is subject to various risks that could negatively affect its business, operations and access to capital and therefore its ability to provide leasing and sub-prime financing options at competitive rates to consumers of our vehicles. Because we intend to rely on GM Financial to serve as an additional source of leasing and sub-prime financing options for consumers, any impairment of GM Financial's ability to provide such leasing or sub-prime financing would negatively affect our efforts to expand our market penetration among consumers who rely on leasing and sub-prime financing options to acquire new vehicles. The factors that could adversely affect GM Financial's business and operations and impair its ability to provide leasing and sub-prime financing at competitive rates include:

- the availability of borrowings under its credit facility to finance its loan origination activities pending securitization;
- its ability to transfer loan receivables to securitization trusts and sell securities in the asset-backed securities market to generate cash proceeds to repay its credit facilities and purchase additional loan receivables;
- the performance of loans in its portfolio, which could be materially impacted by delinquencies, defaults or prepayments;
- its ability to implement its strategy with respect to desired loan origination volume and effective use of credit risk management techniques and servicing strategies;

- its ability to effectively manage risks relating to sub-prime automobile receivables;
- wholesale auction values of repossessed vehicles; and
- fluctuations in interest rates.

The above factors, alone or in combination, could negatively affect GM Financial's business and operations and its ability to provide leasing and sub-prime financing options to consumers to support additional sales of our vehicles.

The UST (or its designee) will continue to own a substantial interest in us following this offering, and its interests may differ from those of our other stockholders.

Immediately following this offering, the UST will own approximately 43.3% of our outstanding shares of common stock (40.6% if the underwriters in the offering of common stock exercise their over-allotment option in full). As a result of this stock ownership interest, the UST has the ability to exert control, through its power to vote for the election of our directors, over various matters. To the extent the UST elects to exert such control over us, its interests (as a government entity) may differ from those of our other stockholders and it may influence, through its ability to vote for the election of our directors, matters including:

- The selection, tenure and compensation of our management;
- Our business strategy and product offerings;
- Our relationship with our employees, unions and other constituencies; and
- Our financing activities, including the issuance of debt and equity securities.

In particular, the UST may have a greater interest in promoting U.S. economic growth and jobs than other stockholders of the Company. For example, while we have repaid in full our indebtedness under the UST Credit Agreement, a covenant that continues to apply until the earlier of December 31, 2014 or the UST has been paid in full the total amount of all UST invested capital requires that we use our commercially reasonable best efforts to ensure, subject to exceptions, that our manufacturing volume in the United States is consistent with specified benchmarks.

In the future we may also become subject to new and additional laws and government regulations regarding various aspects of our business as a result of participation in the TARP program and the U.S. government's ownership in our business. These regulations could make it more difficult for us to compete with other companies that are not subject to similar regulations.

Our new secured revolving credit facility as well as the UST Credit Agreement and the Canadian Loan Agreement contain significant covenants that may restrict our ability and the ability of our subsidiaries to take actions management believes are important to our long-term strategy.

Our new secured revolving credit facility contains representations, warranties and covenants customary for facilities of its nature, including negative covenants restricting the borrower from incurring liens, consummating mergers or sales of assets and incurring secured indebtedness, and restricting us from making certain payments, in each case, subject to exceptions and limitations. Availability under the secured revolving credit facility is subject to borrowing base limitations. In addition, the secured revolving credit facility contains minimum liquidity covenants, which require the borrower to maintain at least $4.0 billion in consolidated global liquidity and at least $2.0 billion in consolidated U.S. liquidity.

In addition, while we have repaid in full our indebtedness under the UST Credit Agreement, the executive compensation and corporate governance provisions of Section 111 of the EESA, including the Interim Final Rule, will continue to apply to us for the period specified in the EESA and the Interim Final Rule. In addition, certain of the covenants in the UST Credit Agreement will continue to apply to us until the earlier to occur of

(i) us ceasing to be a recipient of Exceptional Financial Assistance, as determined pursuant to the Interim Final Rule or any successor or final rule, or (ii) UST ceasing to own any direct or indirect equity interests in us. The effect of Section 111 of EESA, the Interim Final Rule and the covenants is to restrict the compensation that we can provide to our top executives and prohibit certain types of compensation or benefits for any employees. Similarly, covenants in our wholly-owned subsidiary General Motors of Canada Limited's (GMCL) amended and restated loan agreement (the Canadian Loan Agreement) with Export Development Canada (EDC) limit compensation and benefits for Canadian employees.

In addition, the UST Credit Agreement contains a covenant requiring us to use our commercially reasonable best efforts to ensure that our manufacturing volume conducted in the United States is consistent with at least ninety percent of the projected manufacturing level (projected manufacturing level for this purpose being 1,801,000 units in 2010, 1,934,000 units in 2011, 1,998,000 units in 2012, 2,156,000 units in 2013 and 2,260,000 units in 2014), absent a material adverse change in our business or operating environment which would make the commitment non-economic. In the event that such a material adverse change occurs, the UST Credit Agreement provides that we will use commercially reasonable best efforts to ensure that the volume of United States manufacturing is the minimum variance from the projected manufacturing level that is consistent with good business judgment and the intent of the commitment. This covenant survives our repayment of the UST Loans and remains in effect through December 31, 2014 unless the UST receives total proceeds from debt repayments, dividends, interest, preferred stock redemptions and common stock sales equal to the total dollar amount of all UST invested capital.

UST invested capital totals $49.5 billion, representing the cumulative amount of cash received by Old GM from the UST under the UST Loan Agreement and the DIP Facility, excluding $361 million which the UST loaned to Old GM under the warranty program and which was repaid on July 10, 2009. This balance also does not include amounts advanced under the UST GMAC Loan as the UST exercised its option to convert this loan into GMAC Preferred Membership Interests previously held by Old GM in May 2009. At June 30, 2010, the UST had received cumulative proceeds of $7.4 billion from debt repayments, interest payments and Series A Preferred Stock dividends. The UST's invested capital less proceeds received totals $42.1 billion.

To the extent we fail to comply with any of the covenants in the UST Credit Agreement that continue to apply to us, the UST is entitled to seek specific performance and the appointment of a court-ordered monitor acceptable to the UST (at our sole expense) to ensure compliance with those covenants. Compliance with the manufacturing volume covenant could require us to increase production volumes in our U.S. plants, shift production from low-cost locations to the U.S. or refrain from shifting production from U.S. plants to low-cost locations.

The Canadian Loan Agreement and related agreements include certain covenants requiring GMCL to meet certain annual Canadian production volumes expressed as ratios to total overall production volumes in the U.S. and Canada and to overall production volumes in the North American Free Trade Agreement (NAFTA) region. The targets cover vehicles and specified engine and transmission production in Canada. These agreements also include covenants on annual GMCL capital expenditures and research and development expenses. In the event a material adverse change occurs that makes the fulfillment of these covenants non-economic (other than a material adverse change caused by the actions or inactions of GMCL), there is an undertaking that the lender will consider adjustments to mitigate the business effect of the material adverse change. These covenants survive GMCL's repayment of the loans and certain of the covenants have effect through December 31, 2016.

Compliance with the covenants contained in our new secured revolving credit facility as well as the surviving provisions of the UST Credit Agreement and the Canadian Loan Agreement could restrict our ability to take actions that management believes are important to our long-term strategy. If strategic transactions we wish to undertake are prohibited, our ability to execute our long-term strategy could be materially adversely affected. Furthermore, monitoring and certifying our compliance with the surviving provisions of the UST Credit Agreement and the Canadian Loan Agreement requires a high level of expense and management attention on a continuing basis.

Our planned investment in new technology in the future is significant and may not be funded at anticipated levels and, even if funded at anticipated levels, may not result in successful vehicle applications.

We intend to invest significant capital resources to support our products and to develop new technology. In addition, we plan to invest heavily in alternative fuel and advanced propulsion technologies between 2010 and 2012, largely to support our planned expansion of hybrid and electric vehicles, consistent with our announced objective of being recognized as the industry leader in fuel efficiency. Moreover, if our future operations do not provide us with the liquidity we anticipate, we may be forced to reduce, delay, or cancel our planned investments in new technology.

In some cases, the technologies that we plan to employ, such as hydrogen fuel cells and advanced battery technology, are not yet commercially practical and depend on significant future technological advances by us and by suppliers. For example, we have announced that we intend to produce by November 2010 the Chevrolet Volt, an electric car, which requires battery technology that has not yet proven to be commercially viable. There can be no assurance that these advances will occur in a timely or feasible way, that the funds that we have budgeted for these purposes will be adequate, or that we will be able to establish our right to these technologies. However, our competitors and others are pursuing similar technologies and other competing technologies, in some cases with more money available, and there can be no assurance that they will not acquire similar or superior technologies sooner than we do or on an exclusive basis or at a significant price advantage.

New laws, regulations, or policies of governmental organizations regarding increased fuel economy requirements and reduced greenhouse gas emissions, or changes in existing ones, may have a significant effect on how we do business.

We are affected significantly by governmental regulations that can increase costs related to the production of our vehicles and affect our product portfolio. We anticipate that the number and extent of these regulations, and the related costs and changes to our product lineup, will increase significantly in the future. In the U.S. and Europe, for example, governmental regulation is primarily driven by concerns about the environment (including greenhouse gas emissions), vehicle safety, fuel economy, and energy security. These government regulatory requirements could significantly affect our plans for global product development and may result in substantial costs, including civil penalties. They may also result in limits on the types of vehicles we sell and where we sell them, which can affect revenue.

Corporate Average Fuel Economy (CAFE) provisions in the Energy Independence and Security Act of 2007 (the EISA) mandate fuel economy standards beginning in the 2011 model year that would increase to at least 35 mpg by 2020 on a combined car and truck fleet basis, a 40% increase over current levels. In addition, California is implementing a program to regulate vehicle greenhouse gas emissions (AB 1493 Rules) and therefore will require increased fuel economy. This California program has standards currently established for the 2009 model year through the 2016 model year. Thirteen additional states and the Province of Quebec have also adopted the California greenhouse gas standards.

On May 19, 2009, President Obama announced his intention for the federal government to implement a harmonized federal program to regulate fuel economy and greenhouse gases. He directed the Environmental Protection Agency (EPA) and the United States Department of Transportation (DOT) to work together to create standards through a joint rulemaking for control of emissions of greenhouse gases and for fuel economy. In the first phase, these standards would apply to passenger cars, light-duty trucks, and medium-duty passenger vehicles built in model years 2012 through 2016. The California Air Resources Board (CARB) has agreed that compliance with EPA's greenhouse gas standards will be deemed compliance with the California greenhouse gas standards for the 2012 through 2016 model years. EPA and the National Highway Traffic Safety Administration (NHTSA), on behalf of DOT, issued their final rule to implement this new federal program on April 1, 2010. We have committed to work with EPA, the NHTSA, the states, and other stakeholders in support of a strong national program to reduce oil consumption and address global climate change.

We are committed to meeting or exceeding these regulatory requirements, and our product plan of record projects compliance with the anticipated federal program through the 2016 model year. We expect that to comply with these standards we will be required to sell a significant volume of hybrid or electrically powered vehicles throughout the U.S., as well as implement new technologies for conventional internal combustion engines, all at increased cost levels. There is no assurance that we will be able to produce and sell vehicles that use such technologies on a profitable basis, or that our customers will purchase such vehicles in the quantities necessary for us to comply with these regulatory programs.

In addition, the European Union (EU) passed legislation, effective April 23, 2009, to begin regulating vehicle carbon dioxide emissions beginning in 2012. The legislation sets a target of a fleet average of 95 grams per kilometer for 2020, with the requirements for each manufacturer based on the weight of the vehicles it sells. Additional measures have been proposed or adopted in Europe to regulate features such as tire rolling resistance, vehicle air conditioners, tire pressure monitors, gear shift indicators, and others. At the national level, 17 EU Member States have adopted some form of fuel consumption or carbon dioxide-based vehicle taxation system, which could result in specific market requirements for us to introduce technology earlier than is required for compliance with the EU emissions standards.

Other governments around the world, such as Canada, South Korea, and China are also creating new policies to address these same issues. As in the U.S., these government policies could significantly affect our plans for product development. Due to these regulations, we could be subject to sizable civil penalties or have to restrict product offerings drastically to remain in compliance. Additionally, the regulations will result in substantial costs, which could be difficult to pass through to our customers, and could result in limits on the types of vehicles we sell and where we sell them, which could affect our operations, including facility closings, reduced employment, increased costs, and loss of revenue.

We may be unable to qualify for federal funding for our advanced technology vehicle programs under Section 136 of the EISA or may not be selected to participate in the program.

The U.S. Congress provided the United States Department of Energy (DOE) with $25.0 billion in funding to make direct loans to eligible applicants for the costs of re-equipping, expanding, and establishing manufacturing facilities in the U.S. to produce advanced technology vehicles and components for these vehicles. Old GM submitted three applications for Section 136 Loans aggregating $10.3 billion to support its advanced technology vehicle programs prior to July 2009. Based on the findings of the Presidential Task Force on the Auto Industry (Auto Task Force) under Old GM's UST Loan Agreement in March 2009, the DOE determined that Old GM did not meet the viability requirements for Section 136 Loans.

On July 10, 2009 we purchased certain assets of Old GM pursuant to Section 363 of the Bankruptcy Code, including the rights to the loan applications submitted to the Advanced Technology Vehicle Manufacturing Incentive Program (the ATVMIP). Further, we submitted a fourth application in August 2009. Subsequently, the DOE advised us to resubmit a consolidated application including all the four applications submitted earlier and also the Electric Power Steering project acquired from Delphi in October 2009. We submitted the consolidated application in October 2009, which requested an aggregate amount of $14.4 billion of Section 136 Loans. Ongoing product portfolio updates and project modifications requested from the DOE have the potential to reduce the maximum loan amount. To date, the DOE has announced that it would provide approximately $8.4 billion in Section 136 Loans to Ford Motor Company, Nissan Motor Company, Tesla Motors, Inc., Fisker Automotive, Inc., and Tenneco Inc. There can be no assurance that we will qualify for any remaining loans or receive any such loans even if we qualify.

A significant amount of our operations are conducted by joint ventures that we cannot operate solely for our benefit.

Many of our operations, particularly in emerging markets, are carried on by joint ventures such as Shanghai General Motors Co., Ltd. (SGM). In joint ventures, we share ownership and management of a company with one or

more parties who may not have the same goals, strategies, priorities, or resources as we do. In general, joint ventures are intended to be operated for the equal benefit of all co-owners, rather than for our exclusive benefit. Operating a business as a joint venture often requires additional organizational formalities as well as time-consuming procedures for sharing information and making decisions. In joint ventures, we are required to pay more attention to our relationship with our co-owners as well as with the joint venture, and if a co-owner changes, our relationship may be materially adversely affected. In addition, the benefits from a successful joint venture are shared among the co-owners, so that we do not receive all the benefits from our successful joint ventures.

Our business in China is subject to aggressive competition and is sensitive to economic and market conditions.

Maintaining a strong position in the Chinese market is a key component of our global growth strategy. The automotive market in China is highly competitive, with competition from many of the largest global manufacturers and numerous smaller domestic manufacturers. As the size of the Chinese market continues to increase, we anticipate that additional competitors, both international and domestic, will seek to enter the Chinese market and that existing market participants will act aggressively to increase their market share. Increased competition may result in price reductions, reduced margins and our inability to gain or hold market share. In addition, our business in China is sensitive to economic and market conditions that drive sales volume in China. If we are unable to maintain our position in the Chinese market or if vehicle sales in China decrease or do not continue to increase, our business and financial results could be materially adversely affected.

Shortages of and volatility in the price of oil have caused and may have a material adverse effect on our business due to shifts in consumer vehicle demand.

Volatile oil prices in 2008 and 2009 contributed to weaker demand for some of Old GM's and our higher margin vehicles, especially our fullsize sport utility vehicles, as consumer demand shifted to smaller, more fuel-efficient vehicles, which provide lower profit margins and in recent years represented a smaller proportion of Old GM's and our sales volume in North America. Fullsize pick-up trucks, which are generally less fuel efficient than smaller vehicles, represented a higher percentage of Old GM's and our North American sales during 2008 and 2009 compared to the total industry average percentage of fullsize pick-up truck sales in those periods. Demand for traditional sport utility vehicles and vans also declined during the same periods. Any future increases in the price of oil in the U.S. or in our other markets or any sustained shortage of oil could further weaken the demand for such vehicles, which could reduce our market share in affected markets, decrease profitability, and have a material adverse effect on our business.

Restrictions in our labor agreements could limit our ability to pursue or achieve cost savings through restructuring initiatives, and labor strikes, work stoppages, or similar difficulties could significantly disrupt our operations.

Substantially all of the hourly employees in our U.S., Canadian, and European automotive operations are represented by labor unions and are covered by collective bargaining agreements, which usually have a multi- year duration. Many of these agreements include provisions that limit our ability to realize cost savings from restructuring initiatives such as plant closings and reductions in workforce. Our current collective bargaining agreement with the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) will expire in September 2011, and while the UAW has agreed to a commitment not to strike prior to 2015, any UAW strikes, threats of strikes, or other resistance in the future could materially adversely affect our business as well as impair our ability to implement further measures to reduce costs and improve production efficiencies in furtherance of our North American initiatives. A lengthy strike by the UAW that involves all or a significant portion of our manufacturing facilities in the United States would have a material adverse effect on our operations and financial condition, particularly our liquidity.

Despite the formation of our new company, we continue to have indebtedness and other obligations. Our obligations together with our cash needs may require us to seek additional financing, minimize capital expenditures, or seek to refinance some or all of our debt.

Despite the formation of our new company, we continue to have indebtedness and other obligations, including significant liabilities to our underfunded defined benefit pension plans. Our current and future indebtedness and other obligations could have several important consequences. For example, they could:

- Require us to dedicate a larger portion of our cash flow from operations than we currently do to the payment of principal and interest on our indebtedness and other obligations, which will reduce the funds available for other purposes such as product development;
- Make it more difficult for us to satisfy our obligations;
- Make us more vulnerable to adverse economic and industry conditions and adverse developments in our business;
- Limit our ability to withstand competitive pressures;
- Limit our ability to fund working capital, capital expenditures, and other general corporate purposes; and
- Reduce our flexibility in responding to changing business and economic conditions.

Future liquidity needs may require us to seek additional financing or minimize capital expenditures. There is no assurance that either of these alternatives would be available to us on satisfactory terms or on terms that would not require us to renegotiate the terms and conditions of our existing debt agreements.

Our failure to comply with the covenants in the agreements governing our present and future indebtedness could materially adversely affect our financial condition and liquidity.

Several of the agreements governing our indebtedness, including our new secured revolving credit facility and other loan facility agreements, contain covenants requiring us to take certain actions and negative covenants restricting our ability to take certain actions. In the past, we have failed to meet certain of these covenants, including by failing to provide financial statements in a timely manner and failing certain financial tests. In addition, the Chapter 11 Proceedings and the change in control as a result of the 363 Sale triggered technical defaults in certain loans for which we had assumed the obligations. A breach of any of the covenants in the agreements governing our indebtedness, if uncured, could lead to an event of default under any such agreements, which in some circumstances could give the lender the right to demand that we accelerate repayment of amounts due under the agreement. Therefore, in the event of any such breach, we may need to seek covenant waivers or amendments from the lenders or to seek alternative or additional sources of financing, and we cannot assure you that we would be able to obtain any such waivers or amendments or alternative or additional financing on acceptable terms, if at all. Refer to Note 13 to our unaudited condensed consolidated interim financial statements for additional information on technical defaults and covenant violations that have occurred recently. In addition, any covenant breach or event of default could harm our credit rating and our ability to obtain additional financing on acceptable terms. The occurrence of any of these events could have a material adverse effect on our financial condition and liquidity.

The ability of our new executive management team to quickly learn the automotive industry and lead our company will be critical to our ability to succeed, and our business and results of operations could be materially adversely affected if they are unsuccessful.

Within the past year we have substantially changed our executive management team. We have a new Chief Executive Officer who started on September 1, 2010 and a new Chief Financial Officer who started on January 1,

2010, both of whom have no outside automotive industry experience. We have also promoted from within GM many new senior officers. It is important to our success that the new members of the executive management team quickly understand the automotive industry and that our senior officers quickly adapt and excel in their new senior management roles. If they are unable to do so, and as a result are unable to provide effective guidance and leadership, our business and financial results could be materially adversely affected.

We could be materially adversely affected by changes or imbalances in foreign currency exchange and other rates.

Given the nature and global spread of our business, we have significant exposures to risks related to changes in foreign currency exchange rates, commodity prices, and interest rates, which can have material adverse effects on our business. For example, at times certain of our competitors have derived competitive advantage from relative weakness of the Japanese Yen through pricing advantages for vehicles and parts imported from Japan to markets with more robust currencies like the U.S. and Western Europe. Similarly, a significant strengthening of the Korean Won relative to the U.S. dollar or the Euro would affect the competitiveness of our Korean operations as well as that of certain Korean competitors. As yet another example, a relative weakness of the British Pound compared to the Euro has an adverse effect on our results of operations in Europe. In addition, in preparing our consolidated financial statements, we translate our revenues and expenses outside the U.S. into U.S. Dollars using the average foreign currency exchange rate for the period and the assets and liabilities using the foreign currency exchange rate at the balance sheet date. As a result, foreign currency fluctuations and the associated translations could have a material adverse effect on our results of operations.

Our businesses outside the U.S. expose us to additional risks that may materially adversely affect our business.

The majority of our vehicle sales are generated outside the U.S. We are pursuing growth opportunities for our business in a variety of business environments outside the U.S. Operating in a large number of different regions and countries exposes us to political, economic, and other risks as well as multiple foreign regulatory requirements that are subject to change, including:

- Economic downturns in foreign countries or geographic regions where we have significant operations, such as China;
- Economic tensions between governments and changes in international trade and investment policies, including imposing restrictions on the repatriation of dividends, especially between the United States and China;
- Foreign regulations restricting our ability to sell our products in those countries;
- Differing local product preferences and product requirements, including fuel economy, vehicle emissions, and safety;
- Differing labor regulations and union relationships;
- Consequences from changes in tax laws;
- Difficulties in obtaining financing in foreign countries for local operations; and
- Political and economic instability, natural calamities, war, and terrorism.

The effects of these risks may, individually or in the aggregate, materially adversely affect our business.

New laws, regulations, or policies of governmental organizations regarding safety standards, or changes in existing ones, may have a significant negative effect on how we do business.

Our products must satisfy legal safety requirements. Meeting or exceeding government-mandated safety standards is difficult and costly because crashworthiness standards tend to conflict with the need to reduce vehicle weight in order to meet emissions and fuel economy standards. While we are managing our product development and production operations on a global basis to reduce costs and lead times, unique national or regional standards or vehicle rating programs can result in additional costs for product development, testing, and manufacturing. Governments often require the implementation of new requirements during the middle of a product cycle, which can be substantially more expensive than accommodating these requirements during the design of a new product.

The costs and effect on our reputation of product recalls could materially adversely affect our business.

From time to time, we recall our products to address performance, compliance, or safety-related issues. The costs we incur in connection with these recalls typically include the cost of the part being replaced and labor to remove and replace the defective part. In addition, product recalls can harm our reputation and cause us to lose customers, particularly if those recalls cause consumers to question the safety or reliability of our products. Any costs incurred or lost sales caused by future product recalls could materially adversely affect our business. Conversely, not issuing a recall or not issuing a recall on a timely basis can harm our reputation and cause us to lose customers for the same reasons as expressed above.

We have determined that our disclosure controls and procedures and our internal control over financial reporting are currently not effective. The lack of effective internal controls could materially adversely affect our financial condition and ability to carry out our business plan.

Our management team for financial reporting, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our internal controls. At December 31, 2009, because of the inability to sufficiently test the effectiveness of remediated internal controls, we concluded that our internal control over financial reporting was not effective. At June 30, 2010 we concluded that our disclosure controls and procedures were not effective at a reasonable assurance level because of the material weakness in our internal control over financial reporting that continued to exist. Until we have been able to test the operating effectiveness of remediated internal controls and ensure the effectiveness of our disclosure controls and procedures, any material weaknesses may materially adversely affect our ability to report accurately our financial condition and results of operations in the future in a timely and reliable manner. In addition, although we continually review and evaluate internal control systems to allow management to report on the sufficiency of our internal controls, we cannot assure you that we will not discover additional weaknesses in our internal control over financial reporting. Any such additional weakness or failure to remediate the existing weakness could materially adversely affect our financial condition or ability to comply with applicable financial reporting requirements and the requirements of the Company’s various financing agreements.

Risks Relating to this Offering and Ownership of Our Common Stock

The sale or availability for sale of substantial amounts of our common stock could cause our common stock price to decline or impair our ability to raise capital.

Sales of a substantial number of shares of our common stock in the public market following this offering, or the perception that large sales could occur, or the conversion of shares of our Series B preferred stock or the perception that conversion could occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of equity and equity-related securities. Upon completion of this offering, there will be 1,500,000,000 shares of common stock issued and outstanding. In addition, as of November 2, 2010, MLC holds a warrant to acquire 136,363,636 shares of our common stock at an exercise price of $10.00 per share, MLC holds another warrant to acquire 136,363,636 shares of our common stock at an exercise price of $18.33 per share, and the

New VEBA holds a warrant to acquire 45,454,545 shares of our common stock at an exercise price of $42.31 per share. If the concurrent offering of Series B preferred stock is completed, up to shares of common stock (up to shares if the underwriters in that offering exercise their over-allotment option in full), in each case subject to anti-dilution, make-whole and other adjustments, will be issuable upon conversion of the shares of Series B preferred stock.

Of the 1,500,000,000 outstanding shares of common stock, the 365,000,000 shares of common stock to be sold in this offering (419,750,000 shares if the underwriters in this offering exercise their over-allotment option in full) will be freely tradable without restriction or further registration under the Securities Act of 1933, as amended (the Securities Act), unless those shares are held by any of our "affiliates," as that term is defined under Rule 144 of the Securities Act. Following the expiration of any applicable lock-up periods referred to in the section of this prospectus entitled "Shares Eligible for Future Sale," the 1,135,000,000 remaining outstanding shares of common stock (1,080,250,000 remaining outstanding shares if the underwriters in this offering exercise their over-allotment option in full) may be eligible for resale under Rule 144 under the Securities Act subject to applicable restrictions under Rule 144. In addition, pursuant to the October 15, 2009 Equity Registration Rights Agreement we entered into with the UST, Canada Holdings, the New VEBA, MLC, and our previous legal entity prior to our October 2009 holding company reorganization (which is now a wholly-owned subsidiary of the Company) (Equity Registration Rights Agreement), we have granted our existing common stockholders the right to require us in certain circumstances to file registration statements under the Securities Act covering additional resales of our common stock and other equity securities (including the warrants) held by them and the right to participate in other registered offerings in certain circumstances. As restrictions on resale end or if these stockholders exercise their registration rights or otherwise sell their shares, the market price of our common stock could decline.

In particular, following this offering, the UST, Canada Holdings, the New VEBA and MLC might sell a large number of the shares of our common stock and warrants to acquire our common stock that they hold, or exercise their warrants and then sell the underlying shares of our common stock. Further, MLC might distribute shares of our common stock and warrants to acquire our common stock that it holds to its numerous creditors and other stakeholders pursuant to a plan of reorganization confirmed by the Bankruptcy Court in the Chapter 11 Proceedings, and those creditors and other stakeholders might resell those shares and warrants. Such sales or distributions of a substantial number of shares of our common stock or warrants could adversely affect the market price of our common stock.

Furthermore, we expect to contribute $2.0 billion of our common stock to our U.S. hourly and salaried pension plans after the completion of this offering and contingent on Department of Labor approval. Based on the number of shares determined using an assumed public offering price per share of our common stock in this offering of $27.50, the midpoint of the range set forth on the cover of this prospectus, this anticipated contribution would consist of 72.7 million shares of our common stock. Although we reserve the right to modify the amount or timing of the contribution, or to not make the contribution at all, we currently expect to complete the contribution to the pension plans in the near-term. In connection with any such contribution, we expect to grant the pension plans the right to require us in certain circumstances to file registration statements under the Securities Act covering additional resales of those shares of our common stock held by them and the right to participate in other registered offerings in certain circumstances. If the pension plans exercise their registration rights or otherwise sell their shares, the market price of our common stock could decline.

We have no current plans to pay dividends on our common stock, and our ability to pay dividends on our common stock may be limited.

We have no current plans to commence payment of a dividend on our common stock. Our payment of dividends on our common stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings and liquidity, and other factors. So long as any share of our Series A Preferred Stock or our Series B preferred stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A

Preferred Stock and our Series B preferred stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. In addition, our new secured revolving credit facility contains certain restrictions on our ability to pay dividends on our common stock, other than dividends payable solely in shares of our capital stock.

Any indentures and other financing agreements that we enter into in the future may limit our ability to pay cash dividends on our capital stock, including our common stock. In the event that any of our indentures or other financing agreements in the future restrict our ability to pay dividends in cash on our common stock, we may be unable to pay dividends in cash on our common stock unless we can refinance the amounts outstanding under those agreements.

In addition, under Delaware law, our Board of Directors may declare dividends on our capital stock only to the extent of our statutory "surplus" (which is defined as the amount equal to total assets minus total liabilities, in each case at fair market value, minus statutory capital), or if there is no such surplus, out of our net profits for the then current and/or immediately preceding fiscal year. Further, even if we are permitted under our contractual obligations and Delaware law to pay cash dividends on our common stock, we may not have sufficient cash to pay dividends in cash on our common stock.

Anti-takeover provisions contained in our organizational documents and Delaware law could delay or prevent a takeover attempt or change in control of our company, which could adversely affect the price of our common stock.

Our amended and restated certificate of incorporation, as amended (Certificate of Incorporation), our amended and restated bylaws, as amended (Bylaws), and Delaware law contain provisions that could have the effect of rendering more difficult or discouraging an acquisition deemed undesirable by our Board of Directors. Our organizational documents include provisions:

- Restricting transfers of various securities of the Company (including shares of our common stock and warrants to purchase our common stock, and shares of our Series B preferred stock issued in the Series B preferred stock offering) if the effect would be to (1) generally increase the direct or indirect stock ownership by any person or group from less than 4.9% of the value of all such securities of the Company to 4.9% or more or (2) generally increase the direct or indirect stock ownership of a person or group having or deemed to have a stock ownership of 4.9% or more of the value of all such securities of the Company (these restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits);

- Authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock;

- Limiting the liability of, and providing indemnification to, our directors and officers;

- Limiting the ability of our stockholders to call and bring business before special meetings;

- Prohibiting our stockholders, after the completion of this offering, from taking action by written consent in lieu of a meeting except where such consent is signed by the holders of all shares of stock of the Company then outstanding and entitled to vote;

- Requiring, after the completion of this offering, advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nomination of candidates for election to our Board of Directors; and

- Limiting, after the completion of this offering, the determination of the number of directors on our Board of Directors and the filling of vacancies or newly created seats on the board to our Board of Directors then in office.

These provisions, alone or together, could delay hostile takeovers and changes in control of the Company or changes in management.

In addition, after the completion of this offering, we will be subject to Section 203 of the General Corporation Law of the State of Delaware (the DGCL), which generally prohibits a corporation from engaging in various business combination transactions with any "interested stockholder" (generally defined as a stockholder who owns 15% or more of a corporation's voting stock) for a period of three years following the time that such stockholder became an interested stockholder, except under certain circumstances including receipt of prior board approval.

Any provision of our Certificate of Incorporation or our Bylaws or Delaware law that has the effect of delaying or deterring a hostile takeover or change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock.

See the sections of this prospectus entitled "Description of Capital Stock—Certain Provisions of Our Certificate of Incorporation and Bylaws" and "Description of Capital Stock—Certain Anti-Takeover Effects of Delaware Law" for a further discussion of these provisions.

The Series B preferred stock may adversely affect the market price of our common stock.

The market price of our common stock is likely to be influenced by the Series B preferred stock. For example, the market price of our common stock could become more volatile and could be depressed by:

- investors' anticipation of the potential resale in the market of a substantial number of additional shares of our common stock received upon conversion of the Series B preferred stock;
- possible sales of our common stock by investors who view the Series B preferred stock as a more attractive means of equity participation in us than owning shares of our common stock; and
- hedging or arbitrage trading activity that may develop involving the Series B preferred stock and our common stock.

Our views on the fourth quarter rely in large part upon assumptions and analyses we developed. If these assumptions and analyses prove to be incorrect, actual results could vary significantly from our estimates. If our actual results are lower than our estimated results it could have an adverse effect on our stock price.

Our views on the fourth quarter rely in large part upon assumptions and analyses that we developed based on our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we consider appropriate under the circumstances. Whether actual future results and developments will be consistent with our expectations as set forth in the sections of this prospectus entitled "Prospectus Summary—Recent Developments" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Preliminary Third Quarter and Projected Fourth Quarter Results" depends on a number of factors, including but not limited to:

- The effect of changes in consumer demand on our product mix;
- Our ability to realize production efficiencies and control costs, particularly as it relates to engineering and marketing expenses;
- Consumers' confidence in our products and our ability to continue to attract customers, particularly for our new products, including cars and crossover vehicles;

- The availability of adequate financing on acceptable terms to our customers, dealers, distributors and suppliers to enable them to continue their business relationships with us;
- The ability of our foreign operations to successfully restructure;
- The effect of foreign currency exchange rates on our revenue and expenses;
- Shortages of and increases or volatility in the price of oil;
- Our ability to maintain quality control over our vehicles and avoid material vehicle recalls; and
- The overall strength and stability of general economic conditions and of the automotive industry, both in the United States and in global markets.

Views on future financial performance are necessarily speculative, and it is likely that one or more of the assumptions that are the basis of these financial projections will not come to fruition. Accordingly, we believe that our actual financial condition and results of operations could differ, perhaps materially, from what we describe in the sections of this prospectus entitled "Prospectus Summary—Recent Developments" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Preliminary Third Quarter and Projected Fourth Quarter Results." Consequently, there can be no assurance that the results or developments predicted will occur. The failure of any such results or developments to materialize as anticipated or the occurrence of unanticipated events or uncertainties could materially adversely affect our stock price.

The UST, a selling stockholder in the common stock offering, is a federal agency, and your ability to bring a claim against it under the U.S. securities laws or otherwise may be limited.

The doctrine of sovereign immunity provides that claims may not be brought against the United States of America or any agency or instrumentality thereof unless specifically permitted by act of Congress. Although Congress has enacted a number of statutes, including the Federal Tort Claims Act (the FTCA), that permit various claims against the United States and agencies and instrumentalities thereof, those statutes impose limitations. In particular, while the FTCA permits various tort claims against the United States, it excludes claims for fraud or misrepresentation. At least one federal court, in a case involving a federal agency, has held that the United States may assert its sovereign immunity to claims brought under the federal securities laws. In addition, the UST and its officers, agents and employees are exempt from liability for any violation or alleged violation of the anti-fraud provisions of Section 10(b) of the Securities Exchange Act of 1934, as amended (the Exchange Act), by virtue of Section 3(c) thereof. Thus, any attempt to assert a claim against the UST or any of its officers, agents or employees alleging a violation of the U.S. securities laws, including the Securities Act and the Exchange Act, resulting from an alleged material misstatement in or material omission from this prospectus or the registration statement of which this prospectus is a part, or any other act or omission in connection with this offering, would likely be barred. Further, any attempt to assert a claim against the UST or any of its officers, agents or employees alleging any other complaint, including as a result of any future action by the UST as a stockholder of the Company, would also likely be barred under sovereign immunity unless specifically permitted by act of Congress.

Canada Holdings, a selling stockholder in the common stock offering, is a wholly-owned subsidiary of Canada Development Investment Corporation, which is owned by the federal Government of Canada, and your ability to bring a claim against Canada Holdings under the U.S. securities laws or otherwise, or to recover on any judgment against it, may be limited.

Canada Holdings is a wholly-owned subsidiary of Canada Development Investment Corporation. Canada Development Investment Corporation is a Canadian federal Crown corporation, meaning that it is a business

corporation established under the Canada Business Corporations Act, owned by the federal Government of Canada. The Foreign Sovereign Immunities Act of 1976 (the FSIA) provides that, subject to existing international agreements to which the United States was a party at the time of the enactment of the FSIA, a foreign state or any agency or instrumentality of a foreign state is immune from U.S. federal and state court jurisdiction unless a specific exception to the FSIA applies. One such exception under the FSIA applies to claims arising out of "commercial activity" by a foreign state or its agency or instrumentality. However, it is not certain that a court would consider any acts or omissions by Canada Holdings in connection with this offering or otherwise to be "commercial activities" under the FSIA. Absent an applicable exception under the FSIA, any attempt to assert a claim against Canada Holdings alleging a violation of the U.S. securities laws, including the Securities Act and the Exchange Act, resulting from an alleged material misstatement in or material omission from this prospectus or the registration statement of which this prospectus is a part, or any other act or omission in connection with this offering, may be barred. Further, absent an applicable exception under the FSIA, any attempt to assert a claim against Canada Holdings or any of its officers, agents or employees alleging any other complaint, including as a result of any future action by Canada Holdings as a stockholder of the Company, may also be barred.

In addition, even if a U.S. judgment could be obtained in such an action, it may not be possible to enforce in Canada a judgment based on such a U.S. judgment, and it may also not be possible to execute upon property of Canada Holdings in the United States to enforce a U.S. judgment.

FORWARD-LOOKING STATEMENTS

This prospectus may include forward-looking statements. Our use of the words “may,” “will,” “would,” “could,” “should,” “believes,” “estimates,” “projects,” “potential,” “expects,” “plans,” “seeks,” “intends,” “evaluates,” “pursues,” “anticipates,” “continues,” “designs,” “impacts,” “affects,” “forecasts,” “target,” “outlook,” “initiative,” “objective,” “designed,” “priorities,” “goal,” or the negative of those words or other similar expressions is intended to identify forward-looking statements that represent our current judgment about possible future events. All statements in this prospectus, and in related comments by our management, other than statements of historical facts, including statements about future events or financial performance, are forward-looking statements that involve certain risks and uncertainties.

These statements are based on certain assumptions and analyses made in light of our experience and perception of historical trends, current conditions, and expected future developments as well as other factors that we believe are appropriate in the circumstances. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results. Whether actual future results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties, including the risks and uncertainties discussed in this prospectus under the caption “Risk Factors” and elsewhere, and other factors including the following, many of which are beyond our control:

- Our ability to realize production efficiencies and to achieve reductions in costs as a result of our restructuring initiatives and labor modifications;
- Our ability to maintain quality control over our vehicles and avoid material vehicle recalls;
- Our ability to maintain adequate liquidity and financing sources and an appropriate level of debt, including as required to fund our planned significant investment in new technology, and, even if funded, our ability to realize successful vehicle applications of new technology;
- The effect of business or liquidity difficulties for us or one or more subsidiaries on other entities in our corporate group as a result of our highly integrated and complex corporate structure and operation;
- Our ability to continue to attract customers, particularly for our new products, including cars and crossover vehicles;
- Availability of adequate financing on acceptable terms to our customers, dealers, distributors and suppliers to enable them to continue their business relationships with us;
- The financial viability and ability to borrow of our key suppliers and their ability to provide systems, components and parts without disruption;
- Our ability to take actions we believe are important to our long-term strategy, including our ability to enter into certain material transactions outside of the ordinary course of business, which may be limited due to significant covenants in our new secured revolving credit facility;
- Our ability to manage the distribution channels for our products, including our ability to consolidate our dealer network;
- Our ability to qualify for federal funding of our advanced technology vehicle programs under Section 136 of the Energy Independence and Security Act of 2007;
- The ability to successfully restructure our European operations;

- The continued availability of both wholesale and retail financing from Ally Financial and its affiliates in the United States, Canada and the other markets in which we operate to support our ability to sell vehicles in those markets, which is dependent on Ally Financial's ability to obtain funding and which may be suspended by Ally Financial if Ally Financial's credit exposure to us exceeds certain limitations provided in our operating arrangements with Ally Financial;

- Our ability to develop captive financing capability, including through GM Financial;

- Overall strength and stability of general economic conditions and of the automotive industry, both in the United States and in global markets;

- Continued economic instability or poor economic conditions in the United States and global markets, including the credit markets, or changes in economic conditions, commodity prices, housing prices, foreign currency exchange rates or political stability in the markets in which we operate;

- Shortages of and increases or volatility in the price of oil;

- Significant changes in the competitive environment, including the effect of competition and excess manufacturing capacity in our markets, on our pricing policies or use of incentives and the introduction of new and improved vehicle models by our competitors;

- Significant changes in economic and market conditions in China, including the effect of competition from new market entrants, on our vehicle sales and market position in China;

- Changes in the existing, or the adoption of new, laws, regulations, policies or other activities of governments, agencies and similar organizations, including where such actions may affect the production, licensing, distribution or sale of our products, the cost thereof or applicable tax rates;

- Costs and risks associated with litigation;

- Significant increases in our pension expense or projected pension contributions resulting from changes in the value of plan assets, the discount rate applied to value the pension liabilities or other assumption changes; and

- Changes in accounting principles, or their application or interpretation, and our ability to make estimates and the assumptions underlying the estimates, which could have an effect on earnings.

Consequently, all of the forward-looking statements made in this prospectus are qualified by these cautionary statements, and there can be no assurance that the actual results or developments that we anticipate will be realized or, even if realized, that they will have the expected consequences to or effects on us and our subsidiaries or our businesses or operations. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events, or other such factors that affect the subject of these statements, except where we are expressly required to do so by law.

USE OF PROCEEDS

We will not receive any proceeds from the sale of shares of common stock by the selling stockholders (including any shares sold by the selling stockholders pursuant to the underwriters' over-allotment option) in the common stock offering.

We estimate that the net proceeds to us from the offering of our Series B preferred stock, based upon an assumed public offering price per share of our Series B preferred stock of $50.00, will be approximately $2.9 billion (or approximately $3.3 billion if the underwriters in the Series B preferred stock offering exercise their over-allotment option in full), after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The following table illustrates the estimated sources and uses of funds for our expected capital structure actions:

	Amount (in millions)
Sources of Funds:	
Cash on hand	$ 3,245
Net proceeds from the Series B preferred stock offering (1)	2,895
Total sources	$ 6,140
Uses of Funds:	
Purchase of Series A Preferred Stock (2)	$ 2,140
Cash contribution to our U.S. hourly and salaried pension plans (3)	4,000
Total uses	$ 6,140

(1) Assumes no exercise by the underwriters of their over-allotment option in the Series B preferred stock offering. Amount shown does not reflect the agreement by the underwriters to reimburse us for a portion of our legal and road show costs and expenses in connection with the common stock offering and Series B preferred stock offering, up to a maximum aggregate amount of $3.0 million.

(2) Represents an agreement with the UST to repurchase 83.9 million shares of our Series A Preferred Stock from the UST for a purchase price equal to 102% of their $2.1 billion aggregate liquidation amount. The Series A Preferred Stock accrues cumulative dividends at a 9% annual rate.

(3) Represents a $4.0 billion cash contribution to our U.S. hourly and salaried pension plans that we expect to implement after the completion of the common stock offering and Series B preferred stock offering. In addition to the cash contribution, we also expect to contribute $2.0 billion of our common stock to those pension plans after the completion of the common stock offering and Series B preferred stock offering, contingent on Department of Labor approval, which we expect to receive in the near-term. Although we currently expect to make the pension plan contributions, we are not obligated to do so and cannot assure you that those actions will occur.

DIVIDEND POLICY

The declaration of any dividend on our common stock or our Series B preferred stock is a matter to be acted upon by our Board of Directors in its sole discretion. Our payment of dividends on our common stock and our Series B preferred stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings, liquidity and capital requirements, the covenants in our new secured revolving credit facility, and other factors. We have no current plans to pay dividends on our common stock.

So long as any share of our Series A Preferred Stock or our Series B preferred stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock and our Series B preferred stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. In addition, our new secured revolving credit facility contains certain restrictions on our ability to pay dividends on our common stock, other than dividends payable solely in shares of our capital stock. Refer to the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—New Secured Revolving Credit Facility” for a more detailed discussion of our new secured revolving credit facility.

So long as any share of our Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our Series B preferred stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock, subject to exceptions, such as dividends on our Series B preferred stock payable solely in shares of our common stock.

CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2010, actual and as adjusted to reflect: (1) the issuance and sale by us of 60,000,000 shares of our Series B preferred stock, which is contingent upon the closing of the offering of common stock, at a public offering price of $50.00 per share of Series B preferred stock (assuming no exercise by the underwriters of their over-allotment option in the Series B preferred stock offering); (2) the repayment of the VEBA Notes of $2.8 billion (with a carrying amount of $2.9 billion at June 30, 2010); (3) the purchase of the Series A Preferred Stock held by the UST for 102% of their $2.1 billion aggregate liquidation amount and the corresponding reclassification into stockholders' equity of the remaining outstanding shares of Series A Preferred Stock; (4) the contribution of cash of $4.0 billion to our U.S. hourly and salaried pension plans; (5) the application of the net proceeds of the offering of our Series B preferred stock and use of a portion of our cash on hand as described in the section of this prospectus entitled "Use of Proceeds;" and (6) the three-for-one stock split on shares of our common stock effected on November 1, 2010. Our capitalization, on an as adjusted basis, does not encompass the expected contribution of $2.0 billion of our common stock to our U.S. hourly and salaried pension plans after the closing of the common stock offering and the Series B preferred stock offering and approval from the Department of Labor, which we expect to receive in the near-term, as these shares would not be considered outstanding for accounting purposes until certain transfer restrictions are eliminated. Our new secured revolving credit facility of $5.0 billion is also excluded as we do not expect to draw on the facility in the immediate future.

The as adjusted information below is illustrative only, and our capitalization following the closing of this offering will be adjusted based upon the public offering price for the offering of our Series B preferred stock and other terms of the offering of our Series B preferred stock determined at pricing. You should read the information set forth below in conjunction with our audited consolidated financial statements and unaudited condensed consolidated interim financial statements and the notes thereto and the sections of this prospectus entitled "Selected Historical Financial and Operating Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

	As of June 30, 2010	
	Unaudited	
(Dollars in millions, except share amounts)	**Actual**	**As Adjusted**
Cash and cash equivalents (excluding Restricted cash and marketable securities)	$ 26,773	$ 20,751
Short-term debt, including current portion of long-term debt	$ 5,524	$ 2,616
Long-term debt	2,637	2,637
Series A Preferred Stock, $0.01 par value; 360,000,000 shares issued and outstanding, actual	6,998	—
Stockholders' equity		
Series A Preferred Stock, $0.01 par value; 276,101,695 shares issued and outstanding, as adjusted	—	5,535
Series B mandatory convertible junior preferred stock, $0.01 par value; 0 shares issued and outstanding, actual; 60,000,000 shares issued and outstanding, as adjusted(a)	—	2,895
Common stock, $0.01 par value; 1,500,000,000 shares issued and outstanding, actual and as adjusted	15	15
Capital surplus (principally additional paid-in capital)	24,042	24,042
Accumulated deficit	(2,195)	(2,741)
Accumulated other comprehensive income	1,153	1,153
Total stockholders' equity	23,015	30,899
Total capitalization	$ 38,174	$ 36,152

(a) The balance sheet classification of the Series B preferred stock will be determined in accordance with applicable accounting requirements upon closing of the Series B preferred stock offering and issuance of the shares of Series B preferred stock.

SELECTED HISTORICAL FINANCIAL AND OPERATING DATA

The following table summarizes the consolidated historical financial data of General Motors Company (Successor) and Old GM (Predecessor) for the periods presented. We derived the consolidated historical financial data for the periods July 10, 2009 through December 31, 2009 (Successor) and January 1, 2009 through July 9, 2009 (Predecessor) and the years ended December 31, 2008 and 2007 (Predecessor) and as of December 31, 2009 (Successor) and December 31, 2008 (Predecessor) from the audited consolidated financial statements included elsewhere in this prospectus. We derived the consolidated historical financial statement data for the years ended December 31, 2006 and 2005 (Predecessor) and as of December 31, 2007, 2006 and 2005 (Predecessor) from our audited consolidated financial statements for such years, which are not included in this prospectus. We derived the consolidated historical financial data for the six months ended June 30, 2010 and as of June 30, 2010 from the unaudited condensed consolidated interim financial statements included elsewhere in this prospectus.

The data set forth in the following table should be read together with the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus. We have prepared the unaudited condensed consolidated interim financial statements on the same basis as our audited consolidated financial statements and, in our opinion, have included all adjustments necessary to present fairly in all material respects our financial position and results of operations. Historical results for any prior period are not necessarily indicative of results to be expected in any future period, and results for any interim period are not necessarily indicative of results for a full fiscal year.

Selected Financial Data
(Dollars in millions, except per share amounts)

	Successor		Predecessor				
	Six Months Ended June 30, 2010(a) Unaudited	July 10, 2009 Through December 31, 2009(a)(b)	January 1, 2009 Through July 9, 2009	Years Ended December 31, 2008	2007	2006	2005
Income Statement Data:							
Total net sales and revenue(c)	$ 64,650	$ 57,474	$ 47,115	$148,979	$179,984	$204,467	$192,143
Reorganization gains, net(d)	$ —	$ —	$ 128,155	$ —	$ —	$ —	$ —
Income (loss) from continuing operations(d)(e)	$ 2,808	$ (3,786)	$ 109,003	$ (31,051)	$ (42,685)	$ (2,155)	$ (10,625)
Income from discontinued operations, net of tax(f)	—	—	—	—	256	445	313
Gain on sale of discontinued operations, net of tax(f)	—	—	—	—	4,293	—	—
Cumulative effect of a change in accounting principle(g)	—	—	—	—	—	—	(109)
Net income (loss)(d)	2,808	(3,786)	109,003	(31,051)	(38,136)	(1,710)	(10,421)
Less: Net (income) loss attributable to noncontrolling interests	(204)	(511)	115	108	(406)	(324)	(48)
Less: Cumulative dividends on preferred stock	(405)	(131)	—	—	—	—	—
Net income (loss) attributable to common stockholders(d)	$ 2,199	$ (4,428)	$ 109,118	$ (30,943)	$ (38,542)	$ (2,034)	$ (10,469)
GM $0.01 par value common stock and Old GM $1-2/3 par value common stock							
Basic earnings (loss) per share:							
Income (loss) from continuing operations attributable to common stockholders before cumulative effect of change in accounting principle	$ 1.47	$ (3.58)	$ 178.63	$ (53.47)	$ (76.16)	$ (4.39)	$ (18.87)
Income from discontinued operations attributable to common stockholders(f)	—	—	—	—	8.04	0.79	0.55
Loss from cumulative effect of a change in accounting principle attributable to common stockholders(g)	—	—	—	—	—	—	(0.19)
Net income (loss) attributable to common stockholders	1.47	$ (3.58)	$ 178.63	$ (53.47)	$ (68.12)	$ (3.60)	$ (18.51)
Diluted earnings (loss) per share:							
Income (loss) from continuing operations attributable to common stockholders before cumulative effect of change in accounting principle	$ 1.40	$ (3.58)	$ 178.55	$ (53.47)	$ (76.16)	$ (4.39)	$ (18.87)
Income from discontinued operations attributable to common stockholders(f)	—	—	—	—	8.04	0.79	0.55
Loss from cumulative effect of a change in accounting principle attributable to common stockholders(g)	—	—	—	—	—	—	(0.19)
Net income (loss) attributable to common stockholders	$ 1.40	$ (3.58)	$ 178.55	$ (53.47)	$ (68.12)	$ (3.60)	$ (18.51)
Cash dividends per common share	$ —	$ —	$ —	$ 0.50	$ 1.00	$ 1.00	$ 2.00
Balance Sheet Data (as of period end):							
Total assets(c)(e)(h)	$ 131,899	$ 136,295		$ 91,039	$148,846	$185,995	$473,938
Notes and loans payable(c)(i)	$ 8,161	$ 15,783		$ 45,938	$ 43,578	$ 47,476	$286,943
Series A Preferred Stock	$ 6,998	$ 6,998		$ —	$ —	$ —	$ —
Equity (deficit)(e)(g)(j)(k)	$ 23,901	$ 21,957		$ (85,076)	$ (35,152)	$ (4,076)	$ 15,931

(a) All applicable Successor share, per share and related information has been adjusted retroactively for the three-for-one stock split effected on November 1, 2010.

(b) At July 10, 2009 we applied fresh-start reporting following the guidance in ASC 852, “Reorganizations.” The audited consolidated financial statements for the periods ended on or before July 9, 2009 do not include the effect of any changes in the fair value of assets or liabilities as a result of the application of fresh-start reporting. Therefore, our financial information at and for any period after July 10, 2009 is not comparable to Old GM’s financial information. We have not included pro forma financial information giving effect to the Chapter 11 Proceedings and the 363 Sale because the latest filed balance sheet, as well as the December 31, 2009 audited financial statements, include the effects of the 363 Sale. As such, we believe that further information would not be material to investors.

(c) In November 2006 Old GM sold a 51% controlling ownership interest in Ally Financial, resulting in a significant decrease in total consolidated net sales and revenue, assets and notes and loans payable.

(d) In the period January 1, 2009 through July 9, 2009 Old GM recorded Reorganization gains, net of $128.2 billion directly associated with the Chapter 11 Proceedings, the 363 Sale and the application of fresh-start reporting. Refer to Note 2 to our audited consolidated financial statements for additional detail.

(e) In September 2007 Old GM recorded full valuation allowances of $39.0 billion against net deferred tax assets in Canada, Germany and the United States.

(f) In August 2007 Old GM completed the sale of the commercial and military operations of its Allison business. The results of operations, cash flows and the 2007 gain on sale of Allison have been reported as discontinued operations for all periods presented.

(g) In December 2005 Old GM recorded an asset retirement obligation of $181 million, which was $109 million net of related income tax effects.

(h) In December 2006 Old GM recorded the funded status of its benefit plans on the consolidated balance sheet with an offsetting adjustment to Accumulated other comprehensive loss of $16.9 billion in accordance with the adoption of new provisions of ASC 715, “Compensation – Retirement Benefits” (ASC 715).

(i) In December 2008 Old GM entered into the UST Loan Agreement, pursuant to which the UST agreed to provide a $13.4 billion UST Loan Facility. In December 2008 Old GM borrowed $4.0 billion under the UST Loan Facility.

(j) In January 2007 Old GM recorded a decrease to Retained earnings of $425 million and a decrease of $1.2 billion to Accumulated other comprehensive loss in accordance with the early adoption of the measurement provisions of ASC 715.

(k) In January 2007 Old GM recorded an increase to Retained earnings of $137 million with a corresponding decrease to its liability for uncertain tax positions in accordance with ASC 740-10, “Income Taxes.”

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General Motors Company was formed by the UST in 2009 originally as a Delaware limited liability company, Vehicle Acquisition Holdings LLC, and subsequently converted to a Delaware corporation, NGMCO, Inc. This company acquired substantially all of the assets and assumed certain liabilities of General Motors Corporation in the 363 Sale on July 10, 2009 and changed its name to General Motors Company. General Motors Corporation is sometimes referred to in this prospectus, for the periods on or before July 9, 2009, as "Old GM." Prior to July 10, 2009 Old GM operated the business of the Company, and pursuant to an agreement with the Staff of the Securities and Exchange Commission (SEC) as described in a no-action letter issued to Old GM by the SEC staff on July 9, 2009 regarding our filing requirements and those of MLC, the accompanying audited consolidated financial statements and unaudited condensed consolidated interim financial statements include the financial statements and related information of Old GM as it is our predecessor entity solely for accounting and financial reporting purposes. On July 10, 2009 in connection with the 363 Sale, General Motors Corporation changed its name to Motors Liquidation Corporation (MLC). MLC continues to exist as a distinct legal entity for the sole purpose of liquidating its remaining assets and liabilities.

Overview

Our Company

We are a leading global automotive company. Our vision is to design, build and sell the world's best vehicles. We seek to distinguish our vehicles through superior design, quality, reliability, telematics (wireless voice and data) and infotainment and safety within their respective vehicle segments. Our business is diversified across products and geographic markets, with operations and sales in over 120 countries. We assemble our passenger cars, crossover vehicles, light trucks, sport utility vehicles, vans and other vehicles in 71 assembly facilities worldwide and have 88 additional global manufacturing facilities. With a global network of over 21,000 independent dealers we meet the local sales and service needs of our retail and fleet customers. In 2009, we and Old GM sold 7.5 million vehicles, representing 11.6% of total vehicle sales worldwide. Approximately 72% of our and Old GM's total 2009 vehicle sales volume was generated outside the United States, including 38.7% from emerging markets, such as Brazil, Russia, India and China (collectively BRIC), which have recently experienced the industry's highest volume growth.

Our business is organized into three geographically-based segments:

- General Motors North America (GMNA), with manufacturing and distribution operations in the U.S., Canada and Mexico and distribution operations in Central America and the Caribbean, represented 33.2% of our and Old GM's total 2009 vehicle sales volume. In North America, we sell our vehicles through four brands – Chevrolet, GMC, Buick and Cadillac – which are manufactured at plants across the U.S., Canada and Mexico and imported from other GM regions. In 2009, GMNA had the largest market share of any competitor in this market at 19.0% based on vehicle sales volume.

- General Motors International Operations (GMIO), with manufacturing and distribution operations in Asia-Pacific, South America, Russia, the Commonwealth of Independent States, Eastern Europe, Africa and the Middle East, is our largest segment by vehicle sales volume, and represented 44.5% of our and Old GM's total 2009 vehicle sales volume including sales through our joint ventures. In these regions, we sell our vehicles under the Buick, Cadillac, Chevrolet, Daewoo, FAW, GMC, Holden, Isuzu, Jiefang, Opel and Wuling brands, and we plan to commence sales under the Baojun brand in 2011. In 2009, GMIO had the second largest market share for this market at 10.2% based on vehicle sales volume and the number one market share across the BRIC markets based on vehicle sales volume. Approximately 54.9% of GMIO's volume is from China, where, primarily through our joint ventures, we had the number one market share at 13.3% based on vehicle sales volume in 2009. Our Chinese operations are primarily comprised of three joint ventures: Shanghai General Motors Co., Ltd.

(SGM; of which we own 49%), SAIC-GM-Wuling Automobile Co., Ltd. (SGMW; of which we own 34%) and FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM; of which we own 50%).

- General Motors Europe (GME), with manufacturing and distribution operations across Western and Central Europe, represented 22.3% of our and Old GM's total 2009 vehicle sales volume. In Western and Central Europe, we sell our vehicles under the Opel and Vauxhall (U.K. only) brands, which are manufactured in Europe, and under the Chevrolet brand, which is imported from South Korea where it is manufactured by GM Daewoo Auto & Technology, Inc. (GM Daewoo) of which we own 70.1%. In 2009, GME had the number five market share in this market, at 8.9% based on vehicle sales volume.

We offer a global vehicle portfolio of cars, crossovers and trucks. We are committed to leadership in vehicle design, quality, reliability, telematics and infotainment and safety, as well as to developing key energy efficiency, energy diversity and advanced propulsion technologies, including electric vehicles with range extending capabilities such as the new Chevrolet Volt.

Our company commenced operations on July 10, 2009 when we completed the acquisition of substantially all of the assets and assumption of certain liabilities of Old GM through a 363 Sale under the Bankruptcy Code. Immediately prior to this offering, our common stock was held of record by four stockholders: the UST, Canada Holdings, the New VEBA and MLC. As a result of the 363 Sale and other recent restructuring and cost savings initiatives, we have improved our financial position and level of operational flexibility as compared to Old GM when it operated the business. We commenced operations upon completion of the 363 Sale with a total amount of debt and other liabilities at July 10, 2009 that was $92.7 billion less than Old GM's total amount of debt and other liabilities at July 9, 2009. We reached a competitive labor agreement with our unions, began restructuring our dealer network and reduced and refocused our brand strategy in the U.S. to our four brands. Although our U.S. and non-U.S. pension plans were underfunded by $17.1 billion and $10.3 billion on a U.S. GAAP basis at December 31, 2009, we have a strong balance sheet, with available liquidity (cash, cash equivalents and marketable securities) of $31.5 billion and an outstanding debt balance of $8.2 billion at June 30, 2010. On October 26, 2010, we repaid $2.8 billion of our then outstanding debt (together with accreted interest thereon) utilizing available liquidity and entered into a new five year, $5.0 billion secured revolving credit facility.

In recent quarters, we achieved profitability. Our results for the three months ended March 31 and June 30, 2010 included net income of $1.2 billion and $1.6 billion. For the period from July 10, 2009 to December 31, 2009, we had a net loss of $3.8 billion, which included a settlement loss of $2.6 billion related to the 2009 revised UAW settlement agreement. We reported revenue of $31.5 billion and $33.2 billion in the three months ended March 31 and June 30, 2010, representing 40.3% and 43.9% year-over-year increases as compared to Old GM's revenue for the corresponding periods. For the period from July 10, 2009 to December 31, 2009, our revenue was $57.5 billion.

Our Industry and Market Opportunity

The global automotive industry sold 66 million new vehicles in 2009. Vehicle sales are widely distributed across the world in developed and emerging markets. We believe that total vehicle sales in emerging markets (Asia, excluding Japan, South America and Eastern Europe) will equal or exceed those in mature markets (North America, Western Europe and Japan) starting in 2010, as rising income levels drive secular growth. We believe that this expected growth in emerging markets, combined with an estimated recovery in mature markets, creates a potential growth opportunity for the global automotive industry.

North America

In 2009, 12.9 million total vehicles were sold in North America. The U.S. is the largest market within North America and experienced substantial declines in 2008 and 2009 with total vehicle sales decreasing from a peak of 17.4 million in 2005 to 10.6 million in 2009. In recent years, shifting consumer preferences and increased fuel economy and emissions regulatory requirements have resulted in cars and crossovers with greater fuel efficiency becoming an increasing proportion of the U.S. vehicle market, a trend we expect to continue. The original equipment manufacturers (OEMs) with the largest vehicle sales volume in the U.S. include GM, Toyota, Ford, Honda and Chrysler.

Industry fundamentals have improved in North America as a result of operational and cost restructuring among the largest automotive OEMs throughout 2008 and 2009. Since the beginning of 2008, excess capacity has been reduced across the industry and in recent months average transaction prices have improved, dealer inventories have declined, and used vehicle prices have increased. We believe that as the recent global recession subsides and consumer confidence increases, pent-up consumer demand will drive new vehicle sales.

Western Europe

Total vehicle sales in Western Europe decreased from 16.8 million in 2005 to 15.1 million in 2009, showing only a brief recovery in the second half of 2009 due to local scrappage programs in Germany, the United Kingdom and other Western European countries. Given traditionally strong environmental awareness and relatively high gasoline prices in many countries around Western Europe, consumers across the region tend to prefer smaller, more fuel efficient cars. The OEMs with the largest vehicle sales volume in Western Europe include GM, Ford, Volkswagen, Daimler, Peugeot, Renault and Fiat. The overall market environment in Western Europe continues to show limited near-term growth.

Rest of World

In 2009, 37.9 million total vehicles were sold in the rest of the world, representing 58% of global vehicle sales, which encompasses a diverse group of countries including emerging markets such as the BRIC countries as well as more developed markets such as Japan, South Korea and Australia. Consumer preferences vary widely among countries, ranging from small, basic cars to larger cars and trucks. Projected sales growth within this group of countries is concentrated in emerging markets, where continued strong economic growth is leading to rising income levels and increasing consumer demand for personal vehicles. The OEMs with the largest vehicle sales volume in these international markets include GM, Toyota, Volkswagen, Honda, Nissan, Hyundai and smaller OEMs within regional markets.

Global Automotive Industry Characteristics and Largest OEMs

Designing, manufacturing and selling vehicles is capital intensive. It requires substantial investments in manufacturing, machinery, research and development, product design, engineering, technology and marketing in order to meet both consumer preferences and regulatory requirements. Large OEMs are able to benefit from economies of scale by leveraging their investments and activities on a global basis across brands and nameplates (commonly referred to as models). The automotive industry is also cyclical and tends to track changes in the general economic environment. OEMs that have a diversified revenue base across geographies and products and have access to capital are well positioned to withstand industry downturns and to capitalize on industry growth.

The largest automotive OEMs are GM, Toyota, Volkswagen, Hyundai and Ford, all of which operate on a global basis and produce cars and trucks across a broad range of vehicle segments.

Our Competitive Strengths

We believe the following strengths provide us with a foundation for profitability, growth and execution on our strategic vision to design, build and sell the world's best vehicles:

- *Global presence, scale and dealer network*. We are currently the world's second largest automaker based on vehicle sales volume and, as a result of our relative market positions in GMNA and GMIO, are positioned to benefit from future growth resulting from economic recovery in developed markets and continued secular growth in emerging markets. In 2009, we and Old GM sold 7.5 million vehicles in over 120 countries and generated $104.6 billion in revenue, although our and Old GM's combined worldwide market share of 11.6% based on vehicle sales volume in 2009 had declined from Old GM's worldwide market share of 13.2% based on vehicle sales volume in 2007. We operate a global distribution network with over 21,000 independent dealers, and we maintain 10 design centers, 30 engineering centers, and eight science labs around the world. Our presence and scale enable us to deploy our purchasing, research and development, design, engineering, marketing and distribution resources and capabilities globally across our vehicle production base. For example, we expect to spend approximately $12.0 billion for engineering and capital expenditures in 2010, which will fund the development and production of our products globally.

- *Market share in emerging markets, such as China and Brazil*. Across the BRIC markets, we and Old GM had the industry-leading market share of 12.7% based on vehicle sales volume in 2009, which has grown from a 9.8% share in 2004. In China, the fastest growing global market by volume of vehicles sold, through our joint ventures we and Old GM had the number one market position with a share of 13.3% based on vehicle sales volume in 2009. We and Old GM also held the third largest market share in Brazil at 19.0% based on vehicle sales volume in 2009. We established a presence in Brazil in 1925 and in China in 1997 and have substantial operating experience in these markets.

- *Portfolio of high-quality vehicles*. Our global portfolio includes vehicles in most key segments, with 31 nameplates in the U.S. and another 140 nameplates internationally. Our and Old GM's long-term investment over the last decade in our product portfolio has resulted in successful recent vehicle launches such as the Chevrolet Equinox, GMC Terrain, Buick LaCrosse and Cadillac SRX. Sales of these vehicles have had higher transaction prices than the products they replaced and have increased vehicle segment market shares. These vehicles also have had higher residual values. The design, quality, reliability and safety of our vehicles has been recognized worldwide by a number of third parties, including the following:

    - In the U.S., we have three of the top five most dependable models in the industry according to the 2010 J.D. Power Vehicle Dependability Study as well as leading the industry with the most segment leading models in both the 2010 J.D. Power Initial Quality Survey and the 2010 J.D. Power Vehicle Dependability Study;

    - Eleven U.S. 2011 model year vehicles earned Consumers Digest "Best Buy" recognition;

    - In Europe, the Car of the Year Organizing Committee named the Opel Insignia the 2009 European Car of the Year;

    - In China, the Chinese Automotive Media Association named the new Buick LaCrosse the 2009 Car of the Year; and

    - In Brazil, AutoEsporte Magazine named the Chevrolet Agile the 2010 Car of the Year.

- *Commitment to new technologies*. We have invested in a diverse set of new technologies designed to meet customer needs around the world. Our research and product development efforts in the areas of

energy efficiency and energy diversity have been focused on advanced and alternative propulsion and fuel efficiency. For example, the Chevrolet Volt will use lithium-ion battery technology for a typical range of 25-50 miles depending on terrain, driving technique, temperature and battery age, after which the onboard engine's power is seamlessly inverted to provide an additional 300 miles of electric driving range on a full tank of gas prior to refueling. Our investment in telematics and infotainment technology enables us to provide through OnStar a service offering that creates a connection to the customer and a platform for future infotainment initiatives.

- *Competitive cost structure in GMNA*. We have substantially completed the restructuring of our North American operations, which has reduced our cost base and improved our capacity utilization and product line profitability. We accomplished this through brand rationalization, ongoing dealer network optimization, salaried and hourly headcount reductions, labor agreement restructuring, transfer of hourly retiree healthcare obligations to the New VEBA and manufacturing footprint reduction from 71 North American manufacturing facilities for Old GM at December 31, 2008 to 59 at June 30, 2010, and an expected 54 at December 31, 2010. The reduced costs resulting from these actions, along with our improved price realization and lower incentives, have reduced our profitability breakeven point in North America. The breakeven point is a critical metric that provides an indication of GMNA's cost structure and operating leverage. For the three months ended June 30, 2010 and based on GMNA's current market share, GMNA's earnings before interest and income taxes (EBIT) (EBIT is not an operating measure under U.S. GAAP—refer to the section of this prospectus entitled "—Reconciliation of Segment Results" for additional discussion) would have achieved breakeven at an implied annual U.S. industry sales of approximately 10.5 to 11.0 million vehicles.

- *Competitive global cost structure*. Global architectures (that is, vehicle characteristics and dimensions supporting common sets of major vehicle underbody components and subsystems) allow us to streamline our product development and manufacturing processes, which has resulted in reduced material and engineering costs. We have consolidated our product development activities under one global development leadership team with a centralized budget. This allows us to design and engineer our vehicles globally while balancing cost efficient production locations and proximity to the end customer. Approximately 43% of our vehicles are manufactured in regions we believe to be low-cost manufacturing locations, such as China, Mexico, Eastern Europe, India and Russia, with all-in active labor costs of less than $15 per hour, and approximately 17% are manufactured in medium-cost countries, such as South Korea and Brazil, with all-in labor costs between $15 and $30 per hour.

- *Strong balance sheet and liquidity*. As of June 30, 2010, we had available liquidity (cash, cash equivalents and marketable securities) of $31.5 billion and outstanding debt of $8.2 billion. On October 26, 2010, we repaid $2.8 billion of our then outstanding debt (together with accreted interest thereon) utilizing available liquidity and entered into a new five year, $5.0 billion secured revolving credit facility. In addition, we have no significant contractual debt maturities until 2015. Although our U.S. and non-U.S. pension plans were underfunded by $17.1 billion and $10.3 billion on a U.S. GAAP basis at December 31, 2009, as of June 30, 2010 we have no expected material mandatory pension contributions until 2014. We believe that our combination of cash and cash equivalents, cash flow from operations and availability under our new secured revolving credit facility should provide sufficient cash to fund our new product and technology development efforts, European restructuring program, growth initiatives and further cost-reduction initiatives in the medium term.

- *Strong leadership team with focused direction*. Our new executive management team, which includes our new Chief Executive Officer and Chief Financial Officer from outside the automotive industry as well as many senior officers who have been promoted to new roles from within the organization, combines years of experience at GM and new perspectives on growth, innovation and strategy deployment. Our management team operates in a streamlined organizational structure that allows for:

    - More direct lines of communication;

- Quicker decision-making; and
- Direct responsibility for individuals in various areas of our business.

As an example, we have eliminated multiple internal strategy boards and committees and instituted a single, smaller executive committee to focus our management functions and shorten our decision- making processes. The members of our Board of Directors, a majority of whom were not directors of Old GM, are directly involved in strategy formation and review.

Our Strategy

Our vision is to design, build and sell the world's best vehicles. The primary elements of our strategy to achieve this vision are to:

- Deliver a product portfolio of the world's best vehicles, allowing us to maximize sales under any market conditions;
- Sell our vehicles globally by targeting developed markets, which are projected to have increases in vehicle demand as the global economy recovers, and further strengthening our position in high growth emerging markets;
- Improve revenue realization and maintain a competitive cost structure to allow us to remain profitable at lower industry volumes and across the lifecycle of our product portfolio; and
- Maintain a strong balance sheet by reducing financial leverage given the high operating leverage of our business model.

Our management team is focused on hiring new and promoting current talented employees who can bring new perspectives to our business in order to execute on our strategy as follows:

Deliver quality products. We intend to maintain a broad portfolio of vehicles so that we are positioned to meet global consumer preferences. We plan to do this in several ways.

- *Concentrate our design, engineering and marketing resources on fewer brands and architectures*. We plan to increase the volume of vehicles produced from common global architectures to more than 50% of our total volumes in 2014 from less than 17% today. We expect that this initiative will result in greater investment per architecture and brand and will increase our product development and manufacturing flexibility, allowing us to maintain a steady schedule of important new product launches in the future. We believe our four-brand strategy in the U.S. will continue to enable us to allocate higher marketing expenditures per brand.
- *Develop products across vehicle segments in our global markets*. We plan to develop vehicles in each of the key segments of the global markets in which we compete. For example, in September 2010 we introduced the Chevrolet Cruze in the U.S. small car segment, an important and growing segment where we have historically been under-represented.
- *Continued investment in a portfolio of technologies*. We will continue to invest in technologies that support energy diversity and energy efficiency as well as in safety, telematics and infotainment technology. We are committed to advanced propulsion technologies and intend to offer a portfolio of fuel efficient alternatives that use energy sources such as petroleum, bio-fuels, hydrogen and electricity, including the new Chevrolet Volt. We are committed to increasing the fuel efficiency of our vehicles with internal combustion engines through features such as cylinder deactivation, direct

injection, variable valve timing, turbo-charging with engine downsizing and six speed transmissions. For example, we expect the Chevrolet Cruze Eco to be capable of achieving an estimated 40 miles per gallon on the highway with a traditional internal combustion engine. Additionally, we are expanding our telematics and infotainment offerings and, as a result of our OnStar service and our partnerships with companies such as Google, are in a position to deliver safety, security, navigation and connectivity systems and features.

Sell our vehicles globally. We will continue to compete in the largest and fastest growing markets globally.

- *Broaden GMNA product portfolio*. We plan to launch 19 new vehicles in GMNA across our four brands between 2010 and 2012, primarily in the growing car and crossover segments, where, in some cases, we are under-represented, and an additional 28 new vehicles between 2013 and 2014. These near-term launches include the new Chevrolet Volt, Cruze, Spark, Aveo and Malibu and Buick entries in the compact and mid-size segments. We believe that we have achieved a more balanced portfolio in the U.S. market, where we and Old GM maintained a sales volume mix of 42% from cars, 37% from trucks and 21% from crossovers in 2009 compared to 51% from trucks in 2006.

- *Increase sales in GMIO, particularly China and Brazil*. We plan to continue to execute our growth strategies in countries where we already hold strong positions, such as China and Brazil, and to improve share in other important markets, including South Korea, South Africa, Russia, India and the ASEAN region. We aim to launch 84 new vehicles throughout GMIO through 2012. We plan to enhance and strengthen our GMIO product portfolio through three strategies: leveraging our global architectures, pursuing local and regional solutions to meet specific market requirements and expanding our joint venture partner collaboration opportunities.

- *Refresh GME's vehicle portfolio*. To improve our product quality and product perception in Europe, by the start of 2012, we plan to have 80% of our Opel/Vauxhall carlines volume refreshed such that the model stylings are less than three years old. We have three product launches scheduled in 2010 and another four product launches scheduled in 2011. As part of our planned rejuvenation of Chevrolet's portfolio, which increasingly supplements our Opel/Vauxhall brands throughout Europe, we are moving the entire Chevrolet lineup to the new GM global architectures.

- *Ensure competitive financing is available to our dealers and customers*. We currently maintain multiple financing programs and arrangements with third parties for our wholesale and retail customers to utilize when purchasing or leasing our vehicles. Through our long-standing arrangements with Ally Financial, Inc., formerly GMAC, Inc. (Ally Financial), and a variety of other worldwide, regional and local lenders, we provide our customers and dealers with access to financing alternatives. We plan to further expand the range of financing options available to our customers and dealers to help grow our vehicle sales. In particular, on October 1, 2010 we acquired AmeriCredit, which we subsequently renamed GM Financial and which we expect will enable us to offer increased availability of leasing and sub-prime financing for our customers throughout economic cycles. We also plan to use GM Financial to initiate targeted customer marketing initiatives to expand our vehicle sales.

Reduce breakeven levels through improved revenue realization and a competitive cost structure. In developed markets, we are improving our cost structure to become profitable at lower industry volumes.

- *Capitalize on cost structure improvement and maintain reduced incentive levels in GMNA*. We plan to sustain the cost reduction and operating flexibility progress we have made as a result of our North American restructuring. In addition to becoming more cost competitive, our current U.S. and Canadian hourly labor agreements provide the flexibility to utilize a lower tiered wage and benefit structure for new hires, part-time employees and temporary employees. We aim to increase our vehicle profitability

by maintaining competitive incentive levels with our strengthened product portfolio and by actively managing our production levels through monitoring of our dealer inventory levels.

- *Execute on our Opel/Vauxhall restructuring plan*. We expect our Opel/Vauxhall restructuring plan to lower our vehicle manufacturing costs. The plan includes manufacturing rationalization, headcount reduction, labor cost concessions from the remaining workforce and selling, general and administrative efficiency initiatives. Specifically, we have reached an agreement to reduce our European manufacturing capacity by 20% through, among other things, the closing of our Antwerp facility in Belgium and the rationalization of our powertrain operations in our Bochum and Kaiserslautern facilities in Germany. Additionally, we have reached an agreement with the labor unions in Europe to reduce labor costs by $323 million per year. The objective of our restructuring, along with the refreshed product portfolio pipeline, is to restore the profitability of the GME business.

- *Enhance manufacturing flexibility*. We primarily produce vehicles in locations where we sell them and we have significant manufacturing capacity in medium- and low-cost countries. We intend to maximize capacity utilization across our production footprint to meet demand without requiring significant additional capital investment. For example, we were able to leverage the benefit of a global architecture and start initial production for the U.S. of the Buick Regal 11 months ahead of schedule by temporarily shifting production from North America to Rüsselsheim, Germany.

Maintain a strong balance sheet. Given our business's high operating leverage and the cyclical nature of our industry, we intend to minimize our financial leverage. We plan to use excess cash to repay debt and to make discretionary contributions to our U.S. pension plan. Based on this planned reduction in financial leverage and the anticipated benefits resulting from our operating strategy described above, we will aim to attain an investment grade credit rating over the long term.

Preliminary Third Quarter and Projected Fourth Quarter Results

With respect to the estimated financial information for the three and nine months ended September 30, 2010 and the prospective financial information for the fourth quarter of 2010, our independent registered public accounting firm has not compiled, examined, or performed any procedures with respect to the estimated and prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the estimated and prospective financial information.

Our final results of operations for the three months ended September 30, 2010 are not currently available. For the three and nine months ended September 30, 2010, based on currently available information, management of the Company estimates that Total net sales and revenues will be $34.0 billion and $99.0 billion, Net income attributable to common stockholders will be in the range of $1.9 billion to $2.1 billion and $4.0 billion to $4.2 billion, and EBIT will be in the range of $2.2 billion to $2.4 billion and $6.0 billion to $6.2 billion. The Company believes these expected improved results are largely attributable to improved sales due to moderate improvement in the U.S. economy as well as continuing growth in international markets outside of Europe.

These results are estimated, preliminary and may change. Because we have not completed our normal quarterly closing and review procedures for the three and nine months ended September 30, 2010, and subsequent events may occur that require adjustments to our results, there can be no assurance that our final results for the three and nine month periods ended September 30, 2010 will not differ materially from these estimates. These estimates should not be viewed as a substitute for full interim financial statements prepared in accordance with U.S. GAAP or as a measure of our performance. In addition, these estimated results of operations for the three and nine months ended September 30, 2010 are not necessarily indicative of the results to be achieved for the remainder of 2010 or any future period.

The Company expects to generate positive EBIT in the fourth quarter of 2010, albeit at a significantly lower level than that of each of the first three quarters, due to the fourth quarter having a different production mix, new

vehicles launch costs (in particular the Chevrolet Cruze and Volt) and higher engineering expenses for future products.

As the fourth quarter of 2010 is still in progress, any forecast of our operating results is inherently speculative, is subject to substantial uncertainty, and our actual results may differ materially from management's views. Refer to the section of the prospectus titled "Risk Factors" for a discussion of risks that could affect our future operating results. Our views for the fourth quarter rely in large part upon assumptions and analyses we have developed.

Below is a reconciliation of the estimated EBIT (a non-GAAP measure) range to estimated Net income attributable to common stockholders (dollars in millions):

	Three Months Ended September 30, 2010		Nine Months Ended September 30, 2010	
	Low	High	Low	High
EBIT	$ 2,200	$ 2,400	$6,000	$6,200
Interest income	125	125	330	330
Interest expense	265	265	850	850
Income tax expense (benefit)	(40)	(10)	830	860
Net income attributable to stockholders	2,100	2,270	4,650	4,820
Less: Cumulative dividends on preferred stock	203	203	608	608
Net income attributable to common stockholders	$ 1,897	$ 2,067	$4,042	$4,212

As a result of the foregoing considerations and the other limitations of non-GAAP measures described elsewhere in this prospectus, investors are cautioned not to place undue reliance on this preliminary estimated financial information and forecasted financial information. There are material limitations inherent in making estimates of our results for the current period prior to the completion of our normal review procedures for such periods, and for future periods. Refer to the sections of this prospectus entitled "Risk Factors," "Cautionary Statement Concerning Forward-looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Summary Historical Consolidated Financial Data," "Selected Historical Consolidated Financial Data" and our audited consolidated financial statements and our unaudited condensed consolidated interim financial statements.

Presentation and Estimates

Basis of Presentation

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read in conjunction with the accompanying audited consolidated financial statements and unaudited condensed consolidated interim financial statements.

We analyze the results of our business through our three segments, namely GMNA, GMIO and GME.

Consistent with industry practice, market share information includes estimates of industry sales in certain countries where public reporting is not legally required or otherwise available on a consistent basis.

On October 5, 2010 our Board of Directors recommended a three-for-one stock split on shares of our common stock, which was approved by our stockholders on November 1, 2010. The stock split was effected on November 1, 2010.

Each stockholder's percentage ownership in us and proportional voting power remained unchanged after the stock split. All applicable share, per share and related information for periods on or subsequent to July 10, 2009 has been adjusted retroactively to give effect to the three-for-one stock split.

On October 5, 2010, our Board of Directors recommended that we amend our Certificate of Incorporation to increase the number of shares of common stock that we are authorized to issue from 2,500,000,000 shares to 5,000,000,000 shares and to increase the number of preferred shares that we are authorized to issue from

1,000,000,000 shares to 2,000,000,000 shares. Our stockholders approved these amendments on November 1, 2010, and they were effected on November 1, 2010.

Use of Estimates in the Preparation of the Financial Statements

The audited consolidated financial statements and unaudited condensed consolidated interim financial statements are prepared in conformity with U.S. GAAP, which requires the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of our audited consolidated financial statements and unaudited condensed consolidated interim financial statements and the reported amounts of revenues and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates, actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

Chapter 11 Proceedings and the 363 Sale

Background

Over time as Old GM's market share declined in North America, Old GM needed to continually restructure its business operations to reduce cost and excess capacity. In addition, legacy labor costs and obligations and capacity in its dealer network made Old GM less competitive than new entrants into the U.S. market. These factors continued to strain Old GM's liquidity. In 2005 Old GM incurred significant losses from operations and from restructuring activities such as providing support to Delphi and other efforts intended to reduce operating costs. Old GM managed its liquidity during this time through a series of cost reduction initiatives, capital markets transactions and sales of assets. However, the global credit market crisis had a dramatic effect on Old GM and the automotive industry. In the second half of 2008, the increased turmoil in the mortgage and overall credit markets (particularly the lack of financing for buyers or lessees of vehicles), the continued reductions in U.S. housing values, the volatility in the price of oil, recessions in the United States and Western Europe and the slowdown of economic growth in the rest of the world created a substantially more difficult business environment. The ability to execute capital markets transactions or sales of assets was extremely limited, vehicle sales in North America and Western Europe contracted severely, and the pace of vehicle sales in the rest of the world slowed. Old GM's liquidity position, as well as its operating performance, were negatively affected by these economic and industry conditions and by other financial and business factors, many of which were beyond its control.

As a result of these economic conditions and the rapid decline in sales in the three months ended December 31, 2008 Old GM determined that, despite the actions it had then taken to restructure its U.S. business, it would be unable to pay its obligations in the normal course of business in 2009 or service its debt in a timely fashion, which required the development of a new plan that depended on financial assistance from the U.S. government.

In December 2008 Old GM requested and received financial assistance from the U.S. government and entered into the UST Loan Agreement. In early 2009 Old GM's business results and liquidity continued to deteriorate, and, as a result, Old GM obtained additional funding from the UST under the UST Loan Agreement. Old GM, through its wholly-owned subsidiary GMCL, also received funding from EDC, a corporation wholly-owned by the Government of Canada, under a loan and security agreement entered into in April 2009 (EDC Loan Facility).

As a condition to obtaining the UST Loan Facility under the UST Loan Agreement, Old GM was required to submit a Viability Plan in February 2009 that included specific actions intended to result in the following:

- Repayment of all loans, interest and expenses under the UST Loan Agreement, and all other funding provided by the U.S. government;

- Compliance with federal fuel efficiency and emissions requirements and commencement of domestic manufacturing of advanced technology vehicles;
- Achievement of a positive net present value, using reasonable assumptions and taking into account all existing and projected future costs;
- Rationalization of costs, capitalization and capacity with respect to its manufacturing workforce, suppliers and dealerships; and
- A product mix and cost structure that is competitive in the U.S. marketplace.

The UST Loan Agreement also required Old GM to, among other things, use its best efforts to achieve the following restructuring targets:

Debt Reduction

- Reduction of its outstanding unsecured public debt by not less than two-thirds through conversion of existing unsecured public debt into equity, debt and/or cash or by other appropriate means.

Labor Modifications

- Reduction of the total amount of compensation paid to its U.S. employees so that, by no later than December 31, 2009, the average of such total amount is competitive with the average total amount of such compensation paid to U.S. employees of certain foreign-owned, U.S. domiciled automakers (transplant automakers);
- Elimination of the payment of any compensation or benefits to U.S. employees who have been fired, laid-off, furloughed or idled, other than customary severance pay; and
- Application of work rules for U.S. employees in a manner that is competitive with the work rules for employees of transplant automakers.

VEBA Modifications

- Modification of its retiree healthcare obligations arising under the 2008 UAW Settlement Agreement under which responsibility for providing healthcare for UAW retirees, their spouses and dependents would permanently shift from Old GM to the New Plan funded by the New VEBA, such that payment or contribution of not less than one-half of the value of each future payment was to be made in the form of Old GM common stock, subject to certain limitations.

The UST Loan Agreement provided that if, by March 31, 2009 or a later date (not to exceed 30 days after March 31, 2009) as determined by the Auto Task Force (Certification Deadline), the Auto Task Force had not certified that Old GM had taken all steps necessary to achieve and sustain its long-term viability, international competitiveness and energy efficiency in accordance with the Viability Plan, then the loans and other obligations under the UST Loan Agreement were to become due and payable on the thirtieth day after the Certification Deadline.

On March 30, 2009 the Auto Task Force determined that the plan was not viable and required substantial revisions. In conjunction with the March 30, 2009 announcement, the administration announced that it would offer Old GM adequate working capital financing for a period of 60 days while it worked with Old GM to develop and implement a more accelerated and aggressive restructuring that would provide a sound long-term foundation. On March 31, 2009 Old GM and the UST agreed to postpone the Certification Deadline to June 1, 2009.

Old GM made further modifications to its Viability Plan in an attempt to satisfy the Auto Task Force's requirement that it undertake a substantially more accelerated and aggressive restructuring plan (Revised Viability Plan). The following is a summary of significant cost reduction and restructuring actions contemplated by the Revised Viability Plan, the most significant of which included reducing Old GM's indebtedness and VEBA obligations:

Indebtedness and VEBA obligations

In April 2009 Old GM commenced exchange offers for certain unsecured notes to reduce its unsecured debt in order to comply with the debt reduction condition of the UST Loan Agreement.

Old GM also commenced discussions with the UST regarding the terms of a potential restructuring of its debt obligations under the UST Loan Agreement, the UST Ally Financial Loan Agreement (as subsequently defined), and any other debt issued or owed to the UST in connection with those loan agreements pursuant to which the UST would exchange at least 50% of the total outstanding debt Old GM owed to it at June 1, 2009 for Old GM common stock.

In addition, Old GM commenced discussions with the UAW and the VEBA-settlement class representative regarding the terms of potential VEBA modifications.

Other cost reduction and restructuring actions

In addition to the efforts to reduce debt and modify the VEBA obligations, the Revised Viability Plan also contemplated the following cost reduction efforts, some of which are ongoing:

- Extended shutdowns of certain North American manufacturing facilities in order to reduce dealer inventory;
- Continued refocus of resources on four U.S. brands: Chevrolet, Cadillac, Buick and GMC;
- Acceleration of the resolution for Saab, HUMMER and Saturn and no planned future investment for Pontiac, which is to be phased out by the end of 2010;
- Acceleration of the reduction in U.S. nameplates to 34 by 2010—there are currently 31 nameplates;
- A reduction in the number of U.S. dealers was targeted from 6,246 in 2008 to 3,605 in 2010—we have completed the federal dealer arbitration process and are on track to reduce the number of U.S. dealers to 4,500 by the end of 2010;
- A reduction in the total number of plants in the U.S. to 34 by the end of 2010 and 31 by 2012; and
- A reduction in the U.S. hourly employment levels from 61,000 in 2008 to 40,000 in 2010 as a result of the nameplate reductions, operational efficiencies and plant capacity reductions.

Old GM had previously announced that it would reduce salaried employment levels on a global basis by 10,000 during 2009 and had instituted several programs to effect reductions in salaried employment levels. Old GM had also negotiated a revised labor agreement with the Canadian Auto Workers Union (CAW) to reduce its hourly labor costs to approximately the level paid to the transplant automakers; however, such agreement was contingent upon receiving longer term financial support for its Canadian operations from the Canadian federal and Ontario provincial governments.

Chapter 11 Proceedings

Old GM was not able to complete the cost reduction and restructuring actions in its Revised Viability Plan, including the debt reductions and VEBA modifications, which resulted in extreme liquidity constraints. As a result, on June 1, 2009 Old GM and certain of its direct and indirect subsidiaries entered into the Chapter 11 Proceedings.

In connection with the Chapter 11 Proceedings, Old GM entered into a secured superpriority debtor-in-possession credit agreement with the UST and EDC (DIP Facility) and received additional funding commitments from EDC to support Old GM's Canadian operations.

The following table summarizes the total funding and funding commitments Old GM received from the U.S. and Canadian governments and the additional notes Old GM issued related thereto in the period December 31, 2008 through July 9, 2009 (dollars in millions):

Description of Funding Commitment	Funding and Funding Commitments	Additional Notes Issued(a)	Total Obligation
UST Loan Agreement (b)	$ 19,761	$ 1,172	$ 20,933
EDC funding (c)	6,294	161	6,455
DIP Facility	33,300	2,221	35,521
Total	$ 59,355	$ 3,554	$ 62,909

(a) Old GM did not receive any proceeds from the issuance of these promissory notes, which were issued as additional compensation to the UST and EDC.

(b) Includes debt of $361 million, which UST loaned to Old GM under the warranty program.

(c) Includes approximately $2.4 billion from the EDC Loan Facility received in the period January 1, 2009 through July 9, 2009 and funding commitments of CAD $4.5 billion (equivalent to $3.9 billion when entered into) that were immediately converted into our equity. This funding was received on July 15, 2009.

363 Sale Transaction

On July 10, 2009, we completed the acquisition of substantially all of the assets and assumed certain liabilities of Old GM and certain of its direct and indirect subsidiaries (collectively, the Sellers). The 363 Sale was consummated in accordance with the Amended and Restated Master Sale and Purchase Agreement, dated June 26, 2009, as amended (Purchase Agreement), between us and the Sellers, and pursuant to the Bankruptcy Court's sale order dated July 5, 2009.

In connection with the 363 Sale, the purchase price we paid to Old GM equaled the sum of:

- A credit bid in an amount equal to the total of: (1) debt of $19.8 billion under Old GM's UST Loan Agreement, plus notes of $1.2 billion issued as additional compensation for the UST Loan Agreement, plus interest on such debt Old GM owed as of the closing date of the 363 Sale; and (2) debt of $33.3 billion under Old GM's DIP Facility, plus notes of $2.2 billion issued as additional compensation for the DIP Facility, plus interest Old GM owed as of the closing date, less debt of $8.2 billion owed under the DIP Facility;
- UST's return of the warrants Old GM previously issued to it;
- The issuance to MLC of 150 million shares (or 10%) of our common stock and warrants to acquire newly issued shares of our common stock initially exercisable for a total of 273 million shares of our common stock (or 15% on a fully diluted basis); and

- Our assumption of certain specified liabilities of Old GM (including debt of $7.1 billion owed under the DIP Facility).

Under the Purchase Agreement, as supplemented by a letter agreement we entered into in connection with our October 2009 holding company merger, we are obligated to issue additional shares of our common stock to MLC (Adjustment Shares) in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions). The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum number of Adjustment Shares issued if estimated general unsecured claims total $42.0 billion or more. We currently believe that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In the circumstance where estimated general unsecured claims equal $37.0 billion, we would be required to issue 8.6 million Adjustment Shares to MLC as an adjustment to the purchase price under the terms of the Purchase Agreement. At June 30, 2010 we accrued $162 million in Accrued expenses related to this contingent obligation.

Agreements with the UST, EDC and New VEBA

On July 10, 2009, we entered into the UST Credit Agreement and assumed debt of $7.1 billion Old GM incurred under the DIP Facility (UST Loans). In addition, through our wholly-owned subsidiary GMCL, we entered into the Canadian Loan Agreement with EDC and assumed a CAD $1.5 billion (equivalent to $1.3 billion when entered into) term loan maturing on July 10, 2015 (Canadian Loan). Proceeds of the DIP Facility of $16.4 billion were deposited in escrow, to be distributed to us at our request if certain conditions were met and returned to us after the UST Loans and the Canadian Loan were repaid in full. Immediately after entering into the UST Credit Agreement, we made a partial pre-payment due to the termination of the U.S. government sponsored warranty program, reducing the UST Loans principal balance to $6.7 billion. We also entered into the VEBA Note Agreement and issued the VEBA Notes to the New VEBA in the principal amount of $2.5 billion pursuant to the VEBA Note Agreement.

In December 2009 and March 2010 we made quarterly payments of $1.0 billion and $1.0 billion on the UST Loans and quarterly payments of $192 million and $194 million on the Canadian Loan. In April 2010, we used funds from our escrow account to repay in full the outstanding amount of the UST Loans of $4.7 billion. In addition, GMCL repaid in full the outstanding amount of the Canadian Loan of $1.1 billion. Both loans were repaid prior to maturity. In addition, on October 26, 2010 we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion.

Refer to Note 18 to our audited consolidated financial statements and Note 13 and Note 27 to our unaudited condensed consolidated interim financial statements for additional information on the UST Loans, VEBA Notes and the Canadian Loan.

Issuance of Common Stock, Preferred Stock and Warrants

On July 10, 2009 we issued the following securities to the UST, Canada Holdings, the New VEBA and MLC:

UST

Ÿ 912,394,068 shares of our common stock;

Ÿ 83,898,305 shares of Series A Preferred Stock;

Canada Holdings

- 175,105,932 shares of our common stock;
- 16,101,695 shares of Series A Preferred Stock;

New VEBA

- 262,500,000 shares of our common stock;
- 260,000,000 shares of Series A Preferred Stock;
- Warrant to acquire 45,454,545 shares of our common stock;

MLC

- 150,000,000 shares of our common stock; and
- Two warrants, each to acquire 136,363,635 shares of our common stock.

Preferred Stock

The shares of Series A Preferred Stock have a liquidation amount of $25.00 per share and accrue cumulative dividends at a rate equal to 9.0% per annum (payable quarterly on March 15, June 15, September 15, and December 15) if, as and when declared by our Board of Directors. So long as any share of the Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on the Series A Preferred Stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. On or after December 31, 2014, we may redeem, in whole or in part, the shares of Series A Preferred Stock at the time outstanding, at a redemption price per share equal to $25.00 per share plus any accrued and unpaid dividends, subject to limited exceptions.

The Series A Preferred Stock is classified as temporary equity because one of the holders, the UST, owns a significant percentage of our common stock and therefore has, and may continue to have, the ability to exert control, through its power to vote for the election of our directors, over various matters, which could include compelling us to redeem the Series A Preferred Stock in 2014 or later. We believe that it is not probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect our directors at December 31, 2014 considering the government's stated intent with respect to its equity holdings in our company to dispose of its ownership interest as soon as practicable. Refer to Note 2 to our audited consolidated financial statements.

The Series A Preferred Stock will remain classified as temporary equity until the holders of the Series A Preferred Stock no longer own a majority of our common stock and therefore no longer have the ability to exert control, through the power to vote for the election of our directors, over various matters, including compelling us to redeem the Series A Preferred Stock when it becomes callable by us on and after December 31, 2014. The reclassification of the Series A Preferred Stock to permanent equity would occur upon the earlier of (1) the holders of Series A Preferred Stock no longer owning a majority (greater than 50%) of our common stock; or (2) the UST no longer holding any Series A Preferred Stock, which would result in the remaining holders of the Series A Preferred Stock, as a class, owning less than 50% of our common stock. Upon the occurrence of either of these two events, the existing carrying amount of the Series A Preferred Stock would be reclassified to permanent equity.

Our Series A Preferred Stock is recorded at a discount of $2.0 billion. We are not accreting the Preferred Stock to its redemption amount of $9.0 billion because we believe it is not probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect a majority of our directors in 2014. If it becomes probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect a majority of our directors in 2014, then we would begin accreting to the redemption value from the date this condition becomes probable to December 31, 2014.

Regardless of whether we accrete the Series A Preferred Stock, upon a redemption or purchase of any or all Series A Preferred Stock, the difference, if any, between the recorded amount of the Series A Preferred Stock being redeemed or purchased and the consideration paid would be recorded as a charge to Net income attributable to common stockholders. If all of the Series A Preferred Stock were to be redeemed or purchased at its par value, the amount of the charge would be $2.0 billion.

We plan to purchase 83.9 million shares of Series A Preferred Stock held by the UST at a price equal to 102% of their $2.1 billion aggregate liquidation amount, conditional upon the completion of the common stock offering. We will record a $677 million charge to Net income attributable to common stockholders for the difference between the carrying amount of the Series A Preferred Stock held by the UST of $1.5 billion and the consideration paid of $2.1 billion.

Upon the purchase of the Series A Preferred Stock held by the UST, the Series A Preferred Stock held by Canada Holdings and the New VEBA will be reclassified to permanent equity at its current carrying amount of $5.5 billion as the remaining holders of our Series A Preferred Stock, Canada Holdings and the New VEBA, will no longer own a majority of our common stock and therefore will no longer have the ability to exert control, through the power to vote for the election of our directors, over various matters, including compelling us to redeem the Series A Preferred Stock when it becomes callable by us on or after December 31, 2014.

In the event that we reach an agreement in the future to purchase the shares of Series A Preferred Stock held by Canada Holdings and the New VEBA, we would record a $1.4 billion charge to Net income attributable to common stockholders related to the difference between the carrying amount of $5.5 billion and the face amount of $6.9 billion if purchased at a price equal to the liquidation amount of $25.00 per share. The charge to Net income attributable to common stockholders would be larger if the consideration paid for the remaining Series A Preferred Stock is in excess of the liquidation amount of $25.00 per share.

Warrants

The first tranche of warrants issued to MLC is exercisable at any time prior to July 10, 2016, with an exercise price of $10.00 per share. The second tranche of warrants issued to MLC is exercisable at any time prior to July 10, 2019, with an exercise price of $18.33 per share. The warrant issued to the New VEBA is exercisable at any time prior to December 31, 2015, with an exercise price of $42.31 per share. The number of shares of our common stock underlying each of the warrants issued to MLC and the New VEBA and the per share exercise price are subject to adjustment as a result of certain events, including stock splits, reverse stock splits and stock dividends.

Additional Modifications to Pension and Other Postretirement Plans Contingent upon Completion of the 363 Sale

We also modified the U.S. hourly pension plan, the U.S. executive retirement plan, the U.S. salaried life plan, the non-UAW hourly retiree medical plan and the U.S. hourly life plan. These modifications became effective upon the completion of the 363 Sale. The key modifications were:

- Elimination of the post-age-65 benefits and placing a cap on pre-age-65 benefits in the non-UAW hourly retiree medical plan;

- Capping the life benefit for non-UAW retirees and future retirees at $10,000 in the U.S. hourly life plan;
- Capping the life benefit for existing salaried retirees at $10,000, reduced the retiree benefit for future salaried retirees and eliminated the executive benefit for the U.S. salaried life plan;
- Elimination of a portion of nonqualified benefits in the U.S. executive retirement plan; and
- Elimination of the flat monthly special lifetime benefit of $66.70 that was to commence on January 1, 2010 for the U.S. hourly pension plan.

Accounting for the Effects of the Chapter 11 Proceedings and the 363 Sale

Chapter 11 Proceedings

Accounting Standards Codification (ASC) 852, “Reorganizations,” (ASC 852) is applicable to entities operating under Chapter 11 of the Bankruptcy Code. ASC 852 generally does not affect the application of U.S. GAAP that we and Old GM followed to prepare the audited consolidated financial statements and unaudited condensed consolidated interim financial statements, but it does require specific disclosures for transactions and events that were directly related to the Chapter 11 Proceedings and transactions and events that resulted from ongoing operations.

Old GM prepared its consolidated financial statements in accordance with the guidance in ASC 852 in the period June 1, 2009 through July 9, 2009. Revenues, expenses, realized gains and losses, and provisions for losses directly related to the Chapter 11 Proceedings were recorded in Reorganization expenses, net in the six months ended June 30, 2009 and in Reorganization gains, net in the period January 1, 2009 through July 9, 2009. Reorganization expenses, net and Reorganization gains, net do not constitute an element of operating loss due to their nature and due to the requirement of ASC 852 that they be reported separately. Old GM’s balance sheet prior to the 363 Sale distinguished prepetition liabilities subject to compromise from prepetition liabilities not subject to compromise and from postpetition liabilities.

We have not included pro forma financial information giving effect to the Chapter 11 Proceedings and the 363 Sale because the latest filed balance sheet, as well as the December 31, 2009 audited financial statements, include the effects of the 363 Sale. As such, we believe that further information would not be material to investors.

Specific Management Initiatives

The execution of certain management initiatives is critical to achieving our goal of sustained future profitability. The following provides a summary of these management initiatives and significant results and events.

Streamline U.S. Operations

Increased Production Volume

We continue to consolidate our U.S. manufacturing operations while maintaining the flexibility to meet increasing 2010 production levels. At December 31, 2009 we had reduced the number of U.S. manufacturing plants to 41 from 47 in 2008, excluding Delphi’s global steering business (Nexteer) and four domestic facilities acquired from Delphi in October 2009.

The moderate improvement in the U.S. economy, resulting increase in U.S. industry vehicle sales and increase in demand for our products has resulted in increased production volumes for GMNA. In the six months

ended June 30, 2010 GMNA produced 1.4 million vehicles. This represents an increase of 82.4% compared to 767,000 vehicles in the six months ended June 30, 2009.

In the year ended 2009 combined GM and Old GM GMNA produced 1.9 million vehicles. This represents a decrease of 44.5% compared to 3.4 million vehicles in the year ended 2008. However, Old GM GMNA production levels increased from 371,000 vehicles in the three months ended March 31, 2009 to 395,000 vehicles (or 6.5%) in the three months ended June 30, 2009. Combined GM and Old GM GMNA production increased to 531,000 vehicles (or 34.4%) in the three months ended September 30, 2009 as compared to June 30, 2009 quarterly production levels. GMNA production increased to 616,000 vehicles (or 16.0%) in the three months ended December 31, 2009 as compared to September 30, 2009 quarterly production levels. The increase in production levels from the three months ended September 30, 2009 related to increased consumer demand for certain products such as the Chevrolet Equinox, GMC Terrain, Buick LaCrosse and Cadillac SRX.

Improve Vehicle Sales

In the six months ended June 30, 2010 U.S. industry vehicle sales were 5.7 million vehicles, of which our market share was 18.9% based on vehicle sales volume. This represents an increase in U.S. industry vehicle sales from 4.9 million vehicles (or 16.6%), of which Old GM's market share was 19.5%, based on vehicle sales volume, in the six months ended June 30, 2009. This increase is consistent with the gradual U.S. vehicle sales recovery from the negative economic effects of the U.S. recession first experienced in the second half of 2008.

GMNA dealers in the U.S. sold 1.1 million vehicles in the six months ended June 30, 2010. This represents an increase from Old GM's U.S. vehicle sales of 1.0 million vehicles (or 13.2%) in the six months ended June 30, 2009. This increase reflects our brand rationalization strategy to focus our product engineering and design and marketing on four brands: Buick, Cadillac, Chevrolet and GMC. This strategy has resulted in increased consumer demand for certain products such as the Chevrolet Equinox, GMC Terrain, Buick LaCrosse and Cadillac SRX. These four brands accounted for 1.1 million vehicles (or 99.0%) of our U.S. vehicle sales in the six months ended June 30, 2010. In addition, the moderate improvement in the U.S. economy has contributed to a slow but steady improvement in U.S. industry vehicle sales and increased consumer confidence.

The continued increase in U.S. industry vehicle sales and the vehicle sales of our four brands is critical for us to achieve our worldwide profitability.

U.S. Dealer Reduction

We market vehicles worldwide through a network of independent retail dealers and distributors. As part of achieving and sustaining long-term viability and the viability of our dealer network, we determined that a reduction in the number of U.S. dealerships was necessary. In determining which dealerships would remain in our network, we performed analyses of volumes and consumer satisfaction indexes, among other criteria. Wind-down agreements with over 1,800 U.S. retail dealers were executed. The retail dealers executing wind-down agreements agreed to terminate their dealer agreements with us prior to October 31, 2010. Our plan was to reduce dealerships in the United States to approximately 3,600 to 4,000 in the long-term. However, in December 2009 President Obama signed legislation giving dealers access to neutral arbitration should they decide to contest the wind-down of their dealership. Under the terms of the legislation, we informed dealers as to why their dealership received a wind-down agreement. In turn, dealers were given a timeframe to file for reinstatement through the American Arbitration Association. Under the law, decisions in these arbitration proceedings are binding and final. We sent letters to over 2,000 of our dealers explaining the reasons for their wind-down agreements and over 1,100 dealers have filed for arbitration. In response to the arbitration filings we offered certain dealers reinstatement contingent upon compliance with our core business criteria for operation of a dealership. At June 30, 2010 the arbitration process had been fundamentally resolved. At June 30, 2010 there were approximately 5,200 vehicle dealers in the U.S. compared to approximately 5,600 at December 31, 2009. We intend to reduce the total number of our U.S. dealers to approximately 4,500 by the end of 2010.

To create a strong and viable distribution network for our products, continuing dealers have signed participation agreements. These participation agreements include performance expectations in the areas of retail sales, new vehicle inventory and facility exclusivity.

Repayment of Debt and Purchase of Preferred Stock

Proceeds from the DIP Facility were necessary in order to provide sufficient capital for Old GM to operate pending the closing of the 363 Sale. In connection with the 363 Sale, we assumed the UST Loans and Canadian Loan, which Old GM incurred under the DIP Facility. One of our key priorities was to repay the outstanding balances from these loans prior to maturity. We also plan to use excess cash to repay debt and reduce our financial leverage.

Repayment of UST Loans and Canadian Loan

On July 10, 2009 we entered into the UST Credit Agreement and assumed the UST Loans in the amount of $7.1 billion incurred by Old GM under its DIP Facility. Immediately after entering into the UST Credit Agreement, we made a partial pre-payment, reducing the UST Loans principal balance to $6.7 billion. On July 10, 2009 through our wholly-owned subsidiary GMCL, we also entered into the amended and restated Canadian Loan Agreement with EDC, and assumed the CAD $1.5 billion (equivalent to $1.3 billion when entered into) Canadian Loan.

In November 2009 we signed amendments to the UST Credit Agreement and Canadian Loan Agreement to provide for quarterly repayments of the UST Loans and Canadian Loan. Pursuant to these amendments, in December 2009 and March 2010 we made quarterly payments of $1.0 billion and $1.0 billion on the UST Loans and quarterly payments of $192 million and $194 million on the Canadian Loan. In April 2010, we used funds from our escrow account to repay in full the outstanding amount of the UST Loans of $4.7 billion. In addition, GMCL repaid in full the outstanding amount of the Canadian Loan of $1.1 billion. Both loans were repaid prior to maturity.

UST Escrow Funds

Proceeds of the DIP Facility of $16.4 billion were deposited in escrow. We used our escrow account to acquire all Class A Membership Interests in DIP HOLDCO LLP, subsequently named Delphi Automotive LLP, (New Delphi) in the amount of $1.7 billion and acquire Nexteer and four domestic facilities and make other related payments in the amount of $1.0 billion. In addition, $2.4 billion was released from escrow in connection with two quarterly payments of $1.2 billion on the UST Loans and Canadian Loan. Following the repayment of the UST Loans and the Canadian Loan, the remaining funds in an amount of $6.6 billion that were held in escrow became unrestricted. The availability of those funds is no longer subject to the conditions set forth in the UST Credit Agreement.

Repayment of German Revolving Bridge Facility

In May 2009 Old GM entered into a revolving bridge facility with the German federal government and certain German states (German Facility) with a total commitment of up to Euro 1.5 billion (equivalent to $2.1 billion when entered into) and maturing November 30, 2009. The German Facility was necessary in order to provide sufficient capital to operate Opel/Vauxhall. On November 24, 2009, the debt was paid in full and extinguished.

Repayment of VEBA Notes

On July 10, 2009 we entered into the VEBA Note Agreement and issued the VEBA Notes in the principal amount of $2.5 billion to the New VEBA. On October 26, 2010, we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion.

Purchase of Series A Preferred Stock from the UST

In October 2010, we entered into an agreement with the UST to purchase 83.9 million shares of our Series A Preferred Stock. We agreed to purchase the shares of Series A Preferred Stock at a purchase price equal to 102% of their $2.1 billion aggregate liquidation amount. The purchase of the Series A Preferred Stock is contingent upon the completion of the common stock offering. Assuming completion of the common stock offering, we intend to purchase the Series A Preferred Stock on the first dividend payment date for the Series A Preferred Stock after the completion of the common stock offering.

Brand Rationalization

As mentioned previously, we will focus our resources in the U.S. on four brands: Chevrolet, Cadillac, Buick and GMC. As a result, we completed the sale of Saab in February 2010 and the sale of Saab Automobile GB (Saab GB) in May 2010 and have ceased production of our Pontiac, Saturn, and HUMMER brands and continue the wind-down process of the related dealers.

Saturn

In September 2009 we decided to wind down the Saturn brand and dealership network in accordance with the deferred termination agreements that Saturn dealers have signed with us. Pursuant to the terms of the deferred termination agreements, the wind-down process is scheduled to be completed no later than October 2010.

Saab

In February 2010 we completed the sale of Saab and in May 2010 we completed the sale of Saab GB to Spyker Cars NV. As part of the agreement, Saab, Saab GB and Spyker Cars NV will operate under the Spyker Cars NV umbrella, and Spyker Cars NV will assume responsibility for Saab operations. The previously announced wind-down activities of Saab operations have ended.

Opel/Vauxhall Restructuring Activities

In February 2010 we presented our plan for the long-term viability of our Opel/Vauxhall operations to the German federal government and subsequently held discussions with European governments concerning funding support. Our plan included:

- Funding requirement estimates of Euro 3.7 billion (equivalent to $5.1 billion) including an original estimate of Euro 3.3 billion plus an additional Euro 0.4 billion, requested by European governments, to offset the potential effect of adverse market developments;
- Financing contributions from us of Euro 1.9 billion (equivalent to $2.6 billion) or more than 50% of the overall funding requirements;
- Requests of total funding support/loan guarantees from European governments of Euro 1.8 billion (equivalent to $2.5 billion);
- Plans to invest in capital and engineering of Euro 11.0 billion (equivalent to $15.0 billion) over the next five years; and
- Reduced capacity to adjust to then-current and forecasted market conditions including headcount reductions of 1,300 employees in sales and administration, 7,000 employees in manufacturing and the idling of our Antwerp, Belgium facility.

In June 2010 the German federal government notified us of its decision not to provide loan guarantees to Opel/Vauxhall. As a result, we have decided to fund the requirements of Opel/Vauxhall internally, including any amounts necessary to fund the approximately $1.3 billion in cash required to complete the European restructuring program. Opel/Vauxhall has subsequently withdrawn all applications for government loan guarantees from European governments.

We plan to continue to invest in capital, engineering and innovative fuel efficient powertrain technologies including an extended- range electric vehicle and battery electric vehicles. Our plan also includes aggressive capacity reductions including headcount reductions and the closing of our Antwerp, Belgium facility.

In the six months ended June 30, 2010 GME recorded charges of $89 million related to a voluntary separation program in the U.K. of $25 million and an early retirement plan in Spain of $64 million, which will affect 1,200 employees.

In the six months ended June 30, 2010 GME recorded charges of $353 million related to a separation plan associated with the closure of the Antwerp, Belgium facility. Negotiations for the final termination benefits were concluded in April 2010, and the total separation costs are estimated to be Euro 0.4 billion (equivalent to $0.5 billion). There were 2,600 employees affected, of which 1,300 separated in June 2010. In addition, GME and employee representatives entered into a Memorandum of Understanding whereby both parties cooperated in a working group, which also included the Flemish government, in order to find an outside investor to acquire and operate the facility. In October 2010 we announced that the search for an investor had been unsuccessful and the vehicle assembly operations in Antwerp, Belgium will cease at the end of 2010.

By the start of 2012, we plan to have 80% of our Opel/Vauxhall carlines volume refreshed such that the model stylings are less than three years old. In addition, we plan to invest Euro 1.0 billion to introduce innovative fuel efficient powertrain technologies including an additional extended-range electric vehicle and introducing battery-electric vehicles in smaller-size segments.

Resolution of Delphi Matters

In October 2009 we consummated the transaction contemplated in the Delphi Master Disposition Agreement (DMDA) with Delphi and other parties. Under the DMDA, we agreed to acquire Nexteer, which supplies us and other OEMs with steering systems and columns, and four domestic facilities that manufacture a variety of automotive components, primarily sold to us. We, along with several third party investors who held the Delphi Tranche DIP Facility (collectively, the Investors), agreed to acquire substantially all of Delphi's remaining assets through New Delphi. Certain excluded assets and liabilities have been retained by a Delphi entity (DPH) to be sold or liquidated. In connection with the DMDA, we agreed to pay or assume Delphi obligations of $1.0 billion related to its senior DIP credit facility, including certain outstanding derivative instruments, its junior DIP credit facility, and other Delphi obligations, including certain administrative claims. At the closing of the transactions contemplated by the DMDA, we waived administrative claims associated with our advance agreements with Delphi, the payment terms acceleration agreement with Delphi and the claims associated with previously transferred pension costs for hourly employees.

We agreed to acquire, prior to the consummation of the transactions contemplated by the DMDA, all Class A Membership Interests in New Delphi for a cash contribution of $1.7 billion with the Investors acquiring Class B Membership Interests. We and the Investors also agreed to establish: (1) a secured delayed draw term loan facility for New Delphi, with us and the Investors each committing to provide loans of up to $500 million; and (2) a note of $41 million to be funded at closing by the Investors. In addition, the DMDA settled outstanding claims and assessments against and from MLC, us and Delphi, including the termination of the Master Restructuring Agreement with limited exceptions, and establishes an ongoing commercial relationship with New Delphi. We agreed to continue all existing Delphi supply agreements and purchase orders for GMNA to the end

of the related product program, and New Delphi agreed to provide us with access rights designed to allow us to operate specific sites on defined triggering events to provide us with protection of supply.

In separate agreements, we, Delphi and the Pension Benefit Guarantee Corporation (PBGC) negotiated the settlement of the PBGC's claims from the termination of the Delphi pension plans and the release of certain liens with the PBGC against Delphi's foreign assets. In return, the PBGC was granted a 100% interest in Class C Membership Interests in New Delphi which provides for the PBGC to participate in predefined equity distributions and received a payment of $70 million from us. We maintain certain obligations relating to Delphi hourly employees to provide the difference between pension benefits paid by the PBGC according to regulation and those originally guaranteed by Old GM under the Delphi Benefit Guarantee Agreements.

Pursue Section 136 Loans

Section 136 of the Energy Independence and Security Act of 2007 establishes an incentive program consisting of both grants and direct loans to support the development of advanced technology vehicles and associated components in the U.S.

The U.S. Congress provided the DOE with $25.0 billion in funding to make direct loans to eligible applicants for the costs of re-equipping, expanding, and establishing manufacturing facilities in the United States to produce advanced technology vehicles and components for these vehicles. Old GM submitted three applications for Section 136 Loans aggregating $10.3 billion to support its advanced technology vehicle programs prior to July 2009. Based on the findings of the Auto Task Force under the UST Loan Agreement in March 2009, the DOE determined that Old GM did not meet the viability requirements for Section 136 Loans.

On July 10, 2009, we purchased certain assets of Old GM pursuant to Section 363 of the Bankruptcy Code, including the rights to the loan applications submitted to the ATVMIP. Further, we submitted a fourth application in August 2009. Subsequently, the DOE advised us to resubmit a consolidated application including all the four applications submitted earlier and also the Electric Power Steering project acquired from Delphi in October 2009. We submitted the consolidated application in October 2009, which requested an aggregate amount of $14.4 billion of Section 136 Loans. Ongoing product portfolio updates and project modifications requested from the DOE have the potential to reduce the maximum loan amount. To date, the DOE has announced that it would provide approximately $8.4 billion in Section 136 Loans to Ford Motor Company, Nissan Motor Company, Tesla Motors, Inc., Fisker Automotive, Inc., and Tenneco Inc. There can be no assurance that we will qualify for any remaining loans or receive any such loans even if we qualify.

Development of Multiple Financing Sources and Acquisition of AmeriCredit Corp.

A significant percentage of our customers and dealers require financing to purchase our vehicles. Historically, Ally Financial has provided most of the financing for our dealers and a significant amount of financing for our customers in the U.S., Canada and various other markets around the world. Additionally, we maintain other financing relationships, such as with U.S. Bank for U.S. leasing, GM Financial for sub-prime lending and a variety of local and regional financing sources around the world.

On October 1, 2010 we acquired AmeriCredit, an independent automobile finance company for cash of approximately $3.5 billion. We expect AmeriCredit, which was subsequently renamed GM Financial, will allow us to complement our existing relationship with Ally Financial in order to provide a more complete range of financing options to our customers, specifically focusing on providing additional capabilities in leasing and sub-prime financing options. We also plan to use GM Financial for targeted customer marketing initiatives to expand our vehicle sales.

Focus on Chinese Market

Our Chinese operations, which we established beginning in 1997, are primarily composed of three joint ventures: SGM, SGMW and FAW-GM. We view the Chinese market, the fastest growing global market by volume of vehicles sold, as important to our global growth strategy and are employing a multi-brand strategy, led by our Buick division, which we believe is a strong brand in China. In the coming years, we plan to increasingly leverage our global architectures to increase the number of nameplates under the Chevrolet brand in China. Sales and income of the joint ventures are not consolidated into our financial statements; rather, our proportionate share of the earnings of each joint venture is reflected as Equity income in the consolidated statement of operations.

SGM is a joint venture established by Shanghai Automotive Industry Corporation (SAIC) (51%) and us (49%) in 1997. SGM has interests in three other joint ventures in China—Shanghai GM (Shenyang) Norsom Motor Co., Ltd (SGM Norsom), Shanghai GM Dong Yue Motors Co., Ltd (SGM DY) and Shanghai GM Dong Yue Powertrain (SGM DYPT). These three joint ventures are jointly held by SGM (50%), SAIC (25%) and us (25%). The four joint ventures (SGM Group) are engaged in the production, import, and sale of a comprehensive range of products under the brands of Buick, Chevrolet, and Cadillac.

SGMW, of which we own 34%, SAIC owns 50% and Liuzhou Wuling Motors Co., Ltd. (Wuling) owns 16%, produces mini-commercial vehicles and passenger cars utilizing local architectures under the Wuling and Chevrolet brands. FAW-GM, of which we own 50% and China FAW Group Corporation (FAW) owns 50%, produces light commercial vehicles under the Jiefang brand and medium vans under the FAW brand. Our joint venture agreements allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM production volume in China. SAIC, one of our joint venture partners, currently produces vehicles under its own name for sale in the Chinese market. At present, vehicles that SAIC produces primarily serve markets that are different from markets served by our joint ventures.

The following table summarizes certain key operational and financial data for the SGM Group, which excludes SGMW and FAW-GM (dollars in millions):

	Six Months Ended	
	June 30, 2010	June 30, 2009
Total Wholesale Units	479,991	288,854
Market share	4.7%	5.3%
Total net sales and revenues	$ 9,093	$ 5,067
Net income	$ 1,303	$ 456
Cash and cash equivalents	$ 2,563	$ 1,420
Debt	$ 7	$ 6

During the six months ended June 30, 2010 and the years ended December 31, 2009, 2008 and 2007, SGM, SGMW and FAW-GM sold 1.2 million, 1.8 million, 1.1 million and 1.0 million vehicles in China. In the six months ended June 30, 2010, the period July 10, 2009 through December 31, 2009, the period January 1, 2009 through July 9, 2009 and the years ended December 31, 2008 and 2007, SGM and SGMW, the largest of these three joint ventures, combined to provide equity income, net of tax, to us and Old GM of $734 million, $466 million, $298 million, $312 million and $430 million.

On November 3, 2010, we and SAIC entered into a non-binding Memorandum of Understanding (MOU) that would, if binding agreements are concluded by the parties, result in several strategic cooperation initiatives between us and SAIC. The initiatives covered by the MOU include:

- cooperation in the development of new energy vehicles, such as appropriate electric vehicle architectures and battery electric vehicle technical development;

- further expanding the role of Pan Asia Technical Automotive Center Co., Ltd (our China-based engineering and technical joint venture with SAIC) in vehicle development, new technology development and participation in GM's global vehicle development process;
- sharing an additional vehicle architecture and powertrain application with SAIC in an effort to help reduce development costs and benefit from economies of scale;
- potential cooperation in providing access to a GM distribution network outside China for certain of SAIC's MG branded products;
- technology and systems development training for SAIC's engineers; and
- discussions to determine possible areas of cooperation in the development of future diesel engines.

The parties expect to reach definitive agreements regarding the MOU initiatives by December 31, 2010.

GM South America

In June 2010, we announced that, beginning in the fourth quarter of 2010, we are creating a new regional organization in South America. The new organization, GM South America, will be headquartered in Sao Paulo, Brazil, and its president will report to our chairman and chief executive officer. GM South America will include existing sales and manufacturing operations in Brazil, Argentina, Colombia, Ecuador and Venezuela, as well as sales activities in those countries and Bolivia, Chile, Paraguay, Peru and Uruguay. As part of our global product operations organization, GM South America will have product design and engineering capabilities, which will allow it to continue creating local cars and trucks that complement our global product architectures. GM South America will initially have approximately 29,000 employees.

Sale of Nexteer

On July 7, 2010 we entered into a definitive agreement to sell Nexteer to an unaffiliated party. The transaction is subject to customary closing conditions, regulatory approvals and review by government agencies in the U.S. and China. At June 30, 2010 Nexteer had total assets of $906 million, total liabilities of $458 million, and recorded revenue of $1.0 billion in the six months ended June 30, 2010, of which $543 million were sales to us and our affiliates. Nexteer did not qualify for held for sale classification at June 30, 2010. Once consummated, we do not expect the sale of Nexteer to have a material effect on our audited consolidated financial statements or our unaudited condensed consolidated interim financial statements.

Contribution of Cash and Common Stock to U.S. Hourly and Salaried Pension Plans

In October 2010, we announced our intention to contribute $6.0 billion to our U.S. hourly and salaried pension plans, consisting of $4.0 billion of cash and $2.0 billion of our common stock, following the completion the common stock offering and the Series B preferred stock offering. The common stock contribution is contingent on Department of Labor approval, which we expect to receive in the near-term. Based on the number of shares determined using an assumed public offering price per share of our common stock in the common stock offering of $27.50, the midpoint of the range for the common stock offering set forth on the cover of this prospectus, the anticipated common stock contribution would consist of 72.7 million shares of our common stock. Although we currently expect to make the cash and common stock contributions, we are not obligated to do so and cannot assure you that they will occur.

New Secured Revolving Credit Facility

In October 2010, we entered into a new five year, $5.0 billion secured revolving credit facility. While we do not believe the proceeds of the secured revolving credit facility are required to fund operating activities, the

facility is expected to provide additional liquidity and financing flexibility. Refer to the section of this prospectus entitled "—Liquidity and Capital Resources—New Secured Revolving Credit Facility" for additional information about the secured revolving credit facility.

Investment in Ally Financial

As part of the approval process for Ally Financial (formerly GMAC) to obtain Bank Holding Company status in December 2008, Old GM agreed to reduce its ownership in Ally Financial to less than 10% of the voting and total equity of Ally Financial by December 24, 2011. At December 31, 2009 our equity ownership in Ally Financial was 16.6%.

In December 2008 Old GM and FIM Holdings, an assignee of Cerberus ResCap Financing LLC, entered into a subscription agreement with Ally Financial under which each agreed to purchase additional Common Membership Interests in Ally Financial, and the UST committed to provide Old GM with additional funding in order to purchase the additional interests. In January 2009 Old GM entered into the UST Ally Financial Loan Agreement pursuant to which it borrowed $884 million (UST Ally Financial Loan) and utilized those funds to purchase 190,921 Class B Common Membership Interests of Ally Financial. The UST Ally Financial Loan was scheduled to mature in January 2012 and bore interest, payable quarterly, at the same rate of interest as the UST Loans. The UST Ally Financial Loan was secured by Old GM's Common and Preferred Membership Interests in Ally Financial. As part of this loan agreement, the UST had the option to convert outstanding amounts into a maximum of 190,921 shares of Ally Financial's Class B Common Membership Interests on a pro rata basis.

In May 2009 the UST exercised this option, the outstanding principal and interest under the UST Ally Financial Loan was extinguished, and Old GM recorded a net gain of $483 million. The net gain was comprised of a gain on the disposition of Ally Financial Common Membership Interests of $2.5 billion and a loss on extinguishment of the UST Ally Financial Loan of $2.0 billion. After the exchange, Old GM's ownership was reduced to 24.5% of Ally Financial's Common Membership Interests. Until June 30, 2009, Old GM accounted for its investment in Ally Financial using the equity method of accounting. For additional information on our and Old GM's investment in GMAC, refer to Note 10 and Note 16 to our audited consolidated financial statements.

Ally Financial converted its status to a C corporation effective June 30, 2009. At that date, Old GM began to account for its investment in Ally Financial using the cost method rather than the equity method as Old GM could not exercise significant influence over Ally Financial. Prior to Ally Financial's conversion to a C corporation, Old GM's investment in Ally Financial was accounted for in a manner similar to an investment in a limited partnership, and the equity method was applied because Old GM's influence was more than minor. In connection with Ally Financial's conversion into a C corporation, each unit of each class of Ally Financial Membership Interests was converted into shares of capital stock of Ally Financial with substantially the same rights and preferences as such Membership Interests. On July 10, 2009 we acquired Old GM's investments in Ally Financial's common and preferred stocks in connection with the 363 Sale.

In December 2009 the UST made a capital contribution to Ally Financial of $3.8 billion consisting of the purchase of trust preferred securities of $2.5 billion and mandatory convertible preferred securities of $1.3 billion. The UST also exchanged all of its existing Ally Financial non-convertible preferred stock for newly issued mandatory convertible preferred securities valued at $5.3 billion. In addition the UST converted $3.0 billion of its mandatory convertible preferred securities into Ally Financial common stock. These actions resulted in the dilution of our Ally Financial common stock investment from 24.5% to 16.6%, of which 6.7% is held directly and 9.9% is held in an independent trust. Pursuant to previous commitments to reduce influence over and ownership in Ally Financial, the trustee, who is independent of us, has the sole authority to vote and is required to dispose of all Ally Financial common stock held in the trust by December 24, 2011.

Special Attrition Programs, Labor Agreements and Benefit Plan Changes

2009 Special Attrition Programs and U.S. Hourly Workforce Reductions

In February and June 2009 Old GM announced the 2009 Special Attrition Programs for eligible UAW represented employees, offering cash and other incentives for individuals who elected to retire or voluntarily terminate employment. In the period January 1, 2009 through July 9, 2009 Old GM recorded postemployment benefit charges related to these programs for 13,000 employees. In the periods January 1, 2009 through July 9, 2009 and July 10, 2009 through December 31, 2009, 7,980 and 5,000 employees accepted the terms of the 2009 Special Attrition Programs. At December 31, 2009 our U.S. hourly headcount was 51,000 employees. At December 31, 2008 Old GM's U.S. hourly headcount was 62,000 employees. This represents a decrease of 16,000 U.S. hourly employees, excluding 5,000 U.S. hourly employees acquired with Nexteer and four domestic facilities.

Global Salaried Workforce Reductions

In February and June 2009 Old GM announced its intention to reduce global salaried headcount. The U.S. salaried employee reductions related to this initiative were to be accomplished primarily through the 2009 Salaried Window Program or through a severance program funded from operating cash flows. These programs were involuntary programs subject to management approval where employees were permitted to express interest in retirement or separation, for which the charges for the 2009 Salaried Window Program were recorded as special termination benefits funded from the U.S. salaried defined benefit pension plan and other applicable retirement benefit plans.

A net reduction of 9,000 salaried employees was achieved globally, excluding 2,000 salaried employees acquired with our acquisition of Nexteer and four domestic facilities, as more fully discussed in the above section of this prospectus entitled "—Specific Management Initiatives—Resolution of Delphi Matters." Global salaried headcount decreased from 73,000 salaried employees at December 31, 2008 to 66,000 at December 31, 2009, including a reduction of 5,500 U.S. salaried employees.

U.S. Salaried Benefits Changes

In February 2009 Old GM reduced salaried retiree life benefits for U.S. salaried employees. In June 2009 Old GM approved and communicated plan amendments associated with the U.S. salaried retiree health care program including reduced coverage and increases to cost sharing. In June 2009 Old GM also communicated changes in benefits for retired salaried employees including an acceleration and further reduction in retiree life insurance, elimination of the supplemental executive life insurance benefit, and reduction in supplemental executive retirement plan.

2009 Revised UAW Settlement Agreement

In May 2009 the UAW and Old GM agreed to the 2009 Revised UAW Settlement Agreement relating to the UAW hourly retiree medical plan and the 2008 UAW Settlement Agreement that permanently shifted responsibility for providing retiree health care from Old GM to the New Plan funded by the New VEBA. The 2009 Revised UAW Settlement Agreement was subject to the successful completion of the 363 Sale, and we and the UAW executed the 2009 Revised UAW Settlement Agreement on July 10, 2009 in connection with the 363 Sale. Details of the most significant changes to the agreement are:

- The Implementation Date changed from January 1, 2010 to the later of December 31, 2009 or the closing date of the 363 Sale, which occurred on July 10, 2009;

- The timing of payments to the New VEBA changed as subsequently discussed;

- The form of consideration changed as subsequently discussed;
- The contribution of employer securities changed such that they are contributed directly to the New VEBA in connection with the 363 Sale on July 10, 2009;
- Certain coverages will be eliminated and certain cost sharing provisions will increase; and
- The flat monthly special pension lifetime benefit that was scheduled to commence on January 1, 2010 was eliminated.

There was no change to the timing of our existing internal VEBA asset transfer to the New VEBA in that the internal VEBA asset transfer occurred within 10 business days after December 31, 2009 in accordance with both the 2008 UAW Settlement Agreement and the 2009 Revised UAW Settlement Agreement. The VEBA assets were not consolidated by us after the settlement was recorded at December 31, 2009 because we did not hold a controlling financial interest in the entity that held such assets at that date.

The new payment terms to the New VEBA under the 2009 Revised UAW Settlement Agreement are:

- VEBA Notes of $2.5 billion and accrued interest, at an implied interest rate of 9.0% per annum;
- 260 million shares of our Series A Preferred Stock that accrue cumulative dividends at 9.0% per annum;
- 263 million shares (17.5%) of our common stock;
- A warrant to acquire 45 million shares (2.5%) of our common stock at $42.31 per share at any time prior to December 31, 2015;
- Two years funding of claims costs for certain individuals that elected to participate in the 2009 Special Attrition Programs; and
- The existing internal VEBA assets.

On October 26, 2010 we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion.

Under the terms of the 2009 Revised UAW Settlement Agreement, we are released from UAW retiree health care claims incurred after December 31, 2009. All obligations of ours, the New Plan and any other entity or benefit plan of ours for retiree medical benefits for the class and the covered group arising from any agreement between us and the UAW terminated at December 31, 2009. Our obligations to the New Plan and the New VEBA are limited to the 2009 Revised UAW Settlement Agreement.

IUE-CWA and USW Settlement Agreement

In September 2009 we entered into a settlement agreement with MLC, the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers — Communication Workers of America (IUE-CWA) and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW). Under the settlement agreement, the IUE-CWA and the USW agreed to withdraw and release all claims against us and MLC relating to retiree health care benefits and basic life insurance benefits. In exchange, the IUE-CWA, the USW and any additional union that agrees to the terms of the settlement agreement will be granted an allowed pre-petition unsecured claim in MLC's Chapter 11 proceedings of $1.0 billion with respect to retiree health and life insurance benefits for the post-age-65 medicare eligible retirees, post-age-65 surviving spouses and under-age-65 medicare eligible retirees or surviving spouses disqualified for

retiree health care benefits from us under the settlement agreement. For participants remaining eligible for health care, certain coverages were eliminated and cost sharing will increase.

The settlement agreement was expressly conditioned upon, and did not become effective until approved by the Bankruptcy Court in MLC's Chapter 11 proceedings, which occurred in November 2009. Several additional unions representing MLC hourly retirees joined the IUE-CWA and USW settlement agreement with respect to health care and life insurance.

2009 CAW Agreement

In March 2009 Old GM announced that the members of the CAW had ratified the 2009 CAW Agreement intended to reduce manufacturing costs in Canada by closing the competitive gap with transplant automakers in the United States on active employee labor costs and reducing legacy costs through introducing co-payments for healthcare benefits, increasing employee healthcare cost sharing, freezing pension benefits and eliminating cost of living adjustments to pensions for retired hourly workers. The 2009 CAW Agreement was conditioned on Old GM receiving longer term financial support from the Canadian and Ontario governments.

GMCL subsequently entered into additional negotiations with the CAW which resulted in a further addendum to the 2008 collective agreement which was ratified by the CAW members in May 2009. In June 2009 the Ontario and Canadian governments agreed to the terms of a loan agreement, approved the GMCL viability plan and provided funding to GMCL.

In June 2009 GMCL and the CAW agreed to the terms of an independent Health Care Trust (HCT) to provide retiree health care benefits to certain active and retired employees. The HCT will be implemented when certain preconditions are achieved including certain changes to the Canadian Income Tax Act and the favorable completion of a class action process to bind existing retirees to the HCT. The latter is subject to the agreement of the representative retirees and the courts. The preconditions have not been achieved and the HCT is not yet implemented at June 30, 2010. Under the terms of the HCT agreement, GMCL is obligated to make a payment of CAD $1.0 billion on the HCT implementation date which it will fund out of its CAD $1.0 billion escrow funds, adjusted for the net difference between the amount of retiree monthly contributions received during the period December 31, 2009 through the HCT implementation date less the cost of benefits paid for claims incurred by covered employees during this period. GMCL will provide a CAD $800 million note payable to the HCT on the HCT implementation date which will accrue interest at an annual rate of 7.0% with five equal annual installments of $256 million due December 31 of 2014 through 2018. Concurrent with the implementation of the HCT, GMCL will be legally released from all obligations associated with the cost of providing retiree health care benefits to CAW active and retired employees bound by the class action process.

Canadian Defined Benefit Pension Plan Contributions

Under the terms of the pension agreement with the Government of Ontario and the Superintendent of Financial Services and as required by regulation, GMCL was required to make initial contributions of CAD $3.3 billion to the Canadian hourly defined benefit pension plan and CAD $0.7 billion to the Canadian salaried defined benefit pension plan, effective September 2, 2009. The contributions were made as scheduled. GMCL is required to make five annual contributions of CAD $200 million, payable in monthly installments, beginning in September 2009. The payments will be allocated between the Canadian hourly defined benefit pension plan and the Canadian salaried defined benefit pension plan as specified in the loan agreement.

Delphi Corporation

In July 2009 we entered into the DMDA with Delphi and other parties. Under the DMDA, we agreed to acquire Nexteer and four domestic facilities. As a result of the DMDA, active Delphi plan participants at the sites covered by the DMDA are now covered under our comparable counterpart plans as new employees with vesting rights. As part of the DMDA, we also assumed liabilities associated with certain international benefit plans.

Job Security Programs

In May 2009 Old GM and the UAW entered into a broad agreement which was required to meet cost benchmarks and the expectations of the U.S. government for significant further reductions in the Company's longer term liabilities. One of the significant addendums to the May 2009 agreement was that the Job Opportunity Bank (JOBS) Program was suspended, modifications were made to the Supplemental Unemployment Benefit (SUB) Program, and the Transition Support Program (TSP) was added. This resulted in the providing of reduced wages and benefits for a shorter duration than the benefits previously provided. Further, the duration of benefits is now tiered based on an employee's years of service. This narrowed the labor cost competitive gap with GM's U.S. competitors, including transplant automakers. A similar tiered benefit is provided to CAW employees.

Patient Protection and Affordable Care Act

The Patient Protection and Affordable Care Act was signed into law by President Obama in March 2010 and contains provisions that require all future reimbursement receipts under the Medicare Part D retiree drug subsidy program to be included in taxable income. This taxable income inclusion will not significantly affect us because, effective January 1, 2010, we no longer provide prescription drug coverage to post-age-65 Medicare-eligible participants, and we have a full valuation allowance against our net deferred tax assets in the U.S. We have assessed the other provisions of this new law, based on information known at this time, and we believe that the new law will not have a significant effect on our consolidated financial statements.

Venezuelan Exchange Regulations

Our Venezuelan subsidiaries changed their functional currency from Bolivar Fuerte (the BsF), the local currency, to the U.S. Dollar, our reporting currency, on January 1, 2010 because of the hyperinflationary status of the Venezuelan economy. Further, pursuant to the official devaluation of the Venezuelan currency and establishment of the dual fixed exchange rates in January 2010, we remeasured the BsF denominated monetary assets and liabilities held by our Venezuelan subsidiaries at the nonessential rate of 4.30 BsF to $1.00. The remeasurement resulted in a charge of $25 million recorded in Cost of sales in the six months ended June 30, 2010. During the six months ended June 30, 2010 all BsF denominated transactions have been remeasured at the nonessential rate of 4.30 BsF to $1.00.

In June 2010, the Venezuelan government introduced additional foreign currency exchange control regulations, which imposed restrictions on the use of the parallel foreign currency exchange market, thereby making it more difficult to convert BsF to U.S. Dollars. We periodically accessed the parallel exchange market, which historically enabled entities to obtain foreign currency for transactions that could not be processed by the Commission for the Administration of Currency Exchange (CADIVI). The restrictions on the foreign currency exchange market could affect our Venezuelan subsidiaries' ability to pay non-BsF denominated obligations that do not qualify to be processed by CADIVI at the official exchange rates as well as our ability to benefit from those operations.

Effect of Fresh-Start Reporting

The application of fresh-start reporting significantly affected certain assets, liabilities, and expenses. As a result, certain financial information at and for any period after July 10, 2009 is not comparable to Old GM's financial information. Therefore, we did not combine certain financial information in the period July 10, 2009 through December 31, 2009 with Old GM's financial information in the period January 1, 2009 through July 9, 2009 for comparison to prior periods. For the purpose of the following discussion, we have combined our Total net sales and revenue in the period July 10, 2009 through December 31, 2009 with Old GM's Total net sales and revenue in the period January 1, 2009 through July 9, 2009. Total net sales and revenue was not significantly affected by fresh-start reporting and therefore we combined vehicle sales data comparing the Successor and

Predecessor periods. Refer to Note 2 to our audited consolidated financial statements for additional information on fresh-start reporting.

Because our and Old GM's financial information is not comparable, we are providing additional financial metrics for the periods presented in addition to disclosures concerning significant transactions and trends at June 30, 2010 and December 31, 2009 and in the periods presented.

Total net sales and revenue is primarily comprised of revenue generated from the sales of vehicles, in addition to revenue from OnStar, our customer subscription service, vehicle sales accounted for as operating leases and sales of parts and accessories.

Cost of sales is primarily comprised of material, labor, manufacturing overhead, freight, foreign currency transaction and translation gains and losses, product engineering, design and development expenses, depreciation and amortization, policy and warranty costs, postemployment benefit costs, and separation and impairment charges. Prior to our application of fresh-start reporting on July 10, 2009, Cost of sales also included gains and losses on derivative instruments. Effective July 10, 2009 gains and losses related to all nondesignated derivatives are recorded in Interest income and other non-operating income, net.

Selling, general and administrative expense is primarily comprised of costs related to the advertising, selling and promotion of products, support services, including central office expenses, labor and benefit expenses for employees not considered part of the manufacturing process, consulting costs, rental expense for offices, bad debt expense and non-income based state and local taxes.

Consolidated Results of Operations
(Dollars in Millions)

	Successor		Predecessor			
	Six Months Ended June 30, 2010 Unaudited	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Six Months Ended June 30, 2009 Unaudited	Year Ended December 31, 2008	Year Ended December 31, 2007
Net sales and revenue						
Sales	$ 64,553	$ 57,329	$ 46,787	45,157	$ 147,732	$ 177,594
Other revenue	97	145	328	321	1,247	2,390
Total net sales and revenue	64,650	57,474	47,115	45,478	148,979	179,984
Costs and expenses						
Cost of sales	56,350	56,381	55,814	53,995	149,257	165,573
Selling, general and administrative expense	5,307	6,006	6,161	5,433	14,253	14,412
Other expenses, net	85	15	1,235	1,154	6,699	4,308
Total costs and expenses	61,742	62,402	63,210	60,582	170,209	184,293
Operating income (loss)	2,908	(4,928)	(16,095)	(15,104)	(21,230)	(4,309)
Equity in income (loss) of and disposition of interest in Ally Financial	—	—	1,380	1,380	(6,183)	(1,245)
Interest expense	(587)	(694)	(5,428)	(4,605)	(2,525)	(3,076)
Interest income and other non-operating income, net	544	440	852	833	424	2,284
Gain (loss) on extinguishment of debt	(1)	(101)	(1,088)	(1,088)	43	—
Reorganization gains (expenses), net	—	—	128,155	(1,157)	—	—
Income (loss) from continuing operations before income taxes and equity income	2,864	(5,283)	107,776	(19,741)	(29,471)	(6,346)
Income tax expense (benefit)	870	(1,000)	(1,166)	(559)	1,766	36,863
Equity income, net of tax	814	497	61	46	186	524
Income (loss) from continuing operations	2,808	(3,786)	109,003	(19,136)	(31,051)	(42,685)
Discontinued operations						
Income from discontinued operations, net of tax	—	—	—	—	—	256
Gain on sale of discontinued operations, net of tax	—	—	—	—	—	4,293
Income from discontinued operations	—	—	—	—	—	4,549
Net income (loss)	2,808	(3,786)	109,003	(19,136)	(31,051)	(38,136)
Less: Net income (loss) attributable to noncontrolling interests	204	511	(115)	(256)	(108)	406
Net income (loss) attributable to stockholders	2,604	(4,297)	109,118	(18,880)	(30,943)	(38,542)
Less: Cumulative dividends on preferred stock	405	131	—	—	—	—
Net income (loss) attributable to common stockholders	$ 2,199	$ (4,428)	$ 109,118	$ (18,880)	$ (30,943)	$ (38,542)

Production and Vehicle Sales Volume

Management believes that production volume and vehicle sales data provide meaningful information regarding our operating results. Production volumes manufactured by our assembly facilities are generally aligned with current period net sales and revenue, as we generally recognize revenue upon the release of the vehicle to the carrier responsible for transporting it to a dealer, which is shortly after the completion of production. Vehicle sales data, which includes retail and fleet sales, does not correlate directly to the revenue we recognize during the period. However, vehicle sales data is indicative of the underlying demand for our vehicles, and is the basis for our market share.

The following tables summarize total production volume and sales of new motor vehicles and competitive position (in thousands):

	GM	Combined GM and Old GM	Old GM	
	Six Months Ended June 30, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Production Volume (a)				
GMNA	1,399	1,913	3,449	4,267
GMIO (b)(c)	2,307	3,484	3,200	3,246
GME	636	1,106	1,495	1,773
Worldwide	4,342	6,503	8,144	9,286

(a) Production volume represents the number of vehicles manufactured by our and Old GM's assembly facilities and also includes vehicles produced by certain joint ventures.

(b) Includes SGM joint venture production in China of 489,000 vehicles and SGMW, FAW-GM joint venture production in China and SAIC GM Investment Ltd. (HKJV) joint venture production in India of 745,000 vehicles in the six months ended June 30, 2010, combined GM and Old GM SGM joint venture production in China of 712,000 vehicles and combined GM and Old GM SGMW and FAW-GM joint venture production in China of 1.2 million vehicles in the year ended December 31, 2009 and Old GM SGM joint venture production in China of 439,000 vehicles and 491,000 vehicles and Old GM SGMW joint venture production in China of 646,000 vehicles and 555,000 vehicles in the years ended December 31, 2008 and 2007.

(c) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allows for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture production in China.

	Successor		Predecessor	
	Six Months Ended June 30, 2010		Six Months Ended June 30, 2009	
	GM	GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)(d)				
GMNA(e)	1,280	18.3%	1,157	19.0%
GMIO(f)(g)(h)	2,026	10.3%	1,517	10.2%
GME(f)	846	8.6%	881	9.1%
Worldwide(f)	4,152	11.4%	3,555	11.6%

(a) Includes HUMMER, Saturn and Pontiac vehicle sales data.

(b) Includes Saab vehicle sales data through February 2010.

(c) Vehicle sales data may include rounding differences.

(d) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

(e) Vehicle sales primarily represent sales to the ultimate customer.

(f) Vehicle sales primarily represent estimated sales to the ultimate customer.

(g) Includes SGM joint venture vehicle sales in China of 451,000 vehicles and SGMW, FAW-GM joint venture vehicle sales in China and HKJV joint venture vehicle sales in India of 737,000 vehicles in the six months ended June 30, 2010 and Old GM SGM joint venture vehicle sales in China of 278,000 vehicles and SGMW joint venture vehicle sales in China of 493,000 vehicles in the six months ended June 30, 2009. We do not record revenue from our joint ventures' vehicle sales.

(h) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture vehicle sales in China.

	Year Ended December 31, 2009		Year Ended December 31, 2008		Year Ended December 31, 2007	
	Combined GM and Old GM	Combined GM and Old GM as a % of Industry	Old GM	Old GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)						
GMNA (d)	2,485	19.0%	3,565	21.5%	4,516	23.0%
GMIO (e)(f)(g)	3,326	10.3%	2,754	9.6%	2,672	9.5%
GME (e)	1,667	8.9%	2,043	9.3%	2,182	9.4%
Worldwide (e)	7,478	11.6%	8,362	12.4%	9,370	13.2%

(a) Includes HUMMER, Saab, Saturn and Pontiac vehicle sales data.

(b) Vehicle sales data may include rounding differences.

(c) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

(d) Vehicle sales primarily represent sales to the ultimate customer.

(e) Vehicle sales primarily represent estimated sales to the ultimate customer.

(f) Includes combined GM and Old GM SGM joint venture vehicle sales in China of 710,000 vehicles and combined GM and Old GM SGMW and FAW-GM joint venture vehicle sales in China of 1.0 million vehicles in the year ended December 31, 2009 and Old GM SGM joint venture vehicle sales in China of 446,000 vehicles and 476,000 vehicles and Old GM SGMW joint venture vehicle sales in China of 606,000 vehicles and 516,000 vehicles in the years ended December 31, 2008 and 2007. We do not record revenue from our joint ventures' vehicle sales.

(g) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture vehicle sales in China.

Reconciliation of Consolidated and Segment Results

Management believes earnings before interest and taxes (EBIT) provides meaningful supplemental information regarding our operating results because it excludes amounts that management does not consider part of operating results when assessing and measuring the operational and financial performance of the organization. Management believes these measures allow it to readily view operating trends, perform analytical comparisons, benchmark performance between periods and among geographic regions and assess whether our plan to return to profitability is on target. Accordingly, we believe EBIT is useful in allowing for greater transparency of our core operations and it is therefore used by management in its financial and operational decision-making.

While management believes that EBIT provides useful information, it is not an operating measure under U. S. GAAP, and there are limitations associated with its use. Our calculation of EBIT may not be completely comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of EBIT has limitations and should not be considered in isolation from, or as a substitute for, other measures such as Net income (loss) or Net income (loss) attributable to common stockholders. Due to these limitations, EBIT is used as a supplement to U. S. GAAP measures.

The following table summarizes the reconciliation of Income (loss) attributable to stockholders before interest and taxes to Net income (loss) attributable to stockholders for each of our operating segments (dollars in millions):

	Successor				Predecessor							
	Six Months Ended June 30, 2010		July 10, 2009 Through December 31, 2009		January 1, 2009 Through July 9, 2009		Six Months Ended June 30, 2009		Year Ended December 31, 2008		Year Ended December 31, 2007	
Operating segments												
GMNA (a)	$2,810	70.1%	$(4,820)	108.6%	$ (11,092)	74.6%	$(10,452)	75.4%	$(12,203)	85.0%	$ 1,876	55.5%
GMIO (a)	1,838	45.8%	1,196	(26.9)%	(964)	6.5%	(699)	5.0%	471	(3.3)%	1,947	57.7%
GME (a)	(637)	(15.9)%	(814)	18.3%	(2,815)	18.9%	(2,711)	19.6%	(2,625)	18.3%	(447)	(13.2)%
Total operating segments	4,011	100%	(4,438)	100%	(14,871)	100%	(13,862)	100%	(14,357)	100%	3,376	100%
Corporate and eliminations (b)(c)	(154)		(349)		128,068		(1,145)		(12,950)		(3,207)	
Earnings (loss) before interest and taxes	3,857		(4,787)		113,197		(15,007)		(27,307)		169	
Interest income	204		184		183		173		655		1,228	
Interest expense	587		694		5,428		4,605		2,525		3,076	
Income tax expense (benefit)	870		(1,000)		(1,166)		(559)		1,766		36,863	
Net income (loss) attributable to stockholders	$2,604		$(4,297)		$109,118		$(18,880)		$(30,943)		$(38,542)	

(a) Interest and income taxes are recorded centrally in Corporate; therefore, there are no reconciling items for our operating segments between Income (loss) attributable to stockholders before interest and taxes and Net income (loss) attributable to stockholders.

(b) Includes Reorganization gains, net of $128.2 billion in the period January 1, 2009 through July 9, 2009.

(c) Includes Reorganization expenses, net of $1.2 billion in the six months ended June 30, 2009.

Six Months ended June 30, 2010 and 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Successor	Predecessor	Six Months Ended 2010 vs. 2009 Change	
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009	Amount	%
GMNA	$ 39,552	$ 23,764	$15,788	66.4%
GMIO	16,664	11,155	5,509	49.4%
GME	11,505	11,946	(441)	(3.7)%
Total operating segments	67,721	46,865	20,856	44.5%
Corporate and eliminations	(3,071)	(1,387)	(1,684)	(121.4)%
Total net sales and revenue	$ 64,650	$ 45,478	$19,172	42.2%

In the six months ended June 30, 2010 Total net sales and revenue increased compared to the corresponding period in 2009 by $19.2 billion (or 42.2%), primarily due to: (1) higher wholesale volumes of $13.3 billion, which primarily resulted from increased volumes in GMNA of $12.1 billion; (2) favorable pricing of $2.8 billion, partially offset by less favorable adjustments to the accrual for U.S. residual support programs for leased vehicles in GMNA of $0.6 billion; (3) favorable mix of $1.7 billion; (4) net foreign currency translation and transaction gains of $1.4 billion; and (5) derivative losses of $1.0 billion that GMIO recorded in the six months ended June 30, 2009.

Cost of Sales

	Successor		Predecessor	
	Six Months Ended June 30, 2010	Percentage of Total net sales and revenue	Six Months Ended June 30, 2009	Percentage of Total net sales and revenue
Cost of sales	$ 56,350	87.2%	$ 53,995	118.7%
Gross margin	$ 8,300	12.8%	$ (8,517)	(18.7)%

GM

In the six months ended June 30, 2010 Cost of sales included: (1) net restructuring charges of $0.4 billion; (2) charges of $0.2 billion for a recall campaign on windshield fluid heaters; partially offset by (3) net foreign currency translation and transaction gains of $0.2 billion.

Old GM

In the six months ended June 30, 2009 Cost of sales included: (1) incremental depreciation charges of $2.3 billion; (2) a curtailment loss of $1.4 billion upon the interim remeasurement of the U.S. Hourly and U.S. Salaried Defined Benefit Pension Plans and a charge of $1.1 billion related to the SUB and TSP, partially offset by a favorable adjustment of $0.7 billion primarily related to the suspension of the JOBS Program; (3) separation program charges and Canadian restructuring activities of $1.1 billion; (4) foreign currency translation losses of $1.0 billion; (5) impairment charges of $0.7 billion; and (6) charges of $0.3 billion related to obligations associated with various Delphi agreements.

Selling, General and Administrative Expense

	Successor		Predecessor	
	Six Months Ended June 30, 2010	Percentage of Total net sales and revenue	Six Months Ended June 30, 2009	Percentage of Total net sales and revenue
Selling, general and administrative expense	$ 5,307	8.2%	$ 5,433	11.9%

GM

In the six months ended June 30, 2010 Selling, general and administrative expense included advertising expenses of $1.9 billion primarily in GMNA of $1.3 billion and GME of $0.3 billion for promotional campaigns to support the launch of new vehicles.

Old GM

In the six months ended June 30, 2009 Selling, general and administrative expense included a curtailment loss of $0.3 billion upon the interim remeasurement of the U.S. Salary Defined Benefit Pension Plan as a result of global salaried workforce reductions and reserves related to the wind-down of dealerships of $0.1 billion.

Other Expenses, net

	Successor		Predecessor	
	Six Months Ended June 30, 2010	Percentage of Total net sales and revenue	Six Months Ended June 30, 2009	Percentage of Total net sales and revenue
Other expenses, net	$ 85	0.1%	$ 1,154	2.5%

GM

In the six months ended June 30, 2010 Other expenses, net included ongoing expenses related to our portfolio of automotive retail leases.

Old GM

In the six months ended June 30, 2009 Other expenses, net included: (1) charges of $0.8 billion related to the deconsolidation of Saab. Saab filed for reorganization protection under the laws of Sweden in February 2009; (2) charges of $0.1 billion for Old GM's obligations related to Delphi; and (3) expenses of $0.1 billion primarily related to ongoing expenses related to Old GM's portfolio of automotive retail leases, including depreciation and realized losses.

Interest Expense

	Successor		Predecessor	
	Six Months Ended June 30, 2010	Percentage of Total net sales and revenue	Six Months Ended June 30, 2009	Percentage of Total net sales and revenue
Interest expense	$ (587)	(0.9)%	$ (4,605)	(10.1)%

GM

In the six months ended June 30, 2010 Interest expense included interest expense on GMIO debt of $0.2 billion, VEBA Note interest expense and premium amortization of $0.1 billion and interest expense on the UST Loan of $0.1 billion.

Old GM

In the six months ended June 30, 2009 Interest expense included: (1) amortization of discounts related to the UST Loan Facility of $2.9 billion; (2) interest expense on unsecured debt of $0.9 billion; and (3) interest expense on the UST Loan Facility of $0.4 billion.

Interest Income and Other Non-Operating Income, net

	Successor		Predecessor	
	Six Months Ended June 30, 2010	Percentage of Total net sales and revenue	Six Months Ended June 30, 2009	Percentage of Total net sales and revenue
Interest income and other non-operating income, net	$ 544	0.8%	$ 833	1.8%

GM

In the six months ended June 30, 2010 Interest income and other non-operating income, net included interest income of $0.2 billion on cash deposits and marketable securities and gain on the sale of Saab of $0.1 billion.

Old GM

In the six months ended June 30, 2009 Interest income and other non-operating income, net included foreign currency and other derivative gains of $0.3 billion, interest income of $0.2 billion and a gain of $0.1 billion on a warrant that Old GM issued to the UST in connection with the UST Loan Agreement.

Loss on Extinguishment of Debt

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Loss on extinguishment of debt	$ (1)	$ (1,088)

Old GM

In the six months ended June 30, 2009 Loss on the extinguishment of debt included a loss of $2.0 billion related to the UST exercising its option to convert outstanding amounts of the UST Ally Financial Loan into shares of Ally Financial's Class B Common Membership Interests. This loss was partially offset by a gain on extinguishment of debt of $0.9 billion related to an amendment to Old GM's U.S. term loan.

Reorganization Expenses, net

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Reorganization expenses, net	$ —	$ (1,157)

Old GM

In the six months ended June 30, 2009 Reorganization expenses, net included: (1) Old GM's loss on the extinguishment of debt resulting from repayment of its secured revolving credit facility, U.S. term loan, and secured credit facility due to the fair value of the U.S. term loan exceeding its carrying amount by $1.0 billion; (2) a loss on contract rejections, settlements of claims and other lease terminations of $0.4 billion; partially offset by (3) gains related to release of Accumulated other comprehensive income (loss) associated with derivatives of $0.2 billion.

Income Tax Expense (Benefit)

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Income tax expense (benefit)	$ 870	$ (559)

GM

In the six months ended June 30, 2010 Income tax expense primarily related to income tax provisions for profitable entities and a taxable foreign exchange gain in Venezuela.

The effective tax rate fluctuated in the six months ended June 30, 2010 primarily as a result of changes in the mix of earnings in valuation allowance and non-valuation allowance jurisdictions.

Old GM

In the six months ended June 30, 2009 Income tax benefit primarily related to a resolution of a U.S. and Canada transfer pricing matter and other discrete items offset by income tax provisions for profitable entities.

Equity Income, net of tax

	Successor		Predecessor	
	Six Months Ended June 30, 2010	Percentage of Total net sales and revenue	Six Months Ended June 30, 2009	Percentage of Total net sales and revenue
SGM and SGMW	$ 734	1.1%	$ 289	0.6%
Other equity interests	80	0.1%	(243)	(0.5)%
Total equity income, net of tax	$ 814	1.3%	$ 46	0.1%

GM

In the six months ended June 30, 2010 Equity income, net of tax included equity income of $0.7 billion related to our China joint ventures primarily SGM and SGMW and $0.1 billion of equity income related to New Delphi.

Old GM

In the six months ended June 30, 2009 Equity income, net of tax included equity income of $0.3 billion related to our China joint ventures, SGM and SGMW, offset by losses related to our investments in New United Motor Manufacturing, Inc. (NUMMI) and CAMI Automotive, Inc. (CAMI) of $0.3 billion.

July 10, 2009 Through December 31, 2009 and January 1, 2009 Through July 9, 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Combined GM and Old GM	Successor	Predecessor		Year Ended 2009 vs. 2008 Change	
	Year Ended December 31, 2009	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Amount	%
GMNA	$ 56,617	$ 32,426	$ 24,191	$ 86,187	$ (29,570)	(34.3)%
GMIO	27,214	15,516	11,698	37,344	(10,130)	(27.1)%
GME	24,031	11,479	12,552	34,647	(10,616)	(30.6)%
Total operating segments	107,862	59,421	48,441	158,178	(50,316)	(31.8)%
Corporate and eliminations	(3,273)	(1,947)	(1,326)	(9,199)	5,926	64.4%
Total net sales and revenue	$ 104,589	$ 57,474	$ 47,115	$ 148,979	$ (44,390)	(29.8)%

In the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009 several factors affected global vehicle sales. The tight credit markets, increased unemployment rates and recessions in the U.S. and many international markets all contributed to significantly lower sales than those in the prior year. Old GM's well publicized liquidity issues, public speculation as to the effects of Chapter 11 proceedings and the actual Chapter 11 Proceedings also negatively affected vehicle sales in several markets.

In response to these negative conditions, several countries took action to improve vehicle sales. Many countries in the Asia Pacific region responded to the global recession by lowering interest rates and initiating

programs to provide credit to consumers, which had a positive effect on vehicle sales. Certain countries including Germany, China, Brazil, India and South Korea benefited from effective government economic stimulus packages and began showing signs of recovery, and the CARS program initiated by the U.S. government temporarily stimulated vehicle sales in the U.S. We expect that the challenging sales environment resulting from the economic slowdown will continue in 2010, but we anticipate that China and other key emerging markets will continue showing strong sales and market growth.

In the year ended 2009 Total net sales and revenue decreased by $44.4 billion (or 29.8%) primarily due to: (1) a decrease of revenue of $36.7 billion in GMNA related to volume reductions; (2) a decrease in domestic wholesale volumes and lower exports of $11.5 billion in GMIO; (3) a decrease in domestic wholesale volumes of $4.8 billion in GME; (4) foreign currency translation and transaction losses of $3.7 billion in GME, primarily due to the strengthening of the U.S. Dollar versus the Euro; (5) a decrease in sales revenue of $1.2 billion in GME related to Saab; (6) lower powertrain and parts and accessories revenue of $0.8 billion in GME; and (7) a decrease in other financing revenue of $0.7 billion related to the continued liquidation of the portfolio of automotive retail leases.

These decreases in Total net sales and revenue were partially offset by: (1) improved pricing, lower sales incentives and improved lease residuals, mostly related to daily rental car vehicles returned from lease and sold at auction, of $5.4 billion in GMNA; (2) favorable vehicle mix of $2.8 billion in GMNA; (3) favorable vehicle pricing of $1.3 billion in GME; (4) gains on derivative instruments of $0.9 billion in GMIO; (5) favorable pricing of $0.5 billion in GMIO, primarily due to a 60% price increase in Venezuela due to high inflation; and (6) favorable vehicle mix of $0.4 billion in GMIO driven by launches of new vehicle models at GM Daewoo Auto & Technology Co. (GM Daewoo).

Cost of Sales

	Successor		Predecessor	
	July 10, 2009 Through December 31, 2009	Percentage of Total net sales and revenue	January 1, 2009 Through July 9, 2009	Percentage of Total net sales and revenue
Cost of sales	$ 56,381	98.3%	$ 55,814	118.5%
Gross margin	$ 1,093	1.9%	$ (8,699)	(18.5)%

Cost of sales for the year ended December 31, 2009, representing our cost of sales combined with Old GM's, is down from historical levels primarily due to reduced volume.

GM

In the period July 10, 2009 through December 31, 2009 Cost of sales included: (1) a settlement loss of $2.6 billion related to the termination of the UAW hourly retiree medical plan and Mitigation Plan; (2) foreign currency translation losses of $1.3 billion; and (3) separation charges of $0.2 billion. These expenses were partially offset by foreign currency transaction gains of $0.5 billion.

Old GM

In the period January 1, 2009 through July 9, 2009 Cost of sales included: (1) incremental depreciation charges of $2.0 billion in GMNA that Old GM recorded prior to the 363 Sale for facilities included in GMNA's restructuring activities and for certain facilities that MLC retained at July 10, 2009; (2) foreign currency translation losses of $0.7 billion, primarily in GMNA due to the strengthening of the Canadian Dollar versus the U.S. Dollar; and (3) foreign currency transaction losses of $0.3 billion.

In the period January 1, 2009 through July 9, 2009 Cost of sales included: (1) charges of $1.1 billion related to the SUB and TSP; (2) separation charges of $0.7 billion related to hourly employees who participated in the

2009 Special Attrition Program and Second 2009 Special Attrition Program; (3) expenses of $0.7 billion related to U.S. pension and other postemployment benefit (OPEB) plans for hourly and salary employees; (4) separation charges of $0.3 billion for U.S. salaried workforce reduction programs to allow 6,000 terminated employees to receive ongoing wages and benefits for no longer than 12 months; and (5) expenses of $0.3 billion related to Canadian pension and OPEB plans for hourly and salary employees and restructuring activities. These costs were partially offset by favorable adjustments of $0.7 billion primarily related to the suspension of the JOBS Program.

In the period January 1, 2009 through July 9, 2009 negative gross margin reflected the under absorption of manufacturing overhead resulting from declining sales volumes and incremental depreciation of $2.0 billion and $0.7 billion in GMNA and GME.

Selling, General and Administrative Expense

	Successor		Predecessor	
	July 10, 2009 Through December 31, 2009	Percentage of Total net sales and revenue	January 1, 2009 Through July 9, 2009	Percentage of Total net sales and revenue
Selling, general and administrative expense	$ 6,006	10.4%	$ 6,161	13.1%

Selling, general and administrative expense for the year ended December 31, 2009, representing our selling, general and administrative expense combined with Old GM's is down from historical levels due to reduced advertising and other spending.

GM

In the period July 10, 2009 through December 31, 2009 Selling, general and administrative expense included charges of $0.3 billion in GMNA, primarily for dealer wind-down costs for our Saturn dealers after plans to sell the Saturn brand and dealer network were terminated. These expenses were partially offset by reductions on overall spending for media and advertising fees related to our global cost saving initiatives and a decline in Saturn sales and marketing efforts in anticipation of the sale of Saturn, and ultimately, the wind-down of operations.

Old GM

In the period January 1, 2009 through July 9, 2009 Selling, general and administrative expense included charges of $0.5 billion recorded for dealer wind-down costs in GMNA. This was partially offset by the positive effects of various cost savings initiatives, the cancellation of certain sales and promotion contracts as result of the Chapter 11 Proceedings in the U.S. and overall reductions in advertising and marketing budgets.

Interest Expense

	Successor	Predecessor
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009
Interest expense	$ (694)	$ (5,428)

GM

As a result of the 363 Sale, our debt balance is significantly lower than Old GM's. Accordingly, Interest expense is down from historical levels.

Old GM

In the period January 1, 2009 through July 9, 2009 Old GM recorded amortization of discounts related to the UST Loan, EDC Loan and DIP Facilities of $3.7 billion. In addition, Old GM incurred interest expense of

$1.7 billion primarily related to interest expense of $0.8 billion on unsecured debt balances, $0.4 billion on the UST Loan Facility and $0.2 billion on GMIO debt. Old GM ceased accruing and paying interest on most of its unsecured U.S. and foreign denominated debt on June 1, 2009, the date of its Chapter 11 Proceedings.

Gain (Loss) on Extinguishment of Debt

	Successor		Predecessor
	July 10, 2009 Through December 31, 2009		January 1, 2009 Through July 9, 2009
Gain (loss) on extinguishment of debt	$ (101)		$ (1,088)

Old GM

In the period January 1, 2009 through July 9, 2009 Old GM recorded a loss related to the extinguishment of the UST Ally Financial Loan of $2.0 billion when the UST exercised its option to convert outstanding amounts to shares of Ally Financial's Class B Common Membership Interests. This loss was partially offset by a gain on extinguishment of debt of $0.9 billion related to an amendment to Old GM's $1.5 billion U.S. term loan in March 2009.

Income Tax Expense (Benefit)

	Successor		Predecessor
	July 10, 2009 Through December 31, 2009		January 1, 2009 Through July 9, 2009
Income tax expense (benefit)	$ (1,000)		$ (1,166)

GM

In the period July 10, 2009 through December 31, 2009 Income tax expense (benefit) primarily resulted from a $1.4 billion income tax allocation between operations and Other comprehensive income, partially offset by income tax provisions of $0.3 billion for profitable entities. In the period July 10, 2009 through December 31, 2009 our U.S. operations incurred losses from operations with no income tax benefit due to full valuation allowances against our U.S. deferred tax assets, and we had Other comprehensive income, primarily due to remeasurement gains on our U.S. pension plans. We recorded income tax expense related to the remeasurement gains in Other comprehensive income and allocated income tax benefit to operations.

Old GM

In the period January 1, 2009 through July 9, 2009 Income tax expense (benefit) primarily resulted from the reversal of valuation allowances of $0.7 billion related to Reorganization gains, net and the resolution of a transfer pricing matter of $0.7 billion between the U.S. and Canadian governments, offset by income tax provisions of profitable entities.

Equity Income, net of tax

	Successor			Predecessor	
	July 10, 2009 Through December 31, 2009	Percentage of Total net sales and revenue		January 1, 2009 Through July 9, 2009	Percentage of Total net sales and revenue
SGM and SGMW	$ 466	0.8%		$ 298	0.6%
Other equity interests	31	0.1%		(237)	(0.5)%
Total equity income, net of tax	$ 497	0.9%		$ 61	0.1%

GM

In the period July 10, 2009 through December 31, 2009 equity income, net of tax reflected increased sales volume at SGM and SGMW.

Old GM

In the period January 1, 2009 through July 9, 2009 Equity income, net of tax reflected: (1) increased sales volume at SGM; (2) charges of $0.2 billion related to Old GM's investment in NUMMI; and (3) equity losses of $0.1 billion related to NUMMI and CAMI, primarily due to lower volumes.

2008 Compared to 2007
(Dollars in Millions)

Total Net Sales and Revenue

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
GMNA	$ 86,187	$ 112,448	$(26,261)	(23.4)%
GMIO	37,344	37,060	284	0.8%
GME	34,647	37,337	(2,690)	(7.2)%
Total operating segments	158,178	186,845	(28,667)	(15.3)%
Corporate and eliminations	(9,199)	(6,861)	(2,338)	(34.1)%
Total net sales and revenue	$ 148,979	$ 179,984	$(31,005)	(17.2)%

Total net sales and revenue decreased in the year ended 2008 by $31.0 billion (or 17.2%) primarily due to declining Sales of $29.9 billion. This decrease resulted from tightening credit markets, a recession in the U.S. and Western Europe, volatile oil prices and declining consumer confidence around the world. These factors first affected the U.S. economy in late 2007 and continued to deteriorate and spread during 2008 to Western Europe and the emerging markets in Asia and South America. Sales decreased by $26.3 billion in GMNA primarily due to: (1) declining volumes and unfavorable vehicle mix of $23.1 billion; and (2) an increase in the accrual for residual support programs for leased vehicles of $1.8 billion related to the decline in residual values of fullsize pick-up trucks and sport utility vehicles in the middle of 2008. Sales also decreased in GME by $2.7 billion and increased in GMIO by $0.3 billion.

Cost of Sales

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Cost of sales	$ 149,257	$ 165,573	$(16,316)	(9.9)%
Gross margin	$ (278)	$ 14,411	$(14,689)	(101.9)%

In the year ended 2008 Cost of sales decreased by $16.3 billion (or 9.9%) due to: (1) decreased costs related to lower production volumes of $14.0 billion in GMNA; (2) a net curtailment gain of $4.9 billion in GMNA related to the 2008 UAW Settlement Agreement; (3) a decrease in wholesale sales volumes of $3.5 billion in GME; (4) non-recurring pension prior service costs of $2.2 billion recorded in GMNA in the year ended 2007; (5) manufacturing savings of $1.4 billion in GMNA from lower manufacturing costs and hourly headcount levels

resulting from attrition programs and productivity improvements; and (6) favorable foreign currency translation gains of $1.4 billion in GMNA, primarily due to the strengthening of the U.S. Dollar versus the Canadian Dollar.

These decreases were partially offset by: (1) charges of $5.8 billion in GMNA related to restructuring and other costs associated with Old GM's special attrition programs, certain Canadian facility idlings and finalization of Old GM's negotiations with the CAW; (2) foreign currency translation losses of $2.4 billion in GME, primarily driven by the strengthening of the Euro and Swedish Krona, offset partially by the weakening of the British Pound versus the U.S. Dollar; (3) expenses of $1.7 billion in GMNA related to the salaried post-age-65 healthcare settlement; (4) increased content cost of $1.2 billion in GMIO driven by an increase in imported material costs at Venezuela and Russia and high inflation across the region; and (5) increased Delphi related charges of $0.6 billion in GMNA related to certain cost subsidies reimbursed during the year.

Selling, General and Administrative Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Selling, general and administrative expense	$ 14,253	$ 14,412	$ (159)	(1.1)%

In the year ended 2008 Selling, general and administrative expense decreased by $0.2 billion (or 1.1%) primarily due to: (1) reductions in incentive and compensation and profit sharing costs of $0.4 billion in GMNA; and (2) a decrease in advertising, selling and sales promotion expenses of $0.3 billion in GMNA. These decreases were partially offset by: (1) a charge of $0.2 billion related to the 2008 Salaried Window Program in GMNA; (2) increased administrative, marketing and selling expenses of $0.2 billion in GMIO, primarily due to Old GM's expansion in Russia and other European markets; and (3) bad debt charges of $0.2 billion.

Other Expenses, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Other expenses, net	$ 6,699	$ 4,308	$ 2,391	55.5%

In the year ended 2008 Other expenses, net increased $2.4 billion (or 55.5%) primarily due to: (1) increased charges of $3.3 billion related to the Delphi Benefit Guarantee Agreements; (2) impairment charges related to goodwill of $0.5 billion and $0.2 billion in GME and GMNA; partially offset by (3) a non-recurring charge of $0.6 billion recorded in the year ended 2007 for pension benefits granted to future and current retirees of Delphi.

Equity in Income (Loss) of and Disposition of Interest in Ally Financial

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Equity in income (loss) of and disposition of interest in Ally Financial	$ 916	$ (1,245)	$ 2,161	173.6%
Impairment charges related to Ally Financial Common Membership Interests	(7,099)	—	(7,099)	n.m.
Total equity in income (loss) of and disposition of interest in Ally Financial	$ (6,183)	$ (1,245)	$(4,938)	n.m.

n.m. = not meaningful

In the year ended 2008 Equity in loss of and disposition of interest in Ally Financial increased $4.9 billion due to impairment charges of $7.1 billion related to Old GM's investment in Ally Financial Common Membership Interests, offset by an increase in Old GM's proportionate share of Ally Financial's income from operations of $2.2 billion.

Interest Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Interest expense	$ (2,525)	$ (3,076)	$ 551	17.9%

Interest expense decreased in the year ended 2008 by $0.6 billion (or 17.9%) due to the de-designation of certain derivatives as hedges of $0.3 billion and an adjustment to capitalized interest of $0.2 billion.

Interest Income and Other Non-Operating Income, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Interest income and other non-operating income, net	$ 424	$ 2,284	$(1,860)	(81.4)%

In the year ended 2008 Interest income and other non-operating income, net decreased by $1.9 billion (or 81.4%) primarily due to impairment charges of $1.0 billion related to Old GM's Ally Financial Preferred Membership Interests in the year ended 2008 and a reduction in interest earned on cash balances of $0.3 billion due to lower market interest rates and lower cash balances on hand.

Income Tax Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Income tax expense	$ 1,766	$ 36,863	$(35,097)	(95.2)%

Income tax expense decreased in the year ended 2008 by $35.1 billion (or 95.2%) due to the effect of recording valuation allowances of $39.0 billion against Old GM's net deferred tax assets in the United States, Canada and Germany in the year ended 2007, offset by the recording of additional valuation allowances in the year ended 2008 of $1.9 billion against Old GM's net deferred tax assets in South Korea, the United Kingdom, Spain, Australia, other jurisdictions.

Equity Income, net of tax

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
SGM and SGMW	$ 312	$ 430	$ (118)	(27.4)%
Other equity interests	(126)	94	(220)	n.m.
Total equity income, net of tax	$ 186	$ 524	$ (338)	n.m.

n.m. = not meaningful

In the year ended 2008 Equity income, net of tax decreased by $0.3 billion due to: (1) lower earnings at SGM driven by a volume decrease, mix deterioration and higher sales promotion expenses, partially offset by higher earnings at SGMW driven by a volume increase; (2) a decrease of $0.2 billion in GMNA due to impairment charges and lower income from Old GM's investments in NUMMI and CAMI.

Changes in Consolidated Financial Condition
(Dollars in Millions, except share amounts)

	Successor		Predecessor
	June 30, 2010	December 31, 2009	December 31, 2008
ASSETS	**Unaudited**		
Current Assets			
Cash and cash equivalents	$ 26,773	$ 22,679	$ 14,053
Marketable securities	4,761	134	141
Total cash, cash equivalents and marketable securities	31,534	22,813	14,194
Restricted cash and marketable securities	1,393	13,917	672
Accounts and notes receivable (net of allowance of $272, $250 and $422)	8,662	7,518	7,918
Inventories	11,533	10,107	13,195
Assets held for sale	—	388	—
Equipment on operating leases, net	3,008	2,727	5,142
Other current assets and deferred income taxes	1,677	1,777	3,146
Total current assets	57,807	59,247	44,267
Non-Current Assets			
Equity in net assets of nonconsolidated affiliates	8,296	7,936	2,146
Assets held for sale	—	530	—
Property, net	18,106	18,687	39,665
Goodwill	30,186	30,672	—
Intangible assets, net	12,820	14,547	265
Other assets	4,684	4,676	4,696
Total non-current assets	74,092	77,048	46,772
Total Assets	$ 131,899	$ 136,295	$ 91,039
LIABILITIES AND EQUITY (DEFICIT)			
Current Liabilities			
Accounts payable (principally trade)	$ 20,755	$ 18,725	$ 22,259
Short-term debt and current portion of long-term debt	5,524	10,221	16,920
Liabilities held for sale	—	355	—
Accrued expenses	24,068	23,134	36,429
Total current liabilities	50,347	52,435	75,608
Non-Current Liabilities			
Long-term debt	2,637	5,562	29,018
Liabilities held for sale	—	270	—
Postretirement benefits other than pensions	8,649	8,708	28,919
Pensions	25,990	27,086	25,178
Other liabilities and deferred income taxes	13,377	13,279	17,392
Total non-current liabilities	50,653	54,905	100,507
Total Liabilities	101,000	107,340	176,115
Commitments and contingencies			
Preferred stock, $0.01 par value (2,000,000,000 shares authorized and 360,000,000 shares issued and outstanding (each with a $25.00 liquidation preference) at June 30, 2010 and December 31, 2009)	6,998	6,998	—
Equity (Deficit)			
Old GM			
Preferred stock, no par value (6,000,000 shares authorized, no shares issued and outstanding)	—	—	—
Preference stock, $0.10 par value (100,000,000 shares authorized, no shares issued and outstanding)	—	—	—
Common stock, $1 2/3 par value common stock (2,000,000,000 shares authorized, 800,937,541 shares issued and 610,483,231 shares outstanding at December 31, 2008)	—	—	1,017
General Motors Company			
Common stock, $0.01 par value (5,000,000,000 shares authorized and 1,500,000,000 shares issued and outstanding at December 31, 2009)	15	15	—
Capital surplus (principally additional paid-in capital)	24,042	24,040	16,489
Accumulated deficit	(2,195)	(4,394)	(70,727)
Accumulated other comprehensive income (loss)	1,153	1,588	(32,339)
Total stockholders' equity (deficit)	23,015	21,249	(85,560)
Noncontrolling interests	886	708	484
Total equity (deficit)	23,901	21,957	(85,076)
Total Liabilities and Equity (Deficit)	$ 131,899	$ 136,295	$ 91,039

Current Assets

GM (at June 30, 2010)

At June 30, 2010 Marketable securities of $4.8 billion increased by $4.6 billion reflecting investments in securities with maturities exceeding 90 days.

At June 30, 2010 Restricted cash and marketable securities of $1.4 billion decreased by $12.5 billion (or 90.0%), primarily due to: (1) our payments of $1.2 billion on the UST Loans and Canadian Loan in March 2010; and (2) our repayment of the full outstanding amount of $4.7 billion on the UST Loans in April 2010. Following the repayment of the UST Loans and our repayment of the Canadian Loan of $1.1 billion in April 2010, the remaining UST escrow funds of $6.6 billion became unrestricted.

At June 30, 2010 Accounts and notes receivable of $8.7 billion increased by $1.1 billion (or 15.2%), primarily due to higher sales in GMNA.

At June 30, 2010 Inventories of $11.5 billion increased by $1.4 billion (or 14.1%), primarily due to: (1) increased production resulting from higher demand for our products and new product launches; (2) higher finished goods inventory of $6.3 billion compared to low levels at December 31, 2009 of $5.9 billion, resulting from the year-end shut-down in some locations; primarily offset by (3) a decrease of $0.5 billion due to the effect of foreign currency translation.

At June 30, 2010 Assets held for sale were reduced to $0 from $0.4 billion at December 31, 2009 due to the sale of Saab in February 2010 and the sale of Saab GB in May 2010 to Spyker Cars NV.

At June 30, 2010 Equipment on operating leases, net of $3.0 billion increased by $0.3 billion (or 10.3%) due to: (1) an increase of $0.6 billion in GMNA, primarily related to vehicles leased to daily rental car companies (vehicles leased to U.S. daily rental car companies increased from 97,000 vehicles at December 31, 2009 to 129,000 vehicles at June 30, 2010); partially offset by (2) a decrease of $0.3 billion due to the continued liquidation of our portfolio of automotive retail leases.

GM (at December 31, 2009)

At December 31, 2009 Restricted cash and marketable securities of $13.9 billion was primarily comprised of $13.4 billion in our UST Credit Agreement and HCT escrow accounts. The remainder was primarily comprised of amounts prefunded related to supplier payments and other third parties and other cash collateral requirements.

At December 31, 2009 Accounts and notes receivable, net of $7.5 billion was affected by lower volumes.

At December 31, 2009 Inventories were $10.1 billion. Inventories were recorded on a FIFO basis and were affected by efforts to reduce inventory levels globally.

At December 31, 2009 current Assets held for sale of $0.4 billion were related to Saab. Saab’s Assets held for sale were primarily comprised of cash and cash equivalents, inventory and receivables.

At December 31, 2009 Equipment on operating leases, net of $2.7 billion was comprised of vehicle sales to daily rental car companies and to retail leasing customers. At December 31, 2009 there were 119,000 vehicles leased to U.S. daily rental car companies and 24,000 vehicles leased through the automotive retail portfolio. The numbers of vehicles on lease were at lower levels primarily due to the continued wind-down of our automotive retail portfolio.

Old GM (at December 31, 2008)

At December 31, 2008 Restricted cash and marketable securities of $0.7 billion was primarily comprised of amounts pre-funded related to supplier payments and other third parties and other cash collateral requirements.

At December 31, 2008 Inventories were $13.2 billion. Inventories for certain business units were recorded on a LIFO basis.

At December 31, 2008 Equipment on operating leases, net of $5.1 billion was comprised of vehicle sales to daily rental car companies and to retail leasing customers. At December 31, 2008 there were 137,000 vehicles leased to U.S. daily rental car companies and 133,000 vehicles leased through the automotive retail portfolio.

Non-Current Assets

GM (at June 30, 2010)

At June 30, 2010 Equity in net assets of nonconsolidated affiliates of $8.3 billion increased by $0.4 billion (or 4.5%) due to: (1) equity income of $0.8 billion in the six months ended June 30, 2010, primarily related to our China joint ventures; and (2) an investment of $0.2 billion in the HKJV joint venture; partially offset by (3) a decrease of $0.3 billion for dividends received; (4) a decrease of $0.2 billion related to the sale of our 50% interest in a joint venture; and (5) a decrease of $0.1 billion related to the sale of a 1% ownership interest in SGM to SAIC.

At June 30, 2010 Assets held for sale were reduced to $0 from $0.5 billion at December 31, 2009 due to the sale of certain of our India operations (India Operations) in February 2010. We classified these Assets held for sale as long-term at December 31, 2009 because we received a promissory note in exchange for the India Operations that does not convert to cash within one year.

At June 30, 2010 Property, net of $18.1 billion decreased by $0.6 billion (or 3.1%), primarily due to depreciation of $1.8 billion and foreign currency translation, partially offset by capital expenditures of $1.9 billion.

At June 30, 2010 Intangible assets, net of $12.8 billion decreased by $1.7 billion (or 11.9%), primarily due to amortization of $1.4 billion and foreign currency translation of $0.3 billion.

GM (at December 31, 2009)

At December 31, 2009 Equity in net assets of nonconsolidated affiliates of $7.9 billion was primarily comprised of our investment in SGM and SGMW. In connection with our application of fresh-start reporting, we recorded Equity in net assets of nonconsolidated affiliates at its fair value of $5.8 billion. In the three months ended December 31, 2009 we also recorded an investment of $1.9 billion in New Delphi.

At December 31, 2009 non-current Assets held for sale of $0.5 billion were related to certain of our operations in India (India Operations). The India Operations Assets held for sale were primarily comprised of cash and cash equivalents, inventory, receivables and property, plant and equipment. We classified these Assets held for sale as long-term at December 31, 2009 because we received a promissory note in exchange for the India Operations that will not convert to cash within one year.

At December 31, 2009 Property, net was $18.7 billion. In connection with our application of fresh-start reporting, we recorded Property at its fair value of $18.5 billion at July 10, 2009.

At December 31, 2009 Goodwill was $30.7 billion. In connection with our application of fresh-start reporting, we recorded Goodwill of $30.5 billion at July 10, 2009. When applying fresh-start reporting, certain accounts, primarily employee benefit and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than fair value and the difference between the U.S. GAAP and fair value amounts gave rise to goodwill, which is a residual. Our employee benefit related accounts were recorded in accordance with ASC 712, “Compensation—Nonretirement Postemployment Benefits” and ASC 715, “Compensation—Retirement Benefits” and deferred income taxes were recorded in accordance with ASC 740, “Income Taxes”.

Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in goodwill.

At December 31, 2009 Intangible assets, net were $14.5 billion. In connection with our application of fresh-start reporting, we recorded Intangible assets at their fair value of $16.1 billion at July 10, 2009. Newly recorded identifiable intangible assets include brand names, our dealer network, customer relationships, developed technologies, favorable contracts and other intangible assets.

At December 31, 2009 Other assets of $4.7 billion was primarily comprised of our cost method investments in Ally Financial common and preferred stock, restricted cash and marketable securities and deferred income taxes. In connection with our application of fresh-start reporting, we recorded our investments in Ally Financial common and preferred stock at their fair values of $1.3 billion and $0.7 billion at July 10, 2009. In the three months ended December 31, 2009 we recorded an impairment charge of $0.3 billion related to our investment in Ally Financial common stock. At December 31, 2009 Restricted cash of $1.5 billion was primarily comprised of collateral for insurance related activities and other cash collateral requirements.

Old GM (at December 31, 2008)

At December 31, 2008 Equity in net assets of nonconsolidated affiliates of $2.1 billion was primarily comprised of Old GM's investments in SGM, SGMW and Ally Financial. In May 2009 Old GM's ownership interest in Ally Financial's Common Membership Interests was reduced to 24.5% and at June 30, 2009 Ally Financial converted its status to a C corporation. At that date Old GM began to account for its investment in Ally Financial using the cost method rather than equity method as Old GM could not exercise significant influence over Ally Financial. Prior to Ally Financial's conversion to a C corporation, Old GM's investment in Ally Financial was accounted for in a manner similar to an investment in a limited partnership and the equity method was applied because Old GM's influence was more than minor.

At December 31, 2008 Other assets of $4.7 billion was primarily comprised of restricted cash, primarily collateral for insurance related activities and other cash collateral requirements, taxes other than income, derivative assets and debt issuance expense.

Current Liabilities

GM (at June 30, 2010)

At June 30, 2010 Accounts payable of $20.8 billion increased by $2.0 billion (or 10.8%), primarily due to: (1) higher payables for materials due to increased production volumes; and (2) increased payables of $0.2 billion related to the consolidation of GM Egypt upon our adoption of amendments to ASC 810-10, "Consolidation" (ASC 810-10) in January 2010.

At June 30, 2010 Short-term debt and current portion of long-term debt of $5.5 billion decreased by $4.7 billion (or 46.0%), primarily due to our full repayments of the UST Loans and Canadian Loan of $5.7 billion and $1.3 billion and paydowns on other obligations of $0.6 billion. This was partially offset by an increase of $2.9 billion due to the reclassification of our VEBA Notes from long-term to short-term.

At June 30, 2010 Liabilities held for sale were reduced to $0 from $0.4 billion at December 31, 2009 due to the sale of Saab and Saab GB.

At June 30, 2010 Accrued expenses of $24.1 billion increased by $0.9 billion (or 4.0%). The change in Accrued expenses was primarily driven by GMNA due to higher customer deposits related to the increased number of vehicles leased to daily rental car companies of $1.2 billion and timing of other miscellaneous accruals of $0.4 billion. This was partially offset by a favorable effect of foreign currency translation of $0.7 billion.

GM (at December 31, 2009)

At December 31, 2009 Accounts payable was $18.7 billion. Accounts payable amounts were correlated, in part, with vehicle production and sales volume, which drive purchases of materials, freight costs and advertising expenditures.

At December 31, 2009 Short-term debt and current portion of long-term debt of $10.2 billion was primarily comprised of amounts we entered into or assumed under various agreements with the U.S. and Canadian governments. In addition, we assumed secured and unsecured debt obligations (including capital leases) owed by our subsidiaries.

At December 31, 2009 current Liabilities held for sale of $0.4 billion were related to Saab. Saab's Liabilities held for sale were primarily comprised of accounts payable, warranty and pension obligations and other liabilities.

At December 31, 2009 Accrued expenses were $23.1 billion. Major components of accrued expenses were OPEB obligations, dealer and customer allowances, claims and discounts, deposits from rental car companies, policy, product warranty and recall campaigns, accrued payrolls and employee benefits, current pension obligation, taxes other than income taxes and liabilities related to plant closures. Accrued expenses were affected by sales volumes which affect customer deposits, dealer incentives and policy and warranty costs as well as certain liabilities MLC retained as a result of the 363 transaction.

Old GM (at December 31, 2008)

At December 31, 2008 Accounts payable was $22.3 billion. Accounts payable amounts were correlated, in part, with vehicle production and sales volume, which drive purchases of materials, freight costs and advertising expenditures.

At December 31, 2008 Short-term debt and current portion of long-term debt of $16.9 billion was primarily comprised of UST Loans, a secured revolving credit facility and secured and unsecured debt obligations (including capital leases) owed by Old GM's subsidiaries.

In connection with the 363 Sale, MLC retained Old GM's unsecured U.S. Dollar denominated bonds, foreign currency denominated bonds, contingent convertible debt and certain other debt obligations of $2.4 billion.

At December 31, 2008 Accrued expenses were $36.4 billion. Major components of accrued expenses were OPEB obligations, dealer and customer allowances, claims and discounts, deposits from rental car companies, policy, product warranty and recall campaigns, accrued payrolls and employee benefits, current pension obligation, taxes other than income taxes and liabilities related to plant closures. Other accrued expenses included accruals for advertising and promotion, legal, insurance, and various other items.

Non-Current Liabilities

GM (at June 30, 2010)

At June 30, 2010 Long-term debt of $2.6 billion decreased by $2.9 billion (or 52.6%) primarily due to the reclassification of our VEBA Notes from long-term to short-term.

At June 30, 2010 Liabilities held for sale were reduced to $0 from $0.3 billion at December 31, 2009 due to the sale of our India Operations in February 2010. We classified these Liabilities held for sale as long-term at December 31, 2009 because we received a promissory note in exchange for the India Operations that does not convert to cash within one year.

At June 30, 2010 our Pensions obligation of $26.0 billion decreased by $1.1 billion (or 4.0%) due to the favorable effect of foreign currency translation of $1.1 billion and an increase in net contributions of $0.4 billion partially offset by the effects of interim pension remeasurements of $0.4 billion.

GM (at December 31, 2009)

At December 31, 2009 Long-term debt of $5.6 billion was primarily comprised of VEBA Notes and secured and unsecured debt obligations (including capital leases) owed by our subsidiaries. In connection with our application of fresh-start reporting, we recorded a decrease of $1.5 billion to record Long-term debt at its fair value of $2.5 billion at July 10, 2009.

At December 31, 2009 non-current Liabilities held for sale of $0.3 billion were related to certain of our India Operations. The India Operations Liabilities held for sale were primarily comprised of accounts payable, warranty and pension obligations and other liabilities. We classified these Liabilities held for sale as long-term at December 31, 2009 because we received a promissory note in exchange for the India Operations that will not convert to cash within one year.

At December 31, 2009 our non-current OPEB obligation of $8.7 billion included the effect of the 2009 Revised UAW Settlement Agreement and other OPEB plan changes. In May 2009 the UAW, the UST and Old GM agreed to the 2009 Revised UAW Settlement Agreement, subject to the successful completion of the 363 Sale, which related to the 2008 UAW Settlement Agreement that permanently shifted responsibility for providing retiree health care from Old GM to the New Plan funded by the New VEBA. We and the UAW executed the 2009 Revised Settlement Agreement on July 10, 2009 in connection with the 363 Sale closing. The 2009 Revised UAW Settlement Agreement significantly reduced our OPEB obligations as a result of changing the amount, form and timing of the consideration to be paid to the New VEBA, eliminating certain coverages and increasing certain cost sharing provisions.

At December 31, 2009 our non-current Pensions obligation of $27.1 billion included the effects of the 2009 Salaried Window Program, 2009 Special Attrition Program, Second 2009 Special Attrition Program, Delphi Benefit Guarantee Agreements, the 2009 Revised UAW Settlement Agreement and other employee related actions.

At December 31, 2009 Other liabilities and deferred income taxes were $13.3 billion. Major components of Other liabilities included policy and product warranty, accrued payrolls and employee benefits, postemployment benefits including facility idling reserves, and dealer and customer allowances, claims and discounts.

Old GM (at December 31, 2008)

At December 31, 2008 Long-term debt of $29.0 billion was primarily comprised of: (1) unsecured U.S. Dollar denominated bonds of $14.9 billion; (2) foreign currency denominated bonds of $4.4 billion; and (3) contingent convertible debt of $6.4 billion. The remaining balance consisted mainly of secured and unsecured debt obligations (including capital leases) owed by Old GM's subsidiaries.

In connection with the Chapter 11 Proceedings, Old GM's $4.5 billion secured revolving credit facility, $1.5 billion U.S. term loan and $125 million secured credit facility were paid in full on June 30, 2009.

In connection with the 363 Sale, MLC retained Old GM's unsecured U.S. Dollar denominated bonds, foreign currency denominated bonds, contingent convertible debt and certain other debt obligations of $25.5 billion.

At December 31, 2008 the non-current OPEB obligation of $28.9 billion represented the liability to provide postretirement medical, dental, legal service and life insurance to eligible U.S. and Canadian retirees and their eligible dependents.

At December 31, 2008 the total non-current Pensions obligation of $25.2 billion included the effect of actual losses on plan assets, the transfer of the Delphi pension liability and other curtailments and amendments.

At December 31, 2008 Other liabilities and deferred income taxes were $17.4 billion. Major components of Other liabilities included product warranty and recall campaigns, accrued payrolls and employee benefits, insurance reserves, Delphi contingent liabilities, postemployment benefits including facility idling reserves, and dealer and customer allowances, claims and discounts.

Further information on each of our businesses and geographic segments is subsequently discussed.

Our segment information reflects the information provided to and reviewed by our chief operating decision maker to assess performance and allocate resources. We manage our operations on a geographic basis through our three geographically-based segments: GMNA, GME and GMIO. Our segments typically share assets and vehicle platforms in the manufacturing process, including related engineering. Production and capacity planning is performed on a regional or global basis. While not all vehicles within a segment are individually profitable on a fully loaded cost basis, those vehicles are needed in our product mix in order to attract customers to dealer showrooms and to maintain sales volumes for other, more profitable vehicles. These factors together with the integrated nature of our manufacturing operations, the existence of broad-based trade agreements within certain geographical regions, and the need to meet regulatory requirements, such as Corporate Average Fuel Economy (CAFE) regulations within certain geographic regions, drives our need to manage our business operations on a geographic basis and not on an individual brand or vehicle basis. Accordingly, the focus of our operational discussion is at the geographic-based segment level.

Segment Results of Operations

GM North America
(Dollars in Millions)

	Successor		Predecessor			
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Six Months Ended June 30, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Total net sales and revenue	$ 39,552	$ 32,426	$ 24,191	$ 23,764	$ 86,187	$ 112,448
Earnings (loss) before interest and income taxes	$ 2,810	$ (4,820)	$(11,092)	$(10,452)	$ (12,203)	$ 1,876

Production and Vehicle Sales Volume

The following tables summarize total production volume and sales of new motor vehicles and competitive position (in thousands):

	GM	Combined GM and Old GM	Old GM	
	Six Months Ended June 30, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Production Volume (a)				
Cars	523	727	1,543	1,526
Trucks	876	1,186	1,906	2,741
Total	1,399	1,913	3,449	4,267

(a) Production volume represents the number of vehicles manufactured by our and Old GM's assembly facilities and also includes vehicles produced by certain joint ventures.

	Successor		Predecessor	
	Six Months Ended June 30, 2010		Six Months Ended June 30, 2009	
	GM	GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)(d)(e)				
Total GMNA	1,280	18.3%	1,157	19.0%
Total U.S.	1,081	18.9%	954	19.5%
U.S. – Cars	425	15.1%	403	16.5%
U.S. Trucks	656	22.6%	552	22.5%
Canada	123	15.5%	135	18.4%
Mexico	72	19.0%	65	17.7%

(a) Vehicle sales primarily represent sales to the ultimate customer.

(b) Includes HUMMER, Saturn and Pontiac vehicle sales data.

(c) Includes Saab vehicle sales data through February 2010.

(d) Vehicle sales data may include rounding differences.

(e) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at time of delivery to the daily rental car companies.

	Year Ended December 31, 2009		Year Ended December 31, 2008		Year Ended December 31, 2007	
	Combined GM and Old GM	Combined GM and Old GM as a % of Industry	Old GM	Old GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)(d)						
Total GMNA	2,485	19.0%	3,565	21.5%	4,516	23.0%
Total U.S.	2,084	19.6%	2,981	22.1%	3,867	23.5%
U.S. – Cars	874	16.3%	1,257	18.6%	1,489	19.7%
U.S. – Trucks	1,210	23.1%	1,723	25.5%	2,377	26.7%
Canada	254	17.2%	359	21.4%	404	23.9%
Mexico	138	17.9%	212	19.8%	230	20.1%

(a) Vehicle sales primarily represent sales to the ultimate customer.

(b) Includes HUMMER, Saab, Saturn and Pontiac vehicle sales data.

(c) Vehicle sales data may include rounding differences.

(d) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at time of delivery to the daily rental car companies.

	GM	Combined GM and Old GM	Old GM		
	Six Months Ended June 30, 2010	Year Ended December 31, 2009	Six Months Ended June 30, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
GMNA Vehicle Deliveries by Brand					
Buick	76	111	52	154	202
Cadillac	69	115	51	170	225
Chevrolet	924	1,601	722	2,158	2,654
GMC	190	317	145	438	579
Other - Opel	1	1	—	2	2
Core Brands	1,260	2,145	970	2,922	3,662
HUMMER	3	11	7	30	59
Pontiac	10	238	126	383	486
Saab	1	10	6	23	35
Other - Isuzu	—	—	—	—	8
Saturn	6	81	48	207	266
Other Brands	20	340	187	643	854
GMNA Total	1,280	2,485	1,157	3,565	4,516

Six Months ended June 30, 2010 and 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Successor	Predecessor	Six Months Ended 2010 vs. 2009 Change	
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009	Amount	%
Total net sales and revenue	$ 39,552	$ 23,764	$15,788	66.4%

In the six months ended June 30, 2010 our vehicle sales in the United States increased compared to the corresponding period in 2009 by 126,000 vehicles (or 13.2%), our United States market share was 18.9%, based on vehicle sales volume, our vehicle sales in Canada decreased by 11,000 vehicles (or 8.3%) and our vehicle sales in Mexico increased by 8,000 vehicles (or 12.3%).

In the six months ended June 30, 2010 Total net sales and revenue increased compared to the corresponding period in 2009 by $15.8 billion (or 66.4%), primarily due to: (1) higher volumes of $11.3 billion due to an improving economy and successful recent vehicle launches such as the Chevrolet Equinox, GMC Terrain, Buick LaCrosse and Cadillac SRX and increased U.S. daily rental auction volume of $0.8 billion; (2) favorable pricing of $2.3 billion due to lower sales allowances; partially offset by less favorable adjustments in the U.S. (favorable of $1.0 billion in 2009 compared to favorable of $0.4 billion in 2010) to the accrual for U.S. residual support programs for leased vehicles of $0.6 billion; and (3) favorable mix of $1.7 billion due to increased crossover and truck sales.

Earnings (Loss) Before Interest and Income Taxes

In the six months ended June 30, 2010 EBIT was income of $2.8 billion driven by higher revenues. In the six months ended June 30, 2009 EBIT was a loss of $10.5 billion.

Cost and expenses includes both fixed costs as well as costs which generally vary with production levels. In the six months ended June 30, 2010 certain fixed costs, primarily labor related, have continued to decrease in relation to historical levels primarily due to various separation and other programs implemented in 2009 in order to reduce labor costs as subsequently discussed. In the six months ended June 30, 2009, Old GM's sales volumes were at historically low levels and Cost of sales exceeded Total net sales and revenue by $7.4 billion.

The most significant factors which influence GMNA's profitability are industry volume (primarily U.S. seasonally adjusted annual rate (SAAR)) and market share. While not as significant as industry volume and market share, another factor affecting GMNA profitability is the relative mix of vehicles (cars, trucks, crossovers) sold. Contribution margin is a key indicator of product profitability. Contribution margin is defined as revenue less material cost, freight, and policy and warranty expense. Vehicles with higher selling prices generally have higher contribution margins. Trucks currently have a contribution margin of approximately 140% of our portfolio on a weighted average basis. Crossover vehicles' contribution margins are in line with the overall portfolio on a weighted average basis, and cars are approximately 60% of the portfolio on a weighted average basis. As such, a sudden shift in consumer preference from trucks to cars would have an unfavorable effect on GMNA's EBIT and breakeven point. For example, a shift in demand such that industry market share for trucks deteriorated 10 percentage points and industry market share for cars increased by 10 percentage points, holding other variables constant, would have increased GMNA's breakeven point for the three months ended June 30, 2010, as measured in terms of U.S. industry volume (SAAR), by approximately 300,000 vehicles. For the three months ended June 30, 2010 our U.S. car market share was 15.4% based on vehicle sales volume and our U.S. truck market share was 23.2% based on vehicle sales volume. We continue to strive to achieve a product portfolio with more balanced contribution margins and less susceptibility to shifts in consumer demand.

In the six months ended June 30, 2010 results included: (1) charges of $0.2 billion for a recall campaign on windshield fluid heaters; (2) foreign currency translation losses of $0.2 billion driven by the strengthening of the Canadian Dollar versus the U.S. Dollar; partially offset by (3) favorable adjustments of $0.1 billion to restructuring reserves due to increased production capacity utilization, which resulted in the recall of idled employees to fill added shifts at multiple U.S. production sites.

In the six months ended June 30, 2009 results included: (1) incremental depreciation charges of $1.8 billion recorded by Old GM prior to the 363 Sale for facilities included in GMNA's restructuring activities and for certain facilities that MLC retained; (2) curtailment loss of $1.7 billion upon the interim remeasurement of the U.S. Hourly and U.S. Salaried Defined Benefit Pension Plan as a result of the 2009 Special Attrition Programs and salaried workforce reductions; (3) a charge of $1.1 billion related to the SUB and TSP, partially offset by a favorable adjustment of $0.7 billion primarily related to the suspension of the JOBS Program; (4) U.S. Hourly and Salary separation program charges and Canadian restructuring activities of $1.1 billion; (5) foreign currency translation losses of $0.6 billion driven by the strengthening of the Canadian Dollar versus the U.S. Dollar; (6) charges of $0.4 billion primarily for impairments for special tooling and product related machinery and equipment; (7) charges of $0.3 billion related to obligations associated with various Delphi agreements; and (8) equity losses of $0.3 billion related to impairment charges at NUMMI and our proportionate share of losses at CAMI. MLC retained the investment in NUMMI and CAMI has been consolidated since March 1, 2009.

July 10, 2009 Through December 31, 2009 and January 1, 2009 Through July 9, 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Combined GM and Old GM	Successor	Predecessor		Year Ended 2009 vs. 2008 Change	
	Year Ended December 31, 2009	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Amount	%
Total net sales and revenue	$ 56,617	$ 32,426	$ 24,191	$ 86,187	$29,570	(34.3)%

In the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009 several factors affected vehicle sales. The tight credit markets, increased unemployment rates and a recession in North America and GMNA's largest market, the United States, negatively affected vehicle sales. Old GM's well publicized liquidity issues, public speculation as to the effects of Chapter 11 proceedings and the actual Chapter 11 Proceedings negatively affected vehicle sales in North America. These negative factors were partially offset in the period July 10, 2009 through December 31, 2009 by: (1) improved vehicle sales related to the CARS program; and (2) an increase in dealer showroom traffic and related vehicle sales in response to our new 60-Day satisfaction guarantee program, which began in early September 2009 and ended January 4, 2010.

In the year ended 2009 Total net sales and revenue decreased by $29.6 billion (or 34.3%) primarily due to a decrease in revenue of $36.7 billion related to volume reductions. The decline in revenue was partially offset by: (1) improved pricing, lower sales incentives and improved lease residuals of $5.4 billion; and (2) favorable vehicle mix of $2.8 billion.

Income (Loss) Attributable to Stockholders Before Interest and Income Taxes

Loss attributable to stockholders before interest and income taxes was $4.8 billion and $11.1 billion in the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009.

Cost and expenses includes both fixed costs and costs which generally vary with production levels. Certain fixed costs, primarily labor related, have continued to decrease in relation to historical levels primarily due to various separation and other programs. However, the implementation of various separation programs, as well as reducing the estimated useful lives of Property, net resulted in significant charges in various periods.

In the period July 10, 2009 through December 31, 2009 results included the following:

- A settlement loss of $2.6 billion related to the termination of our UAW hourly retiree medical plan and Mitigation Plan;
- Foreign currency translation losses of $1.3 billion driven by the general strengthening of the Canadian Dollar versus the U.S. Dollar;
- Charges of $0.3 billion primarily related to dealer wind-down costs for our Saturn dealers after plans to sell the Saturn brand and dealership network were terminated; and
- Effects of fresh-start reporting, which included amortization of intangible assets which were established in connection with our application of fresh-start reporting, which was offset by decreased depreciation of fixed assets resulting from lower balances, and the elimination of historical deferred losses related to pension and postretirement obligations.

In the period January 1, 2009 through July 9, 2009 results included the following:

- Incremental depreciation charges of $2.0 billion recorded by Old GM prior to the 363 sale for facilities included in GMNA's restructuring activities and for certain facilities that MLC retained;
- Charges of $1.1 billion related to the SUB and TSP, which replaced the JOBS Program;
- Separation charges of $1.0 billion related to hourly and salaried employees who participated in various separation programs; which were partially offset by favorable adjustments of $0.7 billion primarily related to the suspension of the JOBS Program;
- Foreign currency translation losses of $0.7 billion driven by the general strengthening of the Canadian Dollar versus the U.S. Dollar;
- Charges of $0.5 billion related to dealer wind-down costs; and
- Impairment charges of $0.2 billion related to Old GM's investment in NUMMI and equity losses of $0.1 billion related to NUMMI and CAMI. MLC retained the investment in NUMMI, and CAMI has been consolidated since March 1, 2009.

2008 Compared to 2007
(Dollars in Millions)

Total Net Sales and Revenue

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Total net sales and revenue	$ 86,187	$ 112,448	$(26,261)	(23.4)%

Tightening of the credit markets, turmoil in the mortgage markets, reductions in housing values, volatile oil prices and the resulting recession in the United States decreased GMNA's vehicle sales in the year ended 2008. GMNA's vehicle sales decreased by 951,000 vehicles (or 21.1%) to 3.6 million vehicles in 2008, with 379,000

(or 39.9%) of the decrease occurring in the fourth quarter. GMNA's vehicle sales were 948,000 vehicles, 964,000 vehicles, 978,000 vehicles and 675,000 vehicles in the first, second, third and fourth quarters of 2008.

GMNA's U.S. vehicle sales in the year ended 2008 decreased in the first three quarters with a sharp decline in the fourth quarter. GMNA's U.S. vehicle sales decreased by 103,000 vehicles (or 11.4%), decreased by 214,000 vehicles (or 21.2%) and decreased by 218,000 vehicles (or 20.9%) in the first, second, and third quarters of 2008. The sharp fourth quarter decline resulted in decreased vehicle sales of 350,000 vehicles (or 39.0%). In the year ended 2008 GMNA's vehicle sales also decreased in Canada by 45,000 vehicles (or 11.1%) and decreased in Mexico by 18,000 vehicles (or 7.8%).

In the year ended 2008 Total net sales and revenue decreased by $26.3 billion (or 23.4%) due primarily to: (1) a decline in volumes and unfavorable vehicle mix of $23.1 billion resulting from continued market challenges; (2) an increase of $1.8 billion in the accrual for residual support programs for leased vehicles, primarily due to the decline in residual values of fullsize pick-up trucks and sport utility vehicles in the middle of 2008; (3) unfavorable pricing of $0.7 billion; (4) a decrease in sales of components, parts and accessories of $0.6 billion; partially offset by (5) foreign currency translation of $0.3 billion due to a strengthening of the U.S. Dollar versus the Canadian Dollar. Contributing to the volume decline was revenue of $0.8 billion that was deferred in the fourth quarter of 2008 related to deliveries to dealers that did not meet the criteria for revenue recognition, either because collectability was not reasonably assured or the risks and rewards of ownership were not transferred at the time of delivery.

Cost of Sales

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Cost of sales	$ 90,806	$ 106,619	$(15,813)	(14.8)%
Gross margin	$ (4,619)	$ 5,829	$(10,448)	(179.2)%

In the year ended 2008 Cost of sales decreased $15.8 billion (or 14.8%) primarily due to: (1) decreased costs related to lower production volumes of $14.0 billion; (2) net curtailment gain of $4.9 billion related to the 2008 UAW Settlement Agreement; (3) manufacturing savings of $1.4 billion from lower manufacturing costs and hourly headcount levels resulting from attrition programs and productivity improvements; (4) favorable foreign currency translation gains of $1.4 billion due primarily to the appreciation of the U.S. Dollar versus the Canadian Dollar; (5) pension prior service costs of $2.2 billion recorded in the year ended 2007; and (6) gains of $0.9 billion related to the fair value of commodity and foreign currency exchange derivatives. These decreases were partially offset by: (1) charges related to restructuring and other costs associated with Old GM's special attrition programs, certain Canadian facility idlings and finalization of Old GM's negotiations with the CAW of $5.8 billion; (2) expenses of $1.7 billion related to the salaried post-age-65 healthcare settlement; (3) commodity derivative losses of $0.8 billion; (4) increased Delphi related charges of $0.6 billion related to certain cost subsidies reimbursed during the year; and (5) increased warranty expenses of $0.5 billion.

Selling, General and Administrative Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Selling, general and administrative expense	$ 7,744	$ 8,368	$ (624)	(7.5)%

In the year ended 2008 Selling, general and administrative expense decreased by $0.6 billion (or 7.5%) primarily due to: (1) reductions in incentive compensation and profit sharing costs of $0.4 billion; and (2) decreased advertising, selling and sales promotion expenses of $0.3 billion. These decreases were partially offset by $0.2 billion related to the 2008 Salaried Window Program.

Other Expenses, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Other expenses, net	$ 154	$ 552	$ (398)	(72.1)%

In the year ended 2008 Other expenses, net was comprised of an impairment charge related to goodwill of $154 million.

In the year ended 2007 Other expenses, net of $0.6 billion was primarily related to a nonrecurring charge for pension benefits granted to future and current retirees of Delphi.

Other Non-Operating Income, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Other non-operating income, net	$ 487	$ 442	$ 45	10.2%

In the year ended 2008 Other non-operating income, net increased by $45 million (or 10.2%) primarily due to: (1) exclusivity fee income of $105 million; (2) a gain on sale of affiliates of $49 million; (3) miscellaneous income of $22 million; partially offset by: (4) a decrease in royalty income of $133 million.

Equity Income (Loss), net of tax

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
NUMMI	$ (118)	$ (5)	$ (113)	n.m.
CAMI	(72)	32	(104)	n.m.
Other	(11)	(5)	(6)	120.0%
Total equity income (loss), net of tax	$ (201)	$ 22	$ (223)	n.m.

n.m. = not meaningful

In the year ended 2008 Equity income (loss), net of tax decreased by $0.2 billion due to impairment charges and lower income from Old GM's investments in NUMMI and CAMI.

GM International Operations
(Dollars in Millions)

	Successor		Predecessor			
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Six Months Ended June 30, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Total net sales and revenue	$ 16,664	$ 15,516	$ 11,698	$ 11,155	$ 37,344	$ 37,060
Earnings (loss) before interest and income taxes	$ 1,838	$ 1,196	$ (964)	$ (699)	$ 471	$ 1,947

Production and Vehicle Sales Volume

The following tables summarize total production volume and sales of new motor vehicles and competitive position (in thousands):

	GM	Combined GM and Old GM	Old GM	
	Six Months Ended June 30, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Production Volume (a)(b)(c)	2,307	3,484	3,200	3,246

(a) Production volume represents the number of vehicles manufactured by our and Old GM's assembly facilities and also includes vehicles produced by certain joint ventures.

(b) Includes SGM joint venture production in China of 489,000 vehicles and SGMW, FAW-GM joint venture production in China and HKJV joint venture production in India of 745,000 vehicles in the six months ended June 30, 2010, combined GM and Old GM SGM joint venture production in China of 712,000 vehicles and combined GM and Old GM SGMW and FAW-GM joint venture production in China of 1.2 million vehicles in the year ended December 31, 2009 and Old GM SGM joint venture production in China of 439,000 vehicles and 491,000 vehicles and Old GM SGMW joint venture production in China of 646,000 vehicles and 555,000 vehicles in the years ended December 31, 2008 and 2007.

(c) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture production in China.

	Successor		Predecessor	
	Six Months Ended June 30, 2010		Six Months Ended June 30, 2009	
	GM	GM as a% of Industry	Old GM	Old GM as a% of Industry
Vehicle Sales (a)(b)(c)(d)				
Total GMIO	2,026	10.3%	1,517	10.2%
Vehicle Sales—consolidated entities				
Brazil	302	19.1%	271	18.7%
Australia	69	12.9%	57	12.5%
Argentina	56	16.5%	42	15.1%
South Korea (e)	58	7.7%	45	7.0%
Middle-East Operations	55	9.8%	57	10.8%
Colombia	36	33.6%	33	38.9%
Egypt	32	26.3%	23	25.3%
Venezuela	24	41.4%	35	43.4%
Vehicle sales—primarily joint ventures (f)				
China (g)	1,209	13.2%	814	13.3%
India	60	4.1%	28	2.7%

(a) Vehicle sales primarily represent estimated sales to the ultimate customer.

(b) Vehicle sales data may include rounding differences.

(c) Includes Saab vehicle sales data through February 2010.

(d) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

(e) Vehicle sales and market share data from sales of GM Daewoo produced Chevrolet brand products in Europe are reported as part of GME. Sales of GM Daewoo produced Chevrolet brand products in Europe not included in vehicle sales and market share data was 166,000 vehicles in the six months ended June 30, 2010. Old GM sales of GM Daewoo produced Chevrolet brand products in Europe not included in vehicle sales and market share data was 185,000 vehicles in the six months ended June 30, 2009.

(f) Includes SGM joint venture vehicle sales in China of 451,000 vehicles and SGMW, FAW-GM joint venture vehicle sales in China and HKJV joint venture vehicle sales in India of 737,000 vehicles in the six months ended June 30, 2010 and Old GM SGM joint venture vehicle sales in China of 278,000 vehicles and SGMW joint venture vehicle sales in China of 493,000 vehicles in the six months ended June 30, 2009. We do not record revenue from our joint ventures' vehicle sales.

(g) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture vehicle sales in China.

	Year Ended December 31, 2009		Year Ended December 31, 2008		Year Ended December 31, 2007	
	Combined GM and Old GM	Combined GM and Old GM as a % of Industry	Old GM	Old GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)						
Total GMIO	3,326	10.3%	2,754	9.6%	2,672	9.5%
Vehicle Sales—consolidated entities						
Brazil	596	19.0%	549	19.5%	499	20.3%
Australia	121	12.9%	133	13.1%	149	14.2%
Middle East Operations	117	11.1%	144	12.9%	136	10.7%
South Korea (d)	115	7.9%	117	9.7%	131	10.3%
Argentina	79	15.2%	95	15.5%	92	16.1%
Colombia	67	36.1%	80	36.3%	93	36.8%
Egypt	52	25.6%	60	23.1%	40	17.5%
Venezuela	49	36.1%	90	33.2%	151	30.7%
Vehicle Sales—primarily joint ventures (e)						
China (f)	1,826	13.4%	1,095	12.1%	1,032	12.2%
India	69	3.1%	66	3.3%	60	3.0%

(a) Vehicle sales primarily represent estimated sales to the ultimate customer.

(b) Vehicle sales data may include rounding differences.

(c) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

(d) Vehicle sales and market share data from sales of GM Daewoo produced Chevrolet brand products in Europe are reported as part of GME. Combined GM and Old GM sales of GM Daewoo produced Chevrolet brand products in Europe not included in vehicle sales and market share data was 356,000 vehicles in the year ended 2009. Old GM's sales of GM Daewoo produced Chevrolet brand products in Europe not included in vehicle sales and market share data was 434,000 vehicles and 400,000 vehicles in the years ended 2008 and 2007.

(e) Includes combined GM and Old GM SGM joint venture vehicle sales in China of 710,000 vehicles and combined GM and Old GM SGMW and FAW-GM joint venture vehicle sales in China of 1.0 million vehicles in the year ended December 31, 2009 and Old GM SGM joint venture vehicle sales in China of 446,000 vehicles and 476,000 vehicles and Old GM SGMW joint venture vehicle sales in China of 606,000 vehicles and 516,000 vehicles in the years ended December 31, 2008 and 2007. We do not record revenue from our joint ventures' vehicle sales.

(f) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture vehicle sales in China.

Six Months ended June 30, 2010 and 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009	Six Months Ended 2010 vs. 2009 Change Amount	%
Total net sales and revenue	$ 16,664	$ 11,155	$ 5,509	49.4%

In the six months ended June 30, 2010 Total net sales and revenue increased compared to the corresponding period in 2009 by $5.5 billion (or 49.4%) primarily due to: (1) higher wholesale volumes of $3.4 billion (or 225,000 vehicles) resulting primarily from the market recovery in three key businesses, GM Daewoo (77,000 vehicles), Brazil (60,000 vehicles) and Australia (24,000 vehicles); (2) derivative losses of $1.0 billion that Old GM recorded in the six months ended June 30, 2009, primarily driven by the depreciation of the Korean Won against the U.S. Dollar in that period. Subsequent to July 10, 2009, all gains and losses on non-designated derivatives were recorded in Interest income and other non-operating income, net; (3) net foreign currency translation and transaction gains of $0.8 billion, primarily driven by the strengthening of major currencies against the U.S. Dollar such as the Korean Won, Australian Dollar and Brazilian Real partially offset by devaluation of the Venezuelan Bolivar; and (4) the favorable pricing effect of $0.3 billion primarily in Venezuela of $0.2 billion driven by the hyperinflationary economy.

The increase in vehicle sales related to our joint venture operations in China and India is not reflected in Total net sales and revenue as their revenue is not consolidated in our financial results.

Earnings (Loss) Before Interest and Income Taxes

In the six months ended June 30, 2010 EBIT was income of $1.8 billion. In the six months ended June 30, 2009 EBIT was a loss of $0.7 billion.

In the six months ended June 30, 2010 results included Equity income, net of tax, of $0.7 billion from the operating results of our China joint ventures and net income of $0.2 billion attributable to non-controlling interests of GM Daewoo.

In the six months ended June 30, 2009 results included: (1) an unfavorable fair value adjustment of $1.0 billion on derivative instruments primarily resulting from the depreciation of Korean Won against the U.S. Dollar and release of Accumulated other comprehensive loss; (2) foreign currency translation loss of $0.5 billion primarily resulting from the purchase of U.S Dollars on the parallel market in Venezuela; (3) a Net loss of $0.3 billion attributable to non-controlling interests in GM Daewoo; partially offset by (4) Equity income, net of tax, of $0.3 billion from the operating results of our China joint ventures, which benefited from China's increasing vehicle industry during the global financial crises.

July 10, 2009 Through December 31, 2009 and January 1, 2009 Through July 9, 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Combined GM and Old GM	Successor	Predecessor		Year Ended 2009 vs. 2008 Change	
	Year Ended December 31, 2009	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Amount	%
Total net sales and revenue	$ 27,214	$ 15,516	$ 11,698	$ 37,344	$(10,130)	(27.1)%

In the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009, several factors have continued to affect vehicle sales. The tight credit markets, increased unemployment rates and recessionary trends in many international markets, resulted in depressed sales. Old GM's well publicized liquidity issues, public speculation as to the effects of Chapter 11 proceedings and the actual Chapter 11 Proceedings negatively affected vehicle sales in several markets. Many countries in GMIO responded to the global recession by lowering interest rates and initiating programs to provide credit to consumers, which had a positive effect on vehicle sales. Certain countries including China, Brazil, India and South Korea benefited from effective government economic stimulus packages and are showing signs of a recovery. For the remainder of 2010 we anticipate a challenging sales environment resulting from the global economic slowdown with a partial offset from strong sales in China and Brazil.

In the year ended 2009 Total net sales and revenue decreased by $10.1 billion (or 27.1%) due to: (1) decreased domestic wholesale sales volume and lower exports from GM Daewoo of $4.2 billion, Middle East of $2.4 billion, Australia of $1.5 billion, Venezuela of $0.9 billion, Thailand of $0.6 billion, Argentina of $0.6 billion, South Africa of $0.5 billion, Russia of $0.5 billion and Colombia of $0.3 billion; partially offset by (2) gains on derivative instruments of $0.9 billion at GM Daewoo; (3) favorable pricing of $0.5 billion primarily due to a 60% price increase in Venezuela due to high inflation; and (4) favorable vehicle mix of $0.4 billion driven by launches of new vehicle models at GM Daewoo.

The increase in vehicle sales related to China joint ventures is not reflected in Total net sales and revenue. The results of our China joint ventures are recorded in Equity income, net of tax.

Income (Loss) Attributable to Stockholders Before Interest and Income Taxes

Income (loss) attributable to stockholders before interest and income taxes was income of $1.2 billion and a loss of $1.0 billion in the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009.

Costs and expenses include both fixed costs as well as costs which generally vary with production levels. Periodically, we have undertaken various separation programs, which have increased costs in the applicable periods with the goal of reducing labor costs in the long term.

Our results are affected by the earnings of our nonconsolidated equity affiliates, primarily our China joint ventures and noncontrolling interests share of earnings primarily in GM Daewoo.

In the period July 10, 2009 through December 31, 2009 results included the following:

- Separation costs of $0.1 billion related to voluntary and involuntary separation and early retirement programs;
- Foreign currency transaction gains of $0.1 billion primarily due to the Australian Dollar and Venezuelan Bolivar versus the U.S. Dollar; and
- Effects of fresh-start reporting, which included amortization of intangible assets, which were partially offset by the reduced value of inventory recorded through Cost of sales which were established in connection with our application of fresh-start reporting and decreased depreciation of fixed assets resulting from lower balances.

In the period January 1, 2009 through July 9, 2009 results included a foreign currency transaction loss of $0.4 billion related to foreign currency transactions outside of the official exchange market in Venezuela.

In the period ended January 1, 2009 through July 9, 2009 negative gross margin was driven by significant sales volume declines, which was not offset totally by declines in cost of sales due to high fixed manufacturing overhead and foreign currency transaction loss of $0.4 billion related to foreign currency transactions outside of the official exchange market in Venezuela.

2008 Compared to 2007
(Dollars in Millions)

Total Net Sales and Revenue

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Total net sales and revenue	$ 37,344	$ 37,060	$ 284	0.8%

In the year ended 2008, Total net sales and revenue increased by $0.3 billion (or 0.8%) due to: (1) favorable foreign currency translation effect of $1.2 billion, related to the Brazilian Real, Euro and Australian Dollar versus the U.S. Dollar; (2) favorable net vehicle pricing of $0.6 billion primarily in Venezuela due to high inflation and Brazil as a result of industry growth and high demand in the first half of 2008; (3) favorable product mix of $0.4 billion; and (4) net increase in sales volume of $0.2 billion primarily related to Russia; offset by (5) our determination that certain of our derivative cash flow hedge instruments were no longer effective resulting in the termination of hedge accounting treatment of $2.1 billion.

The decrease in vehicle sales related to China joint ventures is not reflected in Total net sales and revenue as China joint venture revenue is not consolidated in the financial results.

GMIO's vehicle sales began to moderate in the third quarter and fell sharply during the fourth quarter of 2008. GMIO's vehicle sales increased by 76,000 vehicles (or 11.5%), increased by 102,000 vehicles (or 16.2%) and increased by 19,000 vehicles (or 2.8%) in the first, second and third quarters of 2008. GMIO's vehicle sales decreased by 115,000 vehicles (or 15.9%) in the fourth quarter of 2008. GMIO's China vehicle sales increased by 22,000 vehicles (or 7.4%), increased by 45,000 vehicles (or 19.3%) and increased by 10,000 vehicles (or 4.4%) in the first, second and third quarters of 2008. GMIO's vehicle sales in China decreased by 14,000 vehicles (or 5.1%) in the fourth quarter of 2008. The decline in GMIO's vehicle sales and vehicle sales in China, in the second half of 2008, was attributable to the tightening of the credit markets, volatile oil prices, slowdown of economic growth and declining consumer confidence. Despite the downturn in GMIO's vehicle sales in the second half of 2008, GMIO capitalized on the demand in the China passenger and light commercial vehicle markets. GMIO increased its vehicle sales throughout the region in 2008, in part due to strong sales in China where volumes exceeded 1.0 million vehicles for the second consecutive year.

Cost of Sales

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Cost of sales	$ 34,686	$ 32,944	$ 1,742	5.3%
Gross margin	$ 2,658	$ 4,116	$ (1,458)	(35.4)%

In the year ended 2008 cost of sales increased by $1.7 billion (or 5.3%) primarily due to: (1) increased content cost of $1.2 billion driven by an increase in imported material costs at Venezuela and Russia and high inflation across the region primarily in Venezuela, Argentina and South Africa; (2) unfavorable product mix of $0.4 billion; and (3) foreign currency exchange transaction losses on purchases of treasury bills in the region of $0.2 billion.

Selling, General and Administrative Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Selling, general and administrative expense	$ 2,695	$ 2,485	$ 210	8.5%

In the year ended 2008 Selling, general and administrative expense increased by $0.2 billion (or 8.5%) primarily due to Old GM's expansion in Russia and other European markets.

Other Non-Operating Income, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Other non-operating income, net	$ 101	$ 175	$ (74)	(42.3)%

In the year ended 2008 Other non-operating income, net decreased by $74 million (or 42.3%) primarily due to insurance premiums received of $89 million, in 2007.

Equity Income, net of tax

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
SGM and SGMW	$ 312	$ 430	$ (118)	(27.4)%
Other equity interests	42	45	(3)	(6.7)%
Total equity income, net of tax	$ 354	$ 475	$ (121)	(25.5)%

In the year ended 2008 Equity income, net of tax decreased by $0.1 billion (or 25.5%) due to lower earnings at SGM.

Net (income) Loss Attributable to Noncontrolling Interests Before Interest and Income Taxes

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Net (income) loss attributable to noncontrolling interests before interest and income taxes	$ 53	$ (334)	$ 387	115.9%

In the year ended 2008 Net (income) loss attributable to noncontrolling interest before interest and income taxes decreased by $0.4 billion (or 115.7%) due to lower income at GM Daewoo.

GM Europe
(Dollars in Millions)

	Successor		Predecessor			
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Six Months Ended June 30, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Total net sales and revenue	$ 11,505	$ 11,479	$ 12,552	$ 11,946	$ 34,647	$ 37,337
Loss before interest and income taxes	$ (637)	$ (814)	$ (2,815)	$ (2,711)	$ (2,625)	$ (447)

Production and Vehicle Sales Volume

The following tables summarize total production volume and sales of new motor vehicles and competitive position (in thousands):

	GM	Combined GM and Old GM	Old GM	
	Six Months Ended June 30, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Production Volume (a)	636	1,106	1,495	1,773

(a) Production volume represents the number of vehicles manufactured by our and Old GM's assembly facilities and also includes vehicles produced by certain joint ventures.

	Successor		Predecessor	
	Six Months Ended June 30, 2010		Six Months Ended June 30, 2009	
	GM	GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)(d)(e)				
Total GME	846	8.6%	881	9.1%
United Kingdom	158	12.8%	150	14.4%
Germany	129	8.1%	211	9.7%
Italy	96	7.6%	102	8.3%
Spain	63	9.3%	42	8.4%
Russia	67	8.3%	84	10.7%
France	63	4.4%	56	4.1%

(a) Vehicle sales primarily represent estimated sales to the ultimate customer.
(b) The financial results from sales of GM Daewoo produced Chevrolet brand products are reported as part of GMIO. Sales of GM Daewoo produced Chevrolet brand products included in vehicle sales and market share data was 166,000 vehicles in the six months ended June 30, 2010. Old GM sales of GM Daewoo produced Chevrolet brand products included in vehicle sales and market share data was 185,000 vehicles in the six months ended June 30, 2009.
(c) Includes Saab vehicle sales data through February 2010.
(d) Vehicle sales may include rounding differences.
(e) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

	Year Ended December 31, 2009		Year Ended December 31, 2008		Year Ended December 31, 2007	
	Combined GM and Old GM	Combined GM and Old GM as a % of Industry	Old GM	Old GM as a % of Industry	Old GM	Old GM as a % of Industry
Vehicle Sales (a)(b)(c)(d)(e)						
Total GME	1,667	8.9%	2,043	9.3%	2,182	9.4%
Germany	382	9.4%	300	8.8%	331	9.5%
United Kingdom	287	12.9%	384	15.4%	427	15.2%
Italy	189	8.0%	202	8.3%	237	8.5%
Russia	142	9.5%	338	11.2%	260	9.6%
France	119	4.4%	114	4.4%	125	4.8%
Spain	94	8.7%	107	7.8%	171	8.8%

(a) Vehicle sales primarily represent estimated sales to the ultimate customer.

(b) The financial results from sales of GM Daewoo produced Chevrolet brand products are reported as part of GMIO. Combined GM and Old GM sales of GM Daewoo produced Chevrolet brand products included in vehicle sales and market share data was 356,000 vehicles in the year ended 2009. Old GM sales of GM Daewoo produced Chevrolet brand products included in vehicle sales and market share data was 434,000 and 400,000 vehicles in the years ended 2008 and 2007.

(c) Includes Saab vehicle sales data.

(d) Vehicle sales data may include rounding differences.

(e) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

Six Months ended June 30, 2010 and 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Successor	Predecessor	Six Months Ended 2010 vs. 2009 Change	
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009	Amount	%
Total net sales and revenue	$ 11,505	$ 11,946	$ (441)	(3.7)%

In the six months ended June 30, 2010 Total net sales and revenue decreased compared to the corresponding period in 2009 by $0.4 billion (or 3.7%) primarily due to: (1) lower wholesale volumes of $0.7 billion; (2) lower powertrain revenue of $0.1 billion primarily due to the Strasbourg facility which was retained by MLC in connection with the 363 Sale; partially offset by (3) favorable vehicle pricing of $0.2 billion due to higher pricing on new vehicle launches.

Revenue decreased compared to the corresponding period in 2009 due to wholesale volume decreases of 18,000 vehicles (or 2.8%). Wholesale volumes decreased in Germany by 85,000 vehicles (or 43.8%), partially offset by wholesale increases in Spain of 20,000 vehicles (or 76.7%), wholesale increases in the United Kingdom of 7,000 vehicles (or 5.2%), and wholesale increases to the United States of 8,000 vehicles primarily related to the Buick Regal and smaller increases in various other European countries in the six months ended June 30, 2010.

Loss Before Interest and Income Taxes

In the six months ended June 30, 2010 EBIT was a loss of $0.6 billion. In the six months ended June 30, 2009 EBIT was a loss of $2.7 billion.

In the six months ended June 30, 2010 results included restructuring charges of $0.5 billion to restructure our European operations, primarily for separation programs announced in Belgium, Spain and the United Kingdom.

In the six months ended June 30, 2009 results included: (1) charges recorded in Other expenses, net of $0.8 billion related to the deconsolidation of Saab; (2) incremental depreciation charges of $0.5 billion related to restructuring activities; and (3) operating losses related to Saab of $0.2 billion.

July 10, 2009 Through December 31, 2009 and January 1, 2009 Through July 9, 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Combined GM and Old GM	Successor	Predecessor		Year Ended 2009 vs. 2008 Change	
	Year Ended December 31, 2009	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Amount	%
Total net sales and revenue	$ 24,031	$ 11,479	$ 12,552	$ 34,647	$ (10,616)	(30.6)%

In the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009 several factors have continued to affect vehicle sales. The tight credit markets, increased unemployment rates and a recession in many international markets, resulted in depressed sales. Old GM's well publicized liquidity issues, public speculation as to the effects of Chapter 11 proceedings and the actual Chapter 11 Proceedings negatively affected vehicle sales in several markets as well as the announcement that Old GM was seeking a majority investor in Adam Opel, which was a condition to receiving financing from the German federal government. Certain countries including Germany benefited from effective government economic stimulus packages and are showing signs of a recovery. For the remainder of 2010, we anticipate a challenging sales environment resulting from the continuation of the global economic slowdown.

In the year ended 2009 Total net sales and revenue decreased by $10.6 billion (or 30.6%) due to: (1) decreased domestic wholesale sales volume of $4.8 billion; (2) net unfavorable effect of $3.7 billion in foreign currency translation and transaction losses, driven primarily by the strengthening of the U.S. Dollar versus the Euro; (3) decreased sales revenue at Saab of $1.2 billion; (4) lower powertrain and parts and accessories revenue of $0.8 billion; partially offset by (5) favorable vehicle pricing of $1.3 billion.

In line with the industry trends previously noted, revenue decreased due to wholesale volume decreases of 405,000 vehicles (or 24.8%).

Loss Attributable to Stockholders Before Interest and Income Taxes

In the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009 Loss attributable to stockholders before interest and income taxes was $0.8 billion and $2.8 billion.

Cost and expenses includes both fixed costs as well as costs which generally vary with production levels. Certain fixed costs, primarily labor related, have continued to decrease in relation to historical levels primarily due to various separation and other programs implemented in order to reduce labor costs. However, in the period January 1, 2009 through July 9, 2009 the implementation of various separation programs and incremental depreciation contributed to decreased margins. In the period July 10, 2009 through December 31, 2009 the effect of fresh-start reporting, especially the reduced value for inventory favorably affected results.

In the period July 10, 2009 through December 31, 2009 results included the following:

- Effects of fresh-start reporting primarily consisted of the fair value of inventory which was a decrease from the historical book value and was recorded in cost of sales and depreciation and amortization related to the fair value of fixed assets and special tools, partially offset by increased amortization of intangible assets which were established in connection with our application of fresh-start reporting.

In the period January 1, 2009 through July 9, 2009 results included the following:

- Other expenses of $0.8 billion primarily represented charges related to the deconsolidation of Saab. Saab filed for reorganization protection under the laws of Sweden in February 2009.

2008 Compared to 2007
(Dollars in Millions)

Total Net Sales and Revenue

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Total net sales and revenue	$ 34,647	$ 37,337	$ (2,690)	(7.2)%

The recession in Western Europe and the indirect effect of the tightening of credit markets, volatile oil prices, slowdown of economic growth and declining consumer confidence negatively affected sales. GME's vehicle sales increased by 19,000 vehicles (or 3.4%) and by 16,000 vehicles (or 2.8%) in the first and second quarters of 2008. GME's vehicle sales decreased by 64,000 vehicles (or 12.3%) and by 110,000 vehicles (or 20.7%) in the third and fourth quarters of 2008.

In the year ended 2008 Total net sales and revenue decreased by $2.7 billion (or 7.2%) due to: (1) lower wholesale sales volume outside of Russia of $4.4 billion; (2) unfavorable vehicle mix of $0.6 billion; offset by (3) a net favorable effect in foreign currency translation of $2.0 billion, driven mainly by the strengthening of the Euro and Swedish Krona, offset partially by the weakening of the British Pound versus the U.S. Dollar.

GME's revenue, which excludes sales of Chevrolet brand products, decreased most significantly in Spain, where wholesale volumes decreased by 67,000 vehicles (or 46.9%), followed by the United Kingdom, where wholesale volumes decreased by 43,000 vehicles (or 10.5%), and Italy, where wholesale volumes decreased by 41,000 vehicles (or 21.3%). These decreases were partially offset as wholesale volumes in Russia increased by 22,000 vehicles (or 29.6%).

Cost of Sales

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Cost of sales	$ 34,072	$ 35,134	$ (1,062)	(3.0)%
Gross margin	$ 575	$ 2,203	$ (1,628)	(73.9)%

In the year ended 2008 Cost of sales decreased by $1.1 billion (or 3.0%) due to decreased wholesale sales volumes of $3.5 billion offset by an unfavorable effect in foreign currency translation of $2.4 billion, driven mainly by the strengthening of the Euro and Swedish Krona.

Selling, General and Administrative Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Selling, general and administrative expense	$ 2,803	$ 2,778	$ 25	0.9%

In the year ended 2008 Selling, general and administrative expense increased by $25 million (or 0.9%) primarily due to an unfavorable effect in foreign currency translation of $87 million related to the Euro versus the U.S. Dollar offset by a decrease in administrative and other expenses of $35 million.

Other Expenses, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Other expenses, net	$ 456	$ —	$ 456	n.m.

n.m. = not meaningful

In the year ended 2008 Other expenses, net increased by $0.5 billion due to an impairment charge related to goodwill.

Other Non-Operating Income, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Other non-operating income, net	$ 6	$ 130	$ (124)	(95.4)%

In the year ended 2008 Other non-operating income, net decreased by $124 million primarily as a result of a favorable settlement of value added tax claims with the United Kingdom tax authorities of $115 million in the year ended 2007.

Net (Income) Loss Attributable to Noncontrolling Interests Before Interest and Income Taxes

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Net (income) loss attributable to noncontrolling interests before interest and income taxes	$ 22	$ (27)	$ 49	181.5%

In the year ended 2008 Net (income) loss attributable to noncontrolling interests before interest and income taxes increased by $49 million (or 181.5%) due to declines in profits at Isuzu Motors Polska.

Corporate
(Dollars in Millions)

	Successor		Predecessor			
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Six Months Ended June 30, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Total net sales and revenue	$ 97	$ 145	$ 328	$ 321	$ 1,247	$ 2,390
Net income (loss) attributable to stockholders	$ (1,377)	$ 167	$ 123,887	$ (5,082)	$ (16,627)	$ (41,884)

Nonsegment operations are classified as Corporate. Corporate includes investments in Ally Financial, certain centrally recorded income and costs, such as interest, income taxes and corporate expenditures, certain nonsegment specific revenues and expenses, including costs related to the Delphi Benefit Guarantee Agreements and a portfolio of automotive retail leases.

Six Months ended June 30, 2010 and 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Successor	Predecessor	Six Months Ended 2010 vs. 2009 Change	
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009	Amount	%
Total net sales and revenue	$ 97	$ 321	$ (224)	(69.8)%

In the six months ended June 30, 2010 Total net sales and revenue decreased compared to the corresponding period in 2009 by $0.2 billion (or 69.8%) primarily due to decreased lease financing revenues related to the liquidation of the portfolio of automotive leases. Average outstanding automotive retail leases on-hand for GM and Old GM were 13,000 and 104,000 for the six months ended June 30, 2010 and 2009.

Net Loss Attributable to Stockholders

In the six months ended June 30, 2010 Net loss attributable to stockholders was $1.4 billion. In the six months ended June 30, 2009 Net loss attributable to stockholders was $5.1 billion.

In the six months ended June 30, 2010 results included Income tax expense of $0.9 billion primarily related to income tax provisions for profitable entities and a taxable foreign exchange gain in Venezuela; and Interest expense of $0.6 billion related to interest expense on GMIO debt of $0.2 billion, VEBA Note interest expense and premium amortization of $0.1 billion and interest expense on the UST Loans of $0.1 billion.

The effective tax rate fluctuated in the six months ended June 30, 2010 primarily as a result of changes in the mix of earnings in valuation allowance and non-valuation allowance jurisdictions.

In the six months ended June 30, 2009 results included: (1) interest expense of $4.6 billion primarily related to amortization of discounts related to the UST Loan Facility of $2.9 billion and interest expense on unsecured debt of $0.9 billion and on the UST Loan Facility of $0.4 billion; (2) centrally recorded Reorganization expenses, net of $1.2 billion which primarily related to Old GM’s loss on the extinguishment of debt resulting from repayment of its secured revolving credit facility, U.S. term loan, and secured credit facility due to the fair value of the U.S. term loan exceeding its carrying amount by $1.0 billion, loss on contract rejections, settlements of claims and other lease terminations of $0.4 billion partially offset by gains related to release of Accumulated other comprehensive income (loss) associated with derivatives of $0.2 billion; (3) a loss on the extinguishment of the UST Ally Financial Loan of $2.0 billion when the UST exercised its option to convert outstanding amounts into shares of Ally Financial’s Class B Common Membership Interests. This loss was partially offset by a gain on extinguishment of debt of $0.9 billion related to an amendment to Old GM’s U.S. term loan; partially offset by (4) a gain recorded on the UST Ally Financial Loan of $2.5 billion upon the UST’s conversion of the UST Ally Financial Loan for Class B Common Membership Interests in Ally Financial. The gain resulted from the difference between the fair value and the carrying amount of the Ally Financial equity interests given to the UST in exchange for the UST Ally Financial Loan. The gain was partially offset by Old GM’s proportionate share of Ally Financial’s losses of $1.1 billion; and (5) Income tax benefit of $0.6 billion primarily related to a resolution of a U.S. and Canada transfer pricing matter and other discrete items offset by income tax provisions for profitable entities.

July 10, 2009 Through December 31, 2009 and January 1, 2009 Through July 9, 2009
(Dollars in Millions)

Total Net Sales and Revenue

	Combined GM and Old GM	Successor	Predecessor		Years Ended 2009 vs. 2008 Change	
	Year Ended December 31, 2009	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Amount	%
Total net sales and revenue	$ 473	$ 145	$ 328	$ 1,247	$ (774)	(62.1)%

Total net sales and revenue includes lease financing revenue from a portfolio of automotive retail leases. We anticipate this portfolio of automotive retail leases to be substantially liquidated by December 2010.

In the year ended 2009 Total net sales and revenue decreased by $0.8 billion (or 62.1%) due to a decrease in other financing revenue of $0.7 billion (or 68.4%) related to the liquidation of automotive retail leases. Average outstanding leases on-hand for combined GM and Old GM were 73,000 and 236,000 for the year ended 2009 and 2008.

Net income Attributable to Stockholders

In the periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009 Net income attributable to stockholders was $0.2 billion and $123.9 billion.

In the period July 10, 2009 through December 31, 2009 results included the following:

- Foreign currency transaction and translation gains, net of $0.3 billion; and
- Interest expense of $0.7 billion primarily related to interest expense of $0.3 billion on UST Loans and $0.2 billion on GMIO debt.

In the period January 1, 2009 through July 9, 2009 results included the following:

- Centrally recorded Reorganization gains, net of $128.2 billion which is more fully discussed in Note 2 to our audited consolidated financial statements;
- Charges of $0.4 billion for settlement with the PBGC associated with the Delphi Benefit Guarantee Agreements;
- Gain recorded on the UST Ally Financial Loan of $2.5 billion upon the UST's conversion of the UST Ally Financial Loan for Class B Common Membership Interests in Ally Financial. The gain resulted from the difference between the fair value and the carrying amount of the Ally Financial equity interests given to the UST in exchange for the UST Ally Financial Loan. The gain was partially offset by Old GM's proportionate share of Ally Financial's loss from operations of $1.1 billion;
- Amortization of discounts related to the UST Loan, EDC Loan and DIP Facilities of $3.7 billion. In addition, Old GM incurred interest expense of $1.7 billion primarily related to interest expense of $0.8 billion on unsecured debt balances, $0.4 billion on the UST Loan Facility and $0.2 billion on GMIO debt; and
- Loss related to the extinguishment of the UST Ally Financial Loan of $2.0 billion when the UST exercised its option to convert outstanding amounts to shares of Ally Financial's Class B Common Membership Interests. This loss was partially offset by a gain on extinguishment of debt of $0.9 billion related to an amendment to Old GM's $1.5 billion U.S. term loan in March 2009.

2008 Compared to 2007
(Dollars in Millions)

Total Net Sales and Revenue

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Total net sales and revenue	$ 1,247	$ 2,390	$ (1,143)	(47.8)%

In the year ended 2008 Total net sales and revenue decreased by $1.1 billion (or 47.8%) primarily due to a decrease in other financing revenue for the liquidation of automotive operating leases. Average outstanding leases on-hand for Old GM was 236,000 and 455,000 for the year ended December 31, 2008 and 2007.

Cost of Sales

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Cost of Sales	$ 177	$ 93	$ 84	90.3%

In the year ended 2008 Cost of sales increased by $84 million (or 90.3%) primarily due to: (1) loss on foreign exchange and interest rate derivatives of $252 million; (2) a decrease in foreign exchange gain on a transfer pricing transaction between Corporate and GMCL of $159 million; offset by (3) a favorable foreign currency translation effect on our debt denominated in Euros of $267 million.

Selling, General and Administrative Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Selling, general and administrative expense	$ 1,012	$ 780	$ 232	29.7%

In the year ended 2008 Selling, general and administrative expense increased by $232 million (or 29.7%) primarily due to an increase in legal expense of $177 million.

Other Expenses, net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Delphi charges	$ 4,797	$ 1,547	$ 3,250	n.m.
Other	1,292	2,208	(916)	(41.5)%
Total other expenses, net	$ 6,089	$ 3,755	$ 2,334	62.2%

n.m. = not meaningful

In the year ended 2008 Other expenses, net increased by $2.3 billion (or 62.2%) primarily due to increased charges related to the Delphi Benefit Guarantee Agreements of $3.3 billion offset by a decrease in depreciation of $0.7 billion related to the liquidation of the portfolio of automotive retail leases.

Equity in Income (Loss) of and Disposition of Interest in Ally Financial

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Equity in income (loss) of and disposition of interest in Ally Financial	$ 916	$ (1,245)	$ 2,161	173.6%
Impairment charges related to Ally Financial Common Membership Interests	(7,099)	—	(7,099)	n.m.
Total equity in income (loss) of and disposition of interest in Ally Financial	$ (6,183)	$ (1,245)	$ (4,938)	n.m.

n.m. = not meaningful

In the year ended 2008 Equity in loss of and disposition of interest in Ally Financial increased $4.9 billion due to impairment charges of $7.1 billion related to Old GM's investment in Ally Financial Common Membership Interests, offset by an increase in Old GM's proportionate share of Ally Financial's income from operations of $2.2 billion.

Interest Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Interest expense	$ (2,525)	$ (3,076)	$ 551	17.9%

In the year ended 2008 Interest expense decreased by $0.6 billion (or 17.9%) due to the de-designation of certain derivatives as hedges of $0.3 billion and adjustment to capitalized interest of $0.2 billion.

Interest Income

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Interest income	$ 655	$ 1,228	$ (573)	(46.7)%

In the year ended 2008 Interest income decreased by $0.6 billion (or 46.7%) due to a reduction in interest earned of $0.3 billion due to lower market interest rates and lower cash balances on hand and nonrecurring favorable interest of $0.2 billion recorded in the year ended 2007 resulting from various tax related items.

Other Non-Operating Income (Expense), net

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Impairment related to Ally Financial Preferred Membership Interests	$ (1,001)	$ —	$ (1,001)	n.m.
Other	175	308	(133)	(43.2)%
Total other non-operating income (expense), net	$ (826)	$ 308	$ (1,134)	n.m.

n.m. = not meaningful

In the year ended 2008 Other non-operating income (expense), net decreased by $1.1 billion primarily due to impairment charges of $1.0 billion related to Old GM's Ally Financial Preferred Membership Interests.

Gain on Extinguishment of Debt

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Gain on extinguishment of debt	$ 43	$ —	$ 43	n.m.

n.m. = not meaningful

In the year ended 2008 Gain on extinguishment of debt related to a settlement gain recorded for the issuance of 44 million shares of common stock in exchange for $498 million principal amount of Old GM's Series D debentures, which were retired and cancelled.

Income Tax Expense

	Predecessor		Year Ended 2008 vs. 2007 Change	
	Year Ended December 31, 2008	Year Ended December 31, 2007	Amount	%
Income tax expense	$ 1,766	$ 36,863	$ (35,097)	(95.2)%

In the year ended 2008 Income tax expense decreased by $35.1 billion (or 95.2%) due to the effect of recording valuation allowances of $39.0 billion against Old GM's net deferred tax assets in the United States, Canada and Germany in the year ended 2007, offset by the recording of additional valuation allowances in the year ended 2008 of $1.9 billion against Old GM's net deferred tax assets in South Korea, the United Kingdom, Spain, Australia, and other jurisdictions.

Liquidity and Capital Resources

Liquidity Overview

We believe that our current level of cash, marketable securities and availability under our new secured revolving credit facility will be sufficient to meet our liquidity needs. However, we expect to have substantial cash requirements going forward. Our known material future uses of cash include, among other possible demands: (1) Pension and OPEB payments; (2) continuing capital expenditures; (3) spending to implement long-term cost savings and restructuring plans such as restructuring our Opel/Vauxhall operations and potential capacity reduction programs; (4) reducing our overall debt levels which may include repayment of GM Daewoo's revolving credit facility and other debt payments; (5) the purchase of a portion of our Series A Preferred Stock; and (6) certain South American tax-related administrative and legal proceedings may require that we deposit funds in escrow, such escrow deposits may range from $785 million to $970 million.

Our liquidity plans are subject to a number of risks and uncertainties, including those described in the section of this prospectus entitled "Risk Factors," some of which are outside our control. Macro-economic conditions could limit our ability to successfully execute our business plans and, therefore, adversely affect our liquidity plans.

Recent Initiatives

We continue to monitor and evaluate opportunities to optimize the structure of our liquidity position.

In the six months ended June 30, 2010 we made investments of $4.6 billion in highly liquid marketable securities instruments with maturities between 90 days and 365 days. Previously, these funds would have been invested in short-term instruments less than 90 days and classified as a component of Cash and cash equivalents.

Investments in these longer-term securities will increase the interest we earn on these investments. We continue to monitor our investment mix and may reallocate investments based on business requirements.

In November 2009 we provided longer-term financing of $900 million to Adam Opel. The funding was primarily used to repay the remaining outstanding amounts of the German Facility, as well as to fund the on-going operating requirements of Opel/Vauxhall.

In January 2010 in order to assist in the funding of the Opel/Vauxhall operations, we provided additional support of $930 million. This support included the acceleration of certain payments owed under engineering services agreements to Adam Opel, which would normally have been paid in April and July, 2010.

In June 2010 the German federal government notified us of its decision not to provide loan guarantees to Opel/Vauxhall. As a result we have decided to fund the requirements of Opel/Vauxhall internally. Opel/Vauxhall has subsequently withdrawn all applications for government loan guarantees from European governments. In July 2010 we committed an additional Euro 1.1 billion (equivalent to $1.3 billion) to fund Opel/Vauxhall's restructuring and ongoing cash requirements.

In September 2010 we committed up to a total of Euro 3.3 billion (equivalent to $4.2 billion when committed) to fund Opel/Vauxhall's restructuring and ongoing cash requirements. This funding includes cumulative lending commitments combined into a Euro 2.6 billion facility and equity commitments of Euro 700 million.

In October 2010 we completed our acquisition of AmeriCredit, an independent automobile finance company, for cash of approximately $3.5 billion. This acquisition will allow us to provide a more complete range of financing options to our customers including additional capabilities in leasing and sub-prime financing options. We funded the transaction using cash on hand.

The repayment of debt remains a key strategic initiative. We continue to evaluate potential debt repayments prior to maturity. Any such repayments may negatively affect our liquidity in the short-term. In July 2010 our Russian subsidiary repaid a loan facility of $150 million to cure a technical default. In the six months ended June 30, 2010 we repaid the remaining amounts owed under the UST Loans of $5.7 billion and Canadian Loan of $1.3 billion. Additionally, GM Daewoo repaid a portion of its revolving credit facility in the amount of $225 million. On October 26, 2010 we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion.

As described more fully below in the section of this prospectus entitled "—New Secured Revolving Credit Facility," in October 2010, through a wholly-owned direct subsidiary, we entered into a new $5.0 billion secured revolving credit facility. While we do not believe the proceeds of the secured revolving credit facility are required to fund operating activities, the facility is expected to provide additional liquidity and financing flexibility.

We plan to implement the following actions which will affect our liquidity.

- We plan to purchase 83.9 million shares of our Series A Preferred Stock, which accrue cumulative dividends at a 9% annual rate, from the UST for a purchase price equal to 102% of their $2.1 billion aggregate liquidation amount pursuant to an agreement that we entered into with the UST in October 2010, conditional upon the completion of the common stock offering. We intend to purchase the Series A Preferred Stock on the first dividend payment date for the Series A Preferred Stock after the completion of the common stock offering.
- We expect to contribute $4.0 billion in cash to our U.S. hourly and salaried pension plans after the completion of the common stock offering and Series B preferred stock offering.

We continue to pursue our application for loans available under Section 136 of the Energy Independence and Security Act of 2007. While no assurance exists that we may qualify for the loans, any funds that we may receive would be used for costs associated with re-equipping, expanding and establishing manufacturing facilities in the United States to produce advanced technology vehicles and components for these vehicles.

Available Liquidity

Available liquidity includes cash balances and marketable securities. At June 30, 2010 available liquidity was $31.5 billion, not including funds available under credit facilities of $1.1 billion or in the Canadian HCT escrow account of $1.0 billion. The amount of available liquidity is subject to intra-month and seasonal fluctuations and includes balances held by various business units and subsidiaries worldwide that are needed to fund their operations.

We have substantially completed the process of changing our payment terms for the majority of our direct material, service parts and logistics suppliers from payments to be made on the second day after the second month end based on the date of purchase, which averages 47 day payment terms, to weekly payments. This change did not affect the average of 47 days that account payables are outstanding, but it did reduce volatility with respect to our intra-month liquidity and reduced our cash balances and liquidity at each month end. The change to weekly payment terms results in a better match between the timing of our receipt and disbursement of cash, which reduces volatility in our cash balances and lowers our minimum cash operating requirements. The effects of this change on cash balances for any particular month end will vary based on production mix and volume.

We manage our global liquidity using U.S. cash investments, cash held at our international treasury centers and available liquidity at consolidated overseas subsidiaries. The following table summarizes global liquidity (dollars in millions):

	Successor		Predecessor	
	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007
Cash and cash equivalents	$26,773	$ 22,679	$ 14,053	$ 24,817
Marketable securities	4,761	134	141	2,354
Readily-available VEBA assets	—	—	—	640
Available liquidity	31,534	22,813	14,194	27,811
Available under credit facilities	1,115	618	643	7,891
Total available liquidity	32,649	23,431	$ 14,837	$ 35,702
UST and HCT escrow accounts (a)	956	13,430		
Total liquidity including UST and HCT escrow accounts	$33,605	$ 36,861		

(a) Classified as Restricted cash and marketable securities. Refer to Note 12 to our unaudited condensed consolidated interim financial statements. Refer to Note 14 to our audited consolidated financial statements for additional information on the classification of the escrow accounts. The remaining funds held in the UST escrow account were released in April 2010 following the repayment of the UST Loans and Canadian Loan.

GM

Total available liquidity increased by $9.2 billion in the six months ended June 30, 2010 primarily due to positive cash flows from operating activities of $5.7 billion, investing activities less net marketable securities acquisitions of $11.0 billion, which were partially offset by negative cash flows from financing activities of $7.8 billion.

Total available liquidity increased by $2.5 billion in the period July 10, 2009 through December 31, 2009 due to positive cash flows from operating, financing and investing activities of $3.6 billion which were partially offset by a $1.1 billion reduction in our borrowing capacity on certain credit facilities. The decrease in credit facilities is primarily attributable to the November 2009 extinguishment of the German Facility.

Old GM

Total available liquidity increased by $6.0 billion in the period January 1, 2009 through July 9, 2009 due to positive cash flows from financing activities partially offset by negative cash flow from operating and investing activities for a net cash flow of $4.8 billion as well as an increase of $1.1 billion in available borrowing capacity under credit facilities. This was partially offset by repayments of secured lending facilities.

Available liquidity decreased to $14.2 billion at December 31, 2008 from $27.8 billion at December 31, 2007 primarily as a result of negative operating cash flow driven by reduced production in North America and Western Europe, postretirement benefit payments and cash restructuring costs, and payments to Delphi; partially offset by borrowings on Old GM's secured revolver and proceeds from the UST Loan Facility.

VEBA Assets

The following table summarizes the VEBA assets (dollars in millions):

	Successor		Predecessor	
	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007
Total VEBA assets	$ —	$ —	$ 9,969	$ 16,303
Readily-available VEBA assets	$ —	$ —	$ —	$ 640

GM

We transferred all of the remaining VEBA assets along with other consideration to the New VEBA within 10 business days after December 31, 2009, in accordance with the terms of the 2009 Revised UAW Settlement Agreement. The VEBA assets were not consolidated by GM after the settlement was recorded at December 31, 2009 because we did not hold a controlling financial interest in the entity that held such assets at that date. Under the terms of the 2009 Revised UAW Settlement Agreement we had an obligation for VEBA Notes of $2.5 billion and accreted interest, at an implied interest rate of 9.0% per annum. On October 26, 2010 we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion.

Under the terms of the 2009 Revised UAW Settlement Agreement, we are released from UAW retiree health care claims incurred after December 31, 2009. All obligations of ours, the New Plan and any other entity or benefit plan of ours for retiree medical benefits for the class and the covered group arising from any agreement between us and the UAW terminated at December 31, 2009. Our obligations to the New Plan and the New VEBA are limited to the terms of the 2009 Revised UAW Settlement Agreement.

Old GM

Total VEBA assets decreased to $10.0 billion at December 31, 2008 from $16.3 billion at December 31, 2007 due to negative asset returns and a $1.4 billion withdrawal of VEBA assets in the year ended 2008. In connection with the 2008 UAW Settlement Agreement a significant portion of the VEBA assets were allocated to a separate account, which also hold the proportional investment returns on that percentage of the trust. No amounts were to be withdrawn from the separate account including its investment returns from January 2008 until transfer to the New VEBA. Because of this treatment, Old GM excluded any portion of the separate account from available liquidity at and subsequent to December 31, 2007.

UST Loans and Canadian Loan

UST Loans

Old GM received total proceeds of $19.8 billion ($15.8 billion subsequent to January 1, 2009, including $361 million under the U.S. government sponsored warranty program) from the UST under the UST Loan Agreement entered into on December 31, 2008. In connection with the Chapter 11 Proceedings, Old GM obtained additional funding of $33.3 billion from the UST and EDC under its DIP Facility.

On July 10, 2009 we entered into the UST Credit Agreement and assumed debt of $7.1 billion which Old GM incurred under its DIP Facility. Proceeds of the UST Credit Agreement of $16.4 billion were deposited in escrow to be distributed to us at our request upon certain conditions as outlined in the UST Credit Agreement. Immediately after entering into the UST Credit Agreement, we made a partial repayment due to the termination of the U.S. government sponsored warranty program, reducing the UST Loans principal balance to $6.7 billion.

At December 31, 2009 $12.5 billion of the proceeds of the UST Credit Agreement remained deposited in escrow. Any unused amounts in escrow on June 30, 2010 were required to be used to repay the UST Loans and Canadian Loan on a pro rata basis. At December 31, 2009 the UST Loans and Canadian Loan were classified as short-term debt based on these terms.

In November 2009 we signed an amendment to the UST Credit Agreement to provide for quarterly repayments of our UST Loans. Under this amendment, we agreed to make quarterly payments of $1.0 billion to the UST. In December 2009 and March 2010 we made quarterly payments of $1.0 billion and $1.0 billion on the UST Loans. In April 2010, we used funds from our escrow account to repay in full the outstanding amount of the UST Loans of $4.7 billion. The UST Loans were repaid prior to maturity. Amounts borrowed under the UST Credit Agreement may not be reborrowed.

Following the repayment of the UST Loans and the Canadian Loan (discussed below), the remaining funds that were held in escrow became unrestricted and the availability of those funds is no longer subject to the conditions set forth in the UST Credit Agreement.

The UST Loans accrued interest equal to the greater of the three month LIBOR rate or 2.0%, plus 5.0%, per annum, unless the UST determined that reasonable means did not exist to ascertain the LIBOR rate or that the LIBOR rate would not adequately reflect the UST's cost to maintain the loan. In such a circumstance, the interest rate would have been the greatest of: (1) the prime rate plus 4%; (2) the federal funds rate plus 4.5%; or (3) the three month LIBOR rate (which will not be less than 2%) plus 5%. We were required to prepay the UST Loans on a pro rata basis (among the UST Loans, VEBA Notes and Canadian Loan), in an amount equal to the amount of net cash proceeds received from certain asset dispositions, casualty events, extraordinary receipts and the incurrence of certain debt. At December 31, 2009 the UST Loans accrued interest at 7.0%.

The UST Credit Agreement includes a vitality commitment which requires us to use our commercially reasonable best efforts to ensure that our manufacturing volume conducted in the United States is consistent with at least ninety percent of the projected manufacturing level (projected manufacturing level for this purpose being 1,801,000 units in 2010, 1,934,000 units in 2011, 1,998,000 units in 2012, 2,156,000 units in 2013 and 2,260,000 units in 2014), absent a material adverse change in our business or operating environment which would make the commitment non-economic. In the event that such a material adverse change occurs, the UST Credit Agreement provides that we will use our commercially reasonable best efforts to ensure that the volume of United States manufacturing is the minimum variance from the projected manufacturing level that is consistent with good business judgment and the intent of the commitment. This covenant survived our repayment of the UST Loans and remains in effect through December 31, 2014 unless the UST receives total proceeds from debt repayments, dividends, interest, preferred stock redemptions and common stock sales equal to the total dollar amount of all UST invested capital.

UST invested capital totals $49.5 billion, representing the cumulative amount of cash received by Old GM from the UST under the UST Loan Agreement and the DIP Facility, excluding $361 million which the UST loaned to Old GM under the warranty program and which was repaid on July 10, 2009. This balance also does not include amounts advanced under the UST GMAC Loan as the UST exercised its option to convert this loan into GMAC Preferred Membership Interests previously held by Old GM in May 2009. At June 30, 2010, the UST had received cumulative proceeds of $7.4 billion from debt repayments, interest payments and Series A Preferred Stock dividends. The UST's invested capital less proceeds received totals $42.1 billion.

To the extent we fail to comply with any of the covenants in the UST Credit Agreement that continue to apply to us, the UST is entitled to seek specific performance and the appointment of a court-ordered monitor acceptable to the UST (at our sole expense) to ensure compliance with those covenants.

Refer to Note 18 to our audited consolidated financial statements for additional details on the UST Loans.

Canadian Loan

On July 10, 2009, through our wholly-owned subsidiary GMCL, we entered into the Canadian Loan Agreement and assumed a CAD $1.5 billion (equivalent to $1.3 billion when entered into) term loan maturing on July 10, 2015. In November 2009 we signed an amendment to the Canadian Loan Agreement to provide for quarterly repayments of the Canadian Loan. Under this amendment, we agreed to make quarterly repayments of $192 million to EDC. In December 2009 and March 2010 we made quarterly payments of $192 million and $194 million on the Canadian Loan. In April 2010, GMCL repaid in full the outstanding amount of the Canadian Loan of $1.1 billion. The Canadian Loan was repaid prior to maturity. GMCL cannot reborrow under the Canadian Loan Agreement. The Canadian Loan accrued interest at the greater of the three-month Canadian Dealer Offered Rate or 2.0%, plus 5.0% per annum. Accrued interest was payable quarterly. At December 31, 2009 the Canadian Loan accrued interest at 7.0%.

Refer to Note 18 to our audited consolidated financial statements for additional details on the Canadian Loan.

GM

The following table summarizes the total funding and funding commitments we repaid to the U.S. and Canadian governments in the period July 10, 2009 through December 31, 2009 (dollars in millions):

	Successor		
Description of Funding Commitment	July 10, 2009 Beginning Balance	Change in Funding and Funding Commitments (a)	December 31, 2009 Total Obligation
UST Loan (b)	$ 7,073	$ (1,361)	$ 5,712
Canadian Loan	1,292	(59)	1,233
Total	$ 8,365	$ (1,420)	$ 6,945

(a) Includes an increase due to a foreign currency exchange loss on the Canadian Loan of $133 million.
(b) Includes $361 million which the UST loaned to Old GM under the warranty program and which was assumed by GM and repaid on July 10, 2009.

The following table summarizes the total funding and funding commitments we repaid to the U.S. and Canadian governments in the period January 1, 2010 through June 30, 2010 (dollars in millions):

	Successor		
Description of Funding Commitment	January 1, 2010 Beginning Balance	Change in Funding and Funding Commitments (a)	June 30, 2010 Total Obligation
UST Loan	$ 5,712	$ (5,712)	$ —
Canadian Loan	1,233	(1,233)	—
Total	$ 6,945	$ (6,945)	$ —

(a) Includes an increase due to a foreign currency exchange loss on the Canadian loan of $56 million.

Old GM

The following table summarizes the total funding and funding commitments Old GM received from the U.S. and Canadian governments and the additional notes Old GM issued related thereto in the period December 31, 2008 through July 9, 2009 (dollars in millions):

	Predecessor		
	December 31, 2008 to July 9, 2009		
Description of Funding Commitment	Funding and Funding Commitments	Additional Notes Issued (a)	Total Obligation
UST Funding			
UST Loan Agreement (b)	$ 19,761	$ 1,172	$ 20,933
DIP Facility—UST	30,100	2,008	32,108
Total UST Funding (c)	49,861	3,180	53,041
EDC Funding			
EDC funding (d)	6,294	161	6,455
DIP Facility—EDC	3,200	213	3,413
Total EDC Funding	9,494	374	9,868
Total UST and EDC Funding	$ 59,355	$ 3,554	$ 62,909

(a) Old GM did not receive any proceeds from the issuance of these promissory notes, which were issued as additional compensation to the UST and EDC.
(b) Includes debt of $361 million, which the UST loaned to Old GM under the warranty program.
(c) UST invested capital totalled $49.5 billion, representing the cumulative amount of cash received by Old GM from the UST under the UST Loan Agreement and the DIP Facility, excluding $361 million which the UST loaned to Old GM under the warranty program and which was repaid on July 10, 2009. This balance also does not include amounts advanced under the UST GMAC Loan as the UST exercised its option to convert this loan into GMAC Preferred Membership Interests previously held by Old GM in May 2009.
(d) Includes approximately $2.4 billion from the EDC Loan Facility received in the period January 1, 2009 through July 9, 2009 and funding commitments of CAD $4.5 billion (equivalent to $3.9 billion when entered into) that were immediately converted into our equity. This funding was received on July 15, 2009.

The following table summarizes the effect of the 363 Sale on the amounts owed to the UST and the EDC under the UST Loan Agreement, the DIP Facility and the EDC Loan Facility (dollars in millions):

		363 Sale	
Description of Funding Commitment	Total Obligation	Effect of 363 Sale	GM Obligation Subsequent to 363 Sale (a)
Total UST Funding	$ 53,041	$ (45,968)	$ 7,073
Total EDC Funding	9,868	(8,576)	1,292
Total UST and EDC Funding	$ 62,909	$ (54,544)	$ 8,365

(a) GM assumed the $7.1 billion UST Loans as part of the 363 Sale, which includes debt of $361 million, which the UST loaned to Old GM under the warranty program. GMCL entered into the CAD $1.5 billion Canadian Loan as part of the 363 Sale (equivalent to $1.3 billion when entered into).

New Secured Revolving Credit Facility

In October 2010, through a wholly-owned, direct subsidiary (the "borrower"), we entered into a five year, $5.0 billion secured revolving credit facility, which includes a letter of credit sub-facility of up to $500 million, with Citigroup Global Markets Inc. and Banc of America Securities LLC, as joint lead arrangers, Citibank, N.A., as the administrative agent, and Bank of America, N.A., as the syndication agent, and a syndicate of lenders.

While we do not believe the proceeds of the secured revolving credit facility are required to fund operating activities, the facility is expected to provide additional liquidity and financing flexibility. Availability under the secured revolving credit facility is subject to borrowing base restrictions.

We and certain of the borrower's domestic subsidiaries guaranteed the borrower's obligations under the secured revolving credit facility. In addition, obligations under the secured revolving credit facility are secured by substantially all of the borrower's and the subsidiary guarantors' domestic assets, including accounts receivable, inventory, property, plant, and equipment, real estate, intercompany loans, intellectual property, trademarks and direct investments in Ally Financial and are also secured by the equity interests of the direct, "first-tier" domestic subsidiaries of the borrower and of the subsidiary guarantors, and up to 65% of the voting equity interests in certain direct, "first-tier" foreign subsidiaries of the borrower and of the subsidiary guarantors, in each case, subject to certain exceptions. The collateral securing the secured revolving credit facility does not include, among other assets, cash, cash equivalents, marketable securities, as well as our indirect investment in GM Financial, our indirect investment in New Delphi and our indirect equity interests in its Chinese joint ventures and in GM Daewoo and in the direct or indirect owners of such equity interests.

Depending on certain terms and conditions in the secured revolving credit facility, including compliance with the borrowing base requirements and certain other covenants, the borrower will be able to add one or more *pari passu* first lien loan facilities. The borrower will also have the ability to secure up to $2.0 billion of certain obligations of the borrower and its subsidiaries that the borrower may designate from time to time as additional *pari passu* first lien obligations. Second-lien debt is generally allowed but second lien debt maturing prior to the final maturity date of the secured revolving credit facility is limited to $3.0 billion in outstanding obligations.

Interest rates on obligations under the secured revolving credit facility are based on prevailing per annum interest rates for Eurodollar loans or an alternative base rate plus an applicable margin, in each case, based upon the credit rating assigned to the debt evidenced by the secured revolving credit facility.

The secured revolving credit facility contains representations, warranties and covenants customary for facilities of this nature, including negative covenants restricting the borrower and the subsidiary guarantors from incurring liens, consummating mergers or sales of assets and incurring secured indebtedness, and restricting the borrower from making restricted payments, in each case, subject to exceptions and limitations. In addition, the secured revolving credit facility contains minimum liquidity covenants, which require the borrower to maintain at least $4.0 billion in consolidated global liquidity and at least $2.0 billion in consolidated U.S. liquidity.

Events of default under the secured revolving credit facility include events of default customary for facilities of this nature (including customary notice and/or grace periods, as applicable) such as:

- the failure to pay principal at the stated maturity, interest or any other amounts owed under the secured revolving credit agreement or related documents;
- the failure of certain of the borrower's representations or warranties to be correct in all material respects;
- the failure to perform any term, covenant or agreement in the secured revolving credit agreement or related documents;
- the existence of certain judgments that are not vacated, discharged, stayed or bonded;

- certain cross defaults or cross accelerations with certain other debt;
- certain defaults under the Employee Retirement Income Security Act of 1974, as amended (ERISA);
- a change of control;
- certain bankruptcy events; and
- the invalidation of the guarantees.

While the occurrence and continuance of an event of default will restrict our ability to borrow under the secured revolving credit facility, the lenders will not be permitted to exercise rights or remedies against the collateral unless the obligations under secured revolving credit facility have been accelerated.

The secured revolving credit facility contemplates up-front fees, arrangement fees, and ongoing commitment and other fees customary for facilities of this nature.

Other Credit Facilities

We make use of credit facilities as a mechanism to provide additional flexibility in managing our global liquidity. These credit facilities are typically held at the subsidiary level and are geographically dispersed across all regions. The following tables summarize our committed, uncommitted and major credit facilities (dollars in millions).

	Total Credit Facilities				Amounts Available under Credit Facilities			
	Successor		Predecessor		Successor		Predecessor	
	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007
Committed	$2,043	$ 1,712	$ 6,814	$ 7,889	$ 440	$ 223	$ 518	$ 6,887
Uncommitted	903	842	651	1,872	675	395	125	1,004
Total	$2,946	$ 2,554	$ 7,465	$ 9,761	$1,115	$ 618	$ 643	$ 7,891

	Total Credit Facilities				Amounts Available under Credit Facilities			
	Successor		Predecessor		Successor		Predecessor	
Major Credit Facilities	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007
GM Daewoo	$1,137	$ 1,179	$ 1,193	$ 1,978	$ 207	$ —	$ 402	$ 1,508
Old GM Secured—U.S.	—	—	4,480	4,437	—	—	5	4,346
Securitization Program	—	—	667	1,047	—	—	14	762
Brazil	661	425	365	1,412	378	77	—	677
GM Hong Kong	200	200	—	—	170	200	—	—
Other (a)	948	750	760	887	360	341	222	598
Total	$2,946	$ 2,554	$ 7,465	$ 9,761	$1,115	$ 618	$ 643	$ 7,891

(a) Consists of credit facilities available primarily at our foreign subsidiaries that are not individually significant.

GM

At June 30, 2010 we had committed credit facilities of $2.0 billion, under which we had borrowed $1.6 billion leaving $440 million available. Of these committed credit facilities GM Daewoo held $1.1 billion and other entities held $0.9 billion. In addition, at June 30, 2010 we had uncommitted credit facilities of $0.9 billion, under which we had

borrowed $228 million leaving $675 million available. Uncommitted credit facilities include lines of credit which are available to us, but under which the lenders have no legal obligation to provide funding upon our request. We and our subsidiaries use credit facilities to fund working capital needs, product programs, facilities development and other general corporate purposes.

Our largest credit facility at June 30, 2010 was GM Daewoo's KRW 1.4 trillion (equivalent to $1.1 billion) revolving credit facility, which was established in October 2002 with a syndicate of banks. All outstanding amounts at November 2010 will convert into a term loan and are required to be paid in four equal annual installments by October 2014. Borrowings under this facility bear interest based on the Korean Won denominated 91-day certificate of deposit rate. The average interest rate on outstanding amounts under this facility at June 30, 2010 was 5.6%. The borrowings are secured by certain GM Daewoo property, plant and equipment and are used by GM Daewoo for general corporate purposes, including working capital needs. In the six months ended June 30, 2010 GM Daewoo repaid $225 million of the $1.1 billion revolving credit facility. At June 30, 2010 the credit facility had an outstanding balance of $931 million leaving $207 million available.

The balance of our credit facilities are held by geographically dispersed subsidiaries, with available capacity on the facilities primarily concentrated at a few of our subsidiaries. At June 30, 2010 GM Hong Kong had $170 million of capacity on a $200 million term facility secured by a portion of our equity interest in SGM. We expect GM Hong Kong to obtain access to a $200 million revolving facility secured by the same collateral which would become available in late 2010. In addition, we have $355 million of capacity on a $370 million secured term facility available to certain of our subsidiaries in Thailand over 2010 and 2011. The additional GM Hong Kong facility and the Thailand secured facility are excluded from the tables above as certain preconditions must be satisfied prior to drawing additional funds. The facilities were entered into to fund growth opportunities within GMIO and to meet potential cyclical cash needs.

At December 31, 2009 we had committed credit facilities of $1.7 billion, under which we had borrowed $1.5 billion leaving $223 million available. Of these committed credit facilities GM Daewoo held $1.2 billion and other entities held $0.5 billion. In addition, at December 31, 2009 we had uncommitted credit facilities of $842 million, under which we had borrowed $447 million leaving $395 million available.

At December 31, 2009 our largest credit facility was GM Daewoo's KRW 1.4 trillion (equivalent to $1.2 billion) revolving credit facility. The average interest rate on outstanding amounts under this facility at December 31, 2009 was 5.69%. At December 31, 2009 the facility was fully utilized with $1.2 billion outstanding.

The balance of our credit facilities were held by geographically dispersed subsidiaries, with available capacity on the facilities primarily concentrated at a few of our subsidiaries. At December 31, 2009 GM Hong Kong had $200 million of capacity on a term facility secured by a portion of our equity interest in SGM, with an additional $200 million revolving facility secured by the same collateral set to become available in late 2010.

Old GM

At December 31, 2008 Old GM had unused credit capacity of $0.6 billion, of which $32 million was available in the U.S., $0.1 billion was available in other countries where Old GM did business and $0.5 billion was available in Old GM's joint ventures.

Old GM had a secured revolving credit facility of $4.5 billion with a syndicate of banks, which was extinguished in June 2009. At December 31, 2008 under the secured revolving credit facility $4.5 billion was outstanding. In addition to the outstanding amount at December 31, 2008 there were letters of credit of $10 million issued under the secured revolving credit facility. Under the $4.5 billion secured revolving credit facility, borrowings were limited to an amount based on the value of the underlying collateral. In addition to the secured revolving credit facility of $4.5 billion, the collateral also secured certain lines of credit, automated clearinghouse and overdraft arrangements, and letters of credit provided by the same secured lenders, of $0.2 billion. At December 31, 2008 Old GM had $5 million available under this facility.

In August 2007 Old GM entered into a revolving credit agreement that provided for borrowings of up to $1.0 billion at December 31, 2008, limited to an amount based on the value of the underlying collateral. This agreement provided additional available liquidity that Old GM could use for general corporate purposes, including working capital needs. The underlying collateral supported a borrowing base of $0.3 billion and $1.3 billion at December 31, 2008 and 2007. At December 31, 2008 under this agreement $0.3 billion was outstanding, leaving $13 million available. This revolving credit agreement expired in August 2009.

In November 2007 Old GM renewed a revolving secured credit facility that would provide borrowings of up to $0.3 billion. Under the facility, borrowings were limited to an amount based on the value of underlying collateral, which was comprised of a portion of Old GM's company vehicle fleet. At December 31, 2008 the underlying collateral supported a borrowing base of $0.1 billion. The amount borrowed under this program was $0.1 billion, leaving $3 million available at December 31, 2008. This revolving secured credit facility was terminated in connection with the Chapter 11 Proceedings.

In September 2008 Old GM entered into a one-year revolving on-balance sheet securitization borrowing program that provided financing of up to $0.2 billion. The program replaced an off-balance sheet trade receivable securitization facility that expired in September 2008. The borrowing program was terminated in connection with the Chapter 11 Proceedings; outstanding amounts were fully paid, lenders' liens on the receivables were released and the receivable assets were transferred to Old GM. This one-year revolving facility was in addition to another existing on-balance sheet securitization borrowing program that provided financing of up to $0.5 billion, which matured in April 2009 and was fully paid.

Restricted Cash and Marketable Securities

In connection with the Chapter 11 Proceedings, Old GM obtained funding of $33.3 billion from the UST and EDC under its DIP Facility. From these proceeds, $16.4 billion was deposited in escrow, of which $3.9 billion was distributed to us in the period July 10, 2009 through December 31, 2009. We have used our escrow account to acquire all Class A Membership Interests in New Delphi in the amount of $1.7 billion and acquire Nexteer and four domestic facilities and other related payments in the amount of $1.0 billion. In December 2009 and March 2010 we made quarterly payments of $1.0 billion and $1.0 billion on the UST Loans and quarterly payments of $192 million and $194 million on the Canadian Loan. In April 2010 we used funds from the UST Credit Agreement escrow account of $4.7 billion to repay in full the outstanding amount of the UST Loans. In addition, GMCL repaid in full the outstanding amount of the Canadian Loan of $1.1 billion. Both loans were repaid prior to maturity.

Following the repayment of the UST Loans and the Canadian Loan, the remaining UST escrow funds in an amount of $6.6 billion became unrestricted. The availability of those funds is no longer subject to the conditions set forth in the UST Credit Agreement.

Pursuant to an agreement between GMCL, EDC and an escrow agent we had $1.0 billion remaining in an escrow account at June 30, 2010 to fund certain of GMCL's health care obligations pending the satisfaction of certain preconditions which have not yet been met.

In July 2009 $862 million was deposited into an escrow account pursuant to an agreement between Old GM, EDC, and an escrow agent. In July 2009 we subscribed for additional common shares in GMCL and paid the subscription price in cash. As required under certain agreements between GMCL, EDC, and an escrow agent, $3.6 billion of the subscription price was deposited into an escrow account to fund certain of GMCL's pension plans and HCT obligations pending completion of certain preconditions. In September 2009 GMCL contributed $3.0 billion to the Canadian hourly defined benefit pension plan and $651 million to the Canadian salaried defined benefit pension plan, of which $2.7 billion was funded from the escrow account. In accordance with the terms of the escrow agreement, $903 million was released from the escrow account to us in September 2009. At December 31, 2009 $955 million remained in the escrow account.

Cash Flow

Operating Activities

GM

In the six months ended June 30, 2010 we had positive cash flows from operating activities of $5.7 billion primarily due to: (1) net income of $2.8 billion, which included non-cash charges of $3.5 billion resulting from depreciation, impairment and amortization expense; (2) change in income tax related balances of $0.6 billion; partially offset by (3) pension contributions and OPEB cash payments of $0.9 billion; and (4) unfavorable changes in working capital of $0.8 billion. The unfavorable changes in working capital were related to increases in accounts receivables and inventories, partially offset by an increase in accounts payable as a result of increased production.

In the period July 10, 2009 through December 31, 2009 we had positive cash flows from continuing operating activities of $1.1 billion primarily due to: (1) favorable managed working capital of $5.7 billion primarily driven by the effect of increased sales and production on accounts payable and the timing of certain supplier payments; (2) OPEB expense in excess of cash payments of $1.7 billion; (3) net income of $0.6 billion excluding depreciation, impairment charges and amortization expense (including amortization of debt issuance costs and discounts); partially offset by (4) pension contributions of $4.3 billion primarily to our Canadian hourly and salaried defined benefit pension plans; (5) restructuring cash payments of $1.2 billion; (6) cash interest payments of $0.6 billion and (7) sales allowance payments in excess of accruals for sales incentives of $0.5 billion driven by a reduction in dealer stock.

Old GM

In the period January 1, 2009 through July 9, 2009 Old GM had negative cash flows from continuing operating activities of $18.3 billion primarily due to: (1) net loss of $8.3 billion excluding Reorganization gains, net, and depreciation, impairment charges and amortization expense (including amortization of debt issuance costs and discounts); (2) unfavorable managed working capital of $5.6 billion; (3) change in accrued liabilities of $6.8 billion; and (4) payments of $0.4 billion for reorganization costs associated with the Chapter 11 Proceedings.

In the six months ended June 30, 2009 Old GM had negative cash flows from operating activities of $15.1 billion primarily due to: (1) net loss of $19.1 billion, which included non-cash charges of $6.3 billion resulting from depreciation, impairment and amortization expense; and (2) unfavorable working capital of $2.1 billion due to decreases in accounts payable partially offset by a decrease in accounts receivable and inventories.

In the year ended 2008 Old GM had negative cash flows from continuing operating activities of $12.1 billion on a Loss from continuing operations of $31.1 billion. That result compares with positive cash flows from continuing operating activities of $7.5 billion on a Loss from continuing operations of $42.7 billion in the year ended 2007. Operating cash flows were unfavorably affected by lower volumes and the resulting losses in North America and Western Europe, including the effect that lower production volumes had on working capital balances, and postretirement benefit payments.

Investing Activities

GM

In the six months ended June 30, 2010 we had positive cash flows from investing activities of $6.4 billion primarily due to: (1) a reduction in Restricted cash and marketable securities of $12.6 billion primarily related to withdrawals from the UST Credit Agreement escrow account; (2) liquidations of operating leases of $0.3 billion; partially offset by (3) net investments in marketable securities of $4.6 billion due to investments in securities with maturities greater than 90 days; and (4) capital expenditures of $1.9 billion.

In the period July 10, 2009 through December 31, 2009 we had positive cash flows from continuing investing activities of $2.2 billion primarily due to: (1) a reduction in Restricted cash and marketable securities of $5.2 billion primarily related to withdrawals from the UST escrow account; (2) $0.6 billion related to the liquidation of automotive retail leases; (3) increase as a result of the consolidation of Saab of $0.2 billion; (4) tax distributions of $0.1 billion on Ally Financial common stock; partially offset by (5) net cash payments of $2.0 billion related to the acquisition of Nexteer, four domestic facilities and Class A Membership Interests in New Delphi; and (6) capital expenditures of $1.9 billion.

Old GM

In the period January 1, 2009 through July 9, 2009 Old GM had negative cash flows from continuing investing activities of $21.1 billion primarily due to: (1) increase in Restricted cash and marketable securities of $18.0 billion driven primarily by the establishment of the UST and Canadian escrow accounts; (2) capital expenditures of $3.5 billion; and (3) investment in Ally Financial of $0.9 billion; partially offset by (4) liquidation of operating leases of $1.3 billion.

In the six months ended June 30, 2009 Old GM had negative cash flows from investing activities of $3.5 billion primarily due to: (1) capital expenditures of $3.1 billion; and (2) investment in Ally Financial of $0.9 billion; and (3) increase in Restricted cash and marketable securities of $0.6 billion; partially offset by (4) liquidations of automotive retail leases of $1.1 billion.

In the year ended 2008 Old GM had negative cash flows from continuing investing activities of $1.8 billion compared to negative cash flows from continuing investing activities of $1.7 billion in the year ended 2007. Decreases in cash flows from continuing investing activities primarily related to: (1) the absence of cash proceeds of $5.4 billion from the sale of the commercial and military operations of its Allison business in 2007; (2) a decrease in the liquidation of marketable securities of $2.3 billion, which primarily consisted of sales, and maturities of highly liquid corporate, U.S. government, U.S. government agency and mortgage backed debt securities used for cash management purposes; and (3) an increase in notes receivable of $0.4 billion in 2008. These decreases were offset by: (1) a decrease in acquisitions of marketable securities of $6.4 billion; (2) a capital contribution of $1.0 billion to Ally Financial to restore Ally Financial's adjusted tangible equity balance to the contractually required levels in 2007; (3) an increase in liquidation of operating leases of $0.4 billion; and (4) proceeds from the sale of investments of $0.2 billion in 2008.

Capital expenditures of $3.5 billion in the period January 1, 2009 through July 9, 2009 and $7.5 billion in each of the years ended 2008 and 2007 were a significant use of investing cash. Capital expenditures were primarily made for global product programs, powertrain and tooling requirements.

Financing Activities

GM

In the six months ended June 30, 2010 we had negative cash flows from financing activities of $7.8 billion primarily due to: (1) repayments on the UST Loans of $5.7 billion, Canadian Loan of $1.3 billion and the program announced by the UST in March 2009 to provide financial assistance to automotive suppliers (Receivables Program) of $0.2 billion; (2) preferred dividend payments of $0.4 billion; and (3) a net decrease in short-term debt of $0.2 billion.

In the period July 10, 2009 through December 31, 2009 we had positive cash flows from continuing financing activities of $0.3 billion primarily due to: (1) funding of $4.0 billion from the EDC which was converted to our equity; partially offset by (2) payment on the UST Loans of $1.4 billion (including payments of $0.4 billion related to the warranty program); (3) net payments on the German Facility of $1.1 billion; (4) net payments on other debt of $0.4 billion; (5) a net decrease in short-term debt of $0.4 billion; (6) payment on the Canadian Loan of $0.2 billion; (7) net payments on the Receivables Program of $0.1 billion; and (8) preferred dividend payments of $0.1 billion.

Old GM

In the period January 1, 2009 through July 9, 2009 Old GM had positive cash flows from continuing financing activities of $44.2 billion primarily due to: (1) proceeds from the DIP Facility of $33.3 billion; (2) proceeds from the UST Loan Facility and UST Ally Financial Loan of $16.6 billion; (3) proceeds from the EDC Loan Facility of $2.4 billion; (4) proceeds from the German Facility of $1.0 billion; (5) proceeds from the issuance of long-term debt of $0.3 billion; (6) proceeds from the Receivables Program of $0.3 billion; partially offset by (7) payments on other debt of $6.1 billion; (8) a net decrease in short-term debt of $2.4 billion; and (9) cash of $1.2 billion MLC retained as part of the 363 Sale.

In the six months ended June 30, 2009 Old GM had positive cash flows from financing activities of $21.7 billion primarily due to: (1) proceeds from the UST Loan Facility and UST Ally Financial Loan of $16.6 billion; (2) proceeds from the DIP Facility of $10.7 billion; (3) proceeds from the EDC Loan Facility of $1.9 billion (4) proceeds from the German Facility of $0.4 billion; (5) proceeds from the Receivables Program of $0.3 billion; partially offset by (6) net payments on other debt of $7.1 billion; and (7) a net decrease in short-term debt of $1.0 billion.

In the year ended 2008 Old GM had positive cash flows from continuing financing activities of $3.8 billion compared to negative cash flows from continuing financing activities of $5.6 billion in the year ended 2007. The increase in cash flows from continuing financing activities of $9.4 billion related to: (1) borrowings on available credit facilities of $4.5 billion and the UST Loan Facility of $4.0 billion; (2) a decrease in cash dividends paid of $0.3 billion; and partially offset by (3) an increase in payments on long-term debt of $0.3 billion.

Net Liquid Assets (Debt)

Management believes the use of net liquid assets (debt) provides meaningful supplemental information regarding our liquidity. Accordingly, we believe net liquid assets (debt) is useful in allowing for greater transparency of supplemental information used by management in its financial and operational decision making to assist in identifying resources available to meet cash requirements. Our calculation of net liquid assets (debt) may not be completely comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of net liquid assets (debt) has limitations and should not be considered in isolation from, or as a substitute for, other measures such as Cash and cash equivalents and Debt. Due to these limitations, net liquid assets (debt) is used as a supplement to U.S. GAAP measures.

The following table summarizes net liquid assets (debt) balances (dollars in millions):

	Successor		Predecessor
	June 30, 2010(a)	December 31, 2009	December 31, 2008
Cash and cash equivalents	$26,773	$ 22,679	$ 14,053
Marketable securities	4,761	134	141
UST Credit Agreement escrow and HCT escrow	956	13,430	—
Total liquid assets	32,490	36,243	14,194
Short-term debt and current portion of long-term debt	(5,524)	(10,221)	(16,920)
Long-term debt	(2,637)	(5,562)	(29,018)
Net liquid assets (debt)	24,329	$ 20,460	$ (31,744)
Effect of planned Series A purchase (a)	(2,140)		
Net liquid assets (debt), adjusted for effect of planned Series A purchase	$22,189		

(a) As discussed above in the section of this prospectus entitled "—Specific Management Initiatives— Repayment of Debt and Purchase of Preferred Stock—Purchase of Series A Preferred Stock from the UST," we plan to purchase 83.9 million shares of Series A Preferred Stock held by the UST at a price equal to 102% of their $2.1 billion aggregate liquidation amount, conditional upon the completion of the common stock offering. See the section of this prospectus entitled "Capitalization" for additional planned actions not referenced in the above table.

Our net liquid assets increased by $3.9 billion in the six months ended June 30, 2010. This change was due to an increase of $4.1 billion in Cash and cash equivalents (as previously discussed); an increase of $4.6 billion in Marketable securities; and a decrease of $7.6 billion in Short-term and Long-term debt; partially offset by a reduction of $12.5 billion in the UST Credit Agreement escrow balance. The decrease in Short-term and Long-term debt primarily related to: (1) repayment in full of the UST Loans of $5.7 billion; (2) repayment in full of the Canadian Loan of $1.3 billion; and (3) repayment in full of the loans related to the Receivables Program of $0.2 billion.

At December 31, 2009 we had a net liquid assets balance of $20.5 billion. Our total liquid assets balance of $36.2 billion consisted of Cash and cash equivalents of $22.7 billion, Marketable securities of $0.1 billion and amounts held in the UST Credit Agreement and HCT escrows of $13.4 billion. These total liquid assets were partially offset by short-term debt and current portion of long-term debt amounts of $10.2 billion and long-term debt of $5.6 billion.

At December 31, 2008 Old GM had a net debt balance of $31.7 billion consisting of (1) short-term debt and current portion of long-term debt amounts of $16.9 billion; and (2) long-term debt of $29.0 billion; which were partially offset by (3) Cash and cash equivalents and Marketable securities of $14.2 billion.

Other Liquidity Issues

Receivables Program

In March 2009 the UST announced that it would provide up to $5.0 billion in financial assistance to automotive suppliers by guaranteeing or purchasing certain of the receivables payable by Old GM and Chrysler LLC. The Receivables Program was to be funded by a loan facility of up to $2.5 billion provided by the UST and by capital contributions from us up to $125 million. In connection with the 363 Sale, we assumed the obligation of the Receivables Program. In December 2009 we announced the termination of the Receivables Program, in accordance with its terms, effective in April 2010. At December 31, 2009 our equity contributions were $55 million and the UST had outstanding loans of $150 million to the Receivables Program. In March 2010 we repaid these loans in full. The Receivables Program was terminated in accordance with its terms in April 2010. Upon termination, we shared residual capital of $25 million in the program equally with the UST and paid a termination fee of $44 million.

Ally In-Transit Financing

Under wholesale financing arrangements, our U.S. dealers typically borrow money from financial institutions to fund their vehicle purchases from us. Subject to completion of the common stock offering and Series B preferred stock offering, we expect to terminate a wholesale advance agreement which provides for accelerated receipt of payments made by Ally Financial on behalf of our U.S. dealers pursuant to Ally Financial’s wholesale financing arrangements with dealers. Similar modifications will be made in Canada. The wholesale advance agreements cover the period for which vehicles are in transit between assembly plants and dealerships. Upon termination, we will no longer receive payments in advance of the date vehicles purchased by dealers are scheduled to be delivered, resulting in an increase of up to $2 billion to our accounts receivable balance, depending on sales volumes and certain other factors in the near term, and the related costs under the arrangements will be eliminated.

Loan Commitments

We have extended loan commitments to affiliated companies and critical business partners. These commitments can be triggered under certain conditions and expire in the years 2010, 2011 and 2014. At June 30, 2010 we had a total commitment of $782 million outstanding with $25 million loaned.

Series A Preferred Stock

Beginning December 31, 2014 we will be permitted to redeem, in whole or in part, the shares of Series A Preferred Stock outstanding, at a redemption price per share equal to $25.00 per share plus any accrued and unpaid dividends, subject to limited exceptions. As a practical matter, our ability to redeem any portion of this $9.0 billion in Series A Preferred Stock will depend upon our having sufficient liquidity. One of the holders of our Series A Preferred Stock, the UST, owns a significant percentage of our common stock and therefore has, and may continue to have, the ability to exert control, through its power to vote for the election of our directors, over various matters, which could include compelling us to redeem the Series A Preferred Stock in 2014 or later. If we were compelled to redeem the Series A Preferred Stock, we would fund that redemption through available liquidity. We believe that it is not probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect our directors in 2014.

As discussed above in the section of this prospectus entitled "—Specific Management Initiatives—Repayment of Debt and Purchase of Preferred Stock—Purchase of Series A Preferred Stock from the UST," we plan to purchase 83.9 million shares of Series A Preferred Stock held by the UST at a price equal to 102% of their $2.1 billion aggregate liquidation amount, conditional upon the completion of the common stock offering.

Technical Defaults and Covenant Violations

Several of our loan facilities include clauses that may be breached by a change in control, a bankruptcy or failure to maintain certain financial metric limits. The Chapter 11 proceedings and the change in control as a result of the 363 Sale triggered technical defaults in certain loans for which we have assumed the obligation. A potential breach in another loan was addressed before default with a waiver we obtained from the lender subject to renegotiation of the terms of the facility. We successfully concluded the renegotiation of these terms in September 2009. In October 2009 we repaid one of the loans in the amount of $17 million as a remedy to the default. The total amount of the two remaining loan facilities in technical default for these reasons at December 31, 2009 was $206 million. We had classified these loans as short-term debt at December 31, 2009.

The total amount of the two loan facilities in technical default for these reasons at June 30, 2010 was $203 million. We have classified these loans as short-term debt at June 30, 2010. In July 2010 we executed an agreement with the lenders of the $150 million loan facility, which resulted in early repayment of the loan on July 26, 2010. On July 27, 2010 we executed an amendment with the lender of the second loan facility of $53 million which cured the defaults.

Two of our loan facilities had financial covenant violations at December 31, 2009 related to exceeding financial ratios limiting the amount of debt held by the subsidiaries. One of these violations was cured within the 30 day cure period through the combination of an equity injection and the capitalization of intercompany loans. In May 2010 we obtained a waiver and cured the remaining financial covenant violation on a loan facility of $70 million related to our 50% owned powertrain subsidiary in Italy.

Covenants in our UST Credit Agreement, VEBA Note Agreement, Canadian Loan Agreement and other agreements required us to provide our consolidated financial statements by March 31, 2010. We received waivers of this requirement for the agreements with the UST, New VEBA and EDC. We also provided notice to and requested waivers related to three lease facilities. The filing of our 2009 10-K and our Quarterly Report on Form 10-Q for the period ended September 30, 2009 within the automatic 90 day cure period on April 7, 2010 satisfied the requirements under these lease facility agreements.

Non-Cash Charges (Gains)

The following table summarizes significant non-cash charges (gains) (dollars in millions):

	Successor		Predecessor			
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Six Months Ended June 30, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Impairment charges related to investment in Ally Financial Common Membership Interests	$ —	$ —	$ —	$ 61	$ 7,099	$ —
Impairment charges related to investment in Ally Financial common stock	—	270	—	—	—	—
Impairment charges related to investment in Ally Financial Preferred Membership Interests	—	—	—	—	1,001	—
Net curtailment gain related to finalization of the 2008 UAW Settlement Agreement	—	—	—	—	(4,901)	—
Salaried post-65 healthcare settlement	—	—	—	—	1,704	—
Impairment charges related to equipment on operating leases	—	18	63	—	759	134
Impairment charges related to long-lived assets	—	2	566	566	1,010	259
Impairment charges related to investments in equity and cost method investments	—	4	28	28	119	—
Other than temporary impairments charges related to debt and equity securities	—	—	11	—	62	72
Impairment charges related to goodwill	—	—	—	—	610	—
Change in amortization period for pension prior service costs	—	—	—	—	—	1,561
UAW OPEB healthcare settlement	—	2,571	—	—	—	—
CAW settlement	—	—	—	—	340	—
Loss (gain) on secured debt extinguishment	—	—	(906)	(906)	—	—
Loss on extinguishment of UST Ally Financial Loan	—	—	1,994	1,994	—	—
Gain on conversion of UST Ally Financial Loan	—	—	(2,477)	(2,477)	—	—
Reorganization gains, net	—	—	(128,563)	—	—	—
Valuation allowances against deferred tax assets	—	—	(751)	—	1,450	37,770
Total significant non-cash charges (gains)	$ —	$ 2,865	$ (130,035)	$ (734)	$ 9,253	$ 39,796

Defined Benefit Pension Plan Contributions

Plans covering eligible U.S. salaried employees hired prior to January 2001 and hourly employees hired prior to October 15, 2007 generally provide benefits of stated amounts for each year of service as well as supplemental benefits for employees who retire with 30 years of service before normal retirement age. Salaried and hourly employees hired after these dates participate in defined contribution or cash balance plans. Our and Old GM's policy for qualified defined benefit pension plans is to contribute annually not less than the minimum required by applicable law and regulation, or to directly pay benefit payments where appropriate. At December 31, 2009 all legal funding requirements had been met.

The following table summarizes contributions made to the defined benefit pension plans or direct payments (dollars in millions):

	Successor		Predecessor		
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
U.S. hourly and salaried	$ —	$ —	$ —	$ —	$ —
Other U.S.	47	31	57	90	89
Non-U.S.	347	4,287	529	977	848
Total contributions	$ 394	$ 4,318	$ 586	$ 1,067	$ 937

We are considering making a voluntary contribution to the U.S. hourly and salaried defined benefit pension plans of $4.0 billion of cash and $2.0 billion of our common stock after the completion of the common stock offering and Series B preferred stock offering. The common stock contribution is contingent on approval from the Department of Labor, which we expect to receive in the near-term.

The following table summarizes the funded status of pension plans (dollars in billions):

	Successor		Predecessor
	June 30, 2010	December 31, 2009	December 31, 2008
U.S. hourly and salaried	$ (15.8)	$ (16.2)	$ (12.4)
U.S. nonqualified	(0.9)	(0.9)	(1.2)
Total U.S. pension plans	(16.7)	(17.1)	(13.6)
Non-U.S.	(9.6)	(10.3)	(11.9)
Total funded (underfunded)	$ (26.3)	$ (27.4)	$ (25.5)

On a U.S. GAAP basis, the U.S. pension plans were underfunded by $17.1 billion at December 31, 2009 and underfunded by $19.5 billion at July 10, 2009. The change in funded status was primarily attributable to the actual return on plan assets of $9.9 billion offset by actuarial losses of $3.1 billion, service and interest costs of $2.8 billion and $1.4 billion principally related to the Delphi Benefit Guarantee Agreements. On a U.S. GAAP basis, the non-U.S. pension plans were underfunded by $10.3 billion at December 31, 2009 and underfunded by $12.7 billion at July 10, 2009. The change in funded status was primarily attributable to employer contributions of $4.3 billion offset by actuarial losses of $1.6 billion in PBO and net detrimental exchange rate movements of $0.7 billion.

On a U.S. GAAP basis, the U.S. pension plans were underfunded by $18.3 billion at July 9, 2009 and underfunded by $13.6 billion at December 31, 2008. The change in funded status was primarily attributable to service and interest costs of $3.3 billion, curtailments, settlements and other increases to the PBO of $1.6 billion

and an actual loss on plan assets of $0.2 billion offset by actuarial gains of $0.3 billion. On a U.S. GAAP basis, the non-U.S. pension plans were underfunded by $12.7 billion at July 9, 2009 and underfunded by $11.9 billion at December 31, 2008. The change in funded status was primarily attributable to actuarial losses of $1.0 billion in PBO offset by the effect of negative plan amendments of $0.6 billion.

Hourly and salaried OPEB plans provide postretirement life insurance to most U.S. retirees and eligible dependents and postretirement health coverage to some U.S. retirees and eligible dependents. Certain of the non-U.S. subsidiaries have postretirement benefit plans, although most participants are covered by government sponsored or administered programs.

The following table summarizes the funded status of OPEB plans (dollars in billions):

	Successor		Predecessor
	June 30, 2010	December 31, 2009	December 31, 2008
U.S. OPEB plans	$ (5.5)	$ (5.8)	$ (30.0)
Non-U.S. OPEB plans	(3.8)	(3.8)	(2.9)
Total funded (underfunded)	$ (9.3)	$ (9.6)	$ (32.9)

In 2008 Old GM withdrew a total of $1.4 billion from the VEBA plan assets for reimbursement of retiree healthcare and life insurance benefits provided to eligible plan participants, which liquidated this VEBA except for those assets to be transferred to the UAW as part of the 2008 UAW Settlement Agreement.

The following table summarizes net benefit payments we expect to pay, based on the last remeasurement of all of our plans as of December 31, 2009 which reflect estimated future employee services, as appropriate, but does not reflect the effect of the 2009 CAW Agreement which includes terms of an independent HCT (dollars in millions):

	Years Ended December 31,			
	Pension Benefits(a)		Other Benefits	
	U.S. Plans	Non-U.S. Plans	U.S. Plans(b)	Non-U.S. Plans
2010	$ 9,321	$ 1,414	$ 489	$ 177
2011	$ 8,976	$ 1,419	$ 451	$ 185
2012	$ 8,533	$ 1,440	$ 427	$ 193
2013	$ 8,247	$ 1,461	$ 407	$ 201
2014	$ 8,013	$ 1,486	$ 390	$ 210
2015 – 2019	$ 37,049	$ 7,674	$ 1,801	$ 1,169

(a) Benefits for most U.S. pension plans and certain non-U.S. pension plans are paid out of plan assets rather than our cash and cash equivalents.

(b) Benefit payments presented in this table reflect the effect of the implementation of the 2009 Revised UAW Settlement Agreement, which releases us from UAW retiree healthcare claims incurred after December 31, 2009.

Off-Balance Sheet Arrangements

Off-balance sheet arrangements are used where the economics and sound business principles warrant their use. The principal use of off-balance sheet arrangements occurs in connection with the securitization and sale of financial assets and leases.

Old GM participated in a trade receivables securitization program that expired in September 2008 and was not renewed. As part of this program, Old GM sold receivables to a wholly-owned bankruptcy-remote SPE. The

SPE was a separate legal entity that assumed the risks and rewards of ownership of those receivables. Receivables were sold under the program at fair value and were excluded from Old GM's consolidated balance sheet. The banks and the bank conduits had no beneficial interest in the eligible pool of receivables at December 31, 2008. Old GM did not have a retained interest in the receivables sold, but performed collection and administrative functions. The gross amount of proceeds received from the sale of receivables under this program was $1.6 billion in the year ended 2008.

Guarantees Provided to Third Parties

We have provided guarantees related to the residual value of operating leases, certain suppliers' commitments, certain product-related claims and commercial loans made by Ally Financial and outstanding with certain third parties excluding residual support and risk sharing related to Ally Financial. The maximum potential obligation under these commitments is $843 million at June 30, 2010. The maximum potential obligation under these commitments was $1.0 billion at December 31, 2009.

In May 2009 Old GM and Ally Financial agreed to expand repurchase obligations for Ally Financial financed inventory at certain dealers in Europe, Asia, Brazil and Mexico. In November 2008 Old GM and Ally Financial agreed to expand repurchase obligations for Ally Financial financed inventory at certain dealers in the United States and Canada. Our current agreement with Ally Financial requires the repurchase of Ally Financial financed inventory invoiced to dealers after September 1, 2008, with limited exclusions, in the event of a qualifying voluntary or involuntary termination of the dealer's sales and service agreement. Repurchase obligations exclude vehicles which are damaged, have excessive mileage or have been altered. The repurchase obligation ended in August 2009 for vehicles invoiced through August 2008, ends in August 2010 for vehicles invoiced through August 2009 and ends in August 2011 for vehicles invoiced through August 2010.

The maximum potential amount of future payments required to be made to Ally Financial under this guarantee would be based on the repurchase value of total eligible vehicles financed by Ally Financial in dealer stock and is estimated to be $15.9 billion at June 30, 2010. This amount was estimated to be $14.2 billion at December 31, 2009. If vehicles are required to be repurchased under this arrangement, the total exposure would be reduced to the extent vehicles are able to be resold to another dealer or at auction. The fair value of the guarantee was $34 million and $46 million at June 30, 2010 and December 31, 2009, which considers the likelihood of dealers terminating and estimated the loss exposure for the ultimate disposition of vehicles.

Refer to Note 21 to our audited consolidated financial statements and Notes 17 and 23 to our unaudited condensed consolidated interim financial statements for additional information on guarantees we have provided.

Contractual Obligations and Other Long-Term Liabilities

We have the following minimum commitments under contractual obligations, including purchase obligations. A purchase obligation is defined as an agreement to purchase goods or services that is enforceable and legally binding on us and that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum, or variable price provisions; and the approximate timing of the transaction. Other long-term liabilities are defined as long-term liabilities that are recorded on our consolidated balance sheet. Based on this definition, the following table includes only those contracts which include fixed or minimum obligations. The majority of our purchases are not included in the table as they are made under purchase orders which are requirements based and accordingly do not specify minimum quantities.

The following table summarizes aggregated information about our outstanding contractual obligations and other long-term liabilities at June 30, 2010 (dollars in millions):

	Payments Due by Period				
	July 1, 2010 Through December 31, 2010	2011-2012	2013-2014	2015 and after	Total
Debt(a)(b)	$ 4,623	$ 960	$ 229	$ 3,094	$ 8,906
Capital lease obligations	76	141	86	317	620
Interest payments(c)	379	391	265	812	1,847
Operating lease obligations	240	668	403	583	1,894
Contractual commitments for capital expenditures	1,267	147	—	—	1,414
Postretirement benefits(d)	251	611	—	—	862
Other contractual commitments:					
Material	585	1,317	258	74	2,234
Information technology	990	132	48	—	1,170
Marketing	396	256	169	60	881
Facilities	89	192	83	33	397
Rental car repurchases	2,135	2,521	—	—	4,656
Policy, product warranty and recall campaigns liability	1,610	4,065	1,200	275	7,150
Other	44	25	5	—	74
Total contractual commitments(e)(f)(g)	$ 12,685	$ 11,426	$ 2,746	$ 5,248	$32,105
Non-contractual postretirement benefits(h)	$ 122	$ 645	$ 1,209	$ 18,507	$20,483

(a) Debt obligations in the period July 1, 2010 through December 31, 2010 included VEBA Notes of $2.5 billion that were classified as short-term debt due to our expectation to prepay in the event that we were able to successfully execute a credit facility, and a $150 million loan facility that was classified as short-term at June 30, 2010 and repaid early in July 2010. Refer to Notes 13 and 27 to our unaudited condensed consolidated interim financial statements for additional information on the VEBA Notes and the $150 million loan facility. Interest payments related to the VEBA Notes and the $150 million loan facility are included in the period July 1, 2010 through December 31, 2010 to correspond to the expected timing of the payments.

(b) Projected future payments on lines of credit were based on outstanding amounts drawn at June 30, 2010.

(c) Amounts include interest payments based on contractual terms and current interest rates on our debt and capital lease obligations. Interest payments based on variable interest rates were determined using the current interest rate in effect at June 30, 2010.

(d) Amounts include other postretirement benefit payments under the current U.S. contractual labor agreements for the remainder of 2010 and 2011 and Canada labor agreements for the remainder of 2010 through 2012. Post-2009, the UAW hourly medical plan cash payments are capped at the contribution to the New VEBA.

(e) Future payments in local currency amounts were translated into U.S. Dollars using the balance sheet spot rate at June 30, 2010.

(f) Amounts do not include future cash payments for long-term purchase obligations which were recorded in Accounts payable or Accrued expenses at June 30, 2010.

(g) Amounts exclude the cash commitment of approximately $3.5 billion in the period July 1, 2010 through December 31, 2010 to acquire AmeriCredit, the future annual contingent obligations of Euro 265 million in

the years 2011 to 2014 related to our Opel/Vauxhall restructuring plan and the purchase of the Series A Preferred Stock held by the UST for a price equal to 102% of their $2.1 billion aggregate liquidation amount.

(h) Amount includes all expected future payments for both current and expected future service at June 30, 2010 for other postretirement benefit obligations for salaried employees and hourly postretirement benefit obligations extending beyond the current North American union contract agreements.

The table above does not reflect unrecognized tax benefits of $4.6 billion due to the high degree of uncertainty regarding the future cash outflows associated with these amounts.

The table above also does not reflect certain contingent loan and funding commitments that we have made with suppliers, other third parties and certain joint ventures. At June 30, 2010 we had commitments of $1.0 billion under these arrangements that were undrawn.

Required Pension Funding Obligations

We do not have any contributions due to our U.S. qualified plans in 2010. The next pension funding valuation date based on the requirements of the Pension Protection Act (PPA) of 2006 is October 1, 2010. Based on the PPA, we have the option to select a funding interest rate for the valuation based on either the Full Yield Curve method or the 3-Segment method, both of which are considered to be acceptable methods. PPA also provides the flexibility of selecting a 3-Segment rate up to the preceding five months from the valuation date of October 1, 2010, i.e., the 3-Segment rate at May 31, 2010. Therefore, for a hypothetical valuation at June 30, 2010, we have assumed the 3-Segment rate at May 31, 2010 as the potential floor for funding interest rate that we could use for the actual funding valuation. Since this hypothetical election does not limit us to only using the 3-Segment rate beyond 2010, we have assumed that we retain the flexibility of selecting a funding interest rate based on either the Full Yield Curve method or the 3-Segment method. A hypothetical funding valuation at June 30, 2010, using the 3-Segment rate at May 31, 2010 and assuming the June 30, 2010 Full Yield Curve funding interest rate for all future valuations projects contributions of $4.3 billion and $5.7 billion in 2014 and 2015 and additional contributions may be required thereafter. Contributions of $0.2 billion and $0.1 billion may be required in 2012 and 2013 in order to preserve our flexibility to use credit balances to reduce cash contributions.

Alternatively, a hypothetical funding valuation at June 30, 2010 using the 3-Segment rate at May 31, 2010 and assuming that same funding interest rate for all future valuations projects contributions of $2.4 billion in 2015 and additional contributions may be required thereafter.

In both cases, we have assumed that the pension plans earn the expected return of 8.5% in the future and no further changes in funding interest rates. However, future funding projections are sensitive to changes in these assumptions as the following scenarios depict. Under the first funding scenario presented above, if the plan assets return 7.50% instead of 8.50% (holding all other factors constant), the contributions in 2014 and 2015 would be $4.2 billion and $6.0 billion. The contributions in 2012 and 2013 would be $0.5 billion and $0.7 billion. Under the first funding scenario presented above, if the funding interest rates were to decrease by 25 basis points (holding all other factors constant), the contributions in 2014 and 2015 would not be materially changed. However, the contributions in 2012 and 2013 would increase to $1.5 billion and $0.8 billion. A decrease of the funding interest rate by 50 basis points (holding all other factors constant) would not materially change required contributions in 2014 and 2015, but would increase contributions to $2.7 billion in 2012, and $1.6 billion in 2013. If the funding interest rates were to increase by 25 basis points (holding all other factors constant) the contributions in 2012 and 2013 would no longer be needed. The contributions in 2014 and 2015 would be $2.4 billion and $5.6 billion. If there is an increase in the funding interest rates by 50 basis points (holding all other factors constant) the contributions in 2012 and 2013 would no longer be needed and contributions of $1.1 billion and $4.9 billion would be needed in 2014 and 2015. In addition to the funding interest rate and rate of return on assets, the pension contributions could be affected by various other factors including the effect of any legislative changes.

The hypothetical valuations do not comprehend the potential election of relief provisions that are available to us under the Pension Relief Act of 2010 (PRA) for the 2010 and 2011 plan year valuations. Electing the relief provisions for either the 2010, 2011 or both these valuations is projected to provide additional funding flexibility and allow additional deferral of significant contributions. However, the final regulations under the PRA have not yet been released, and as such we are not currently able to determine whether we would qualify or whether we would elect to avail ourselves of these relief provisions.

Required Pension Funding Obligation Assuming Voluntary Contributions of $6.0 Billion

After the completion of the common stock offering and Series B preferred stock offering, we intend to contribute $6.0 billion to our U.S. qualified plans consisting of cash of $4.0 billion and $2.0 billion of our common stock. We are currently awaiting the Department of Labor's approval, which we expect to receive in the near-term, and which is required for our common stock contribution to qualify as a plan asset for funding purposes under ERISA. We assume that the approval is received in the funding projections which follow as the stock contribution is contingent on this review.

As discussed above, we do not have any required contributions due to our U.S. qualified plans in 2010 and we have the option to select a funding interest rate based on the Full Yield Curve method or the 3-Segment method. A hypothetical funding valuation at June 30, 2010, using the 3-Segment rate at May 31, 2010 and assuming the June 30, 2010 Full Yield Curve funding interest rate for all future valuations projects contributions of $2.3 billion in 2015 and additional contributions may be required thereafter.

Alternatively, a hypothetical funding valuation at June 30, 2010 using the 3-Segment rate at May 31, 2010 and assuming that same funding interest rate for all future valuations projects no contributions would be required through 2015, although additional contributions may be required thereafter.

In both cases, we have assumed that $6.0 billion is contributed to the pension plans as of June 30, 2010 and the pension plans earn the expected return of 8.5% in the future and no further changes in funding interest rates. However, future funding projections are sensitive to changes in these assumptions as the following scenarios depict. Under the first funding scenario presented above, if the plan assets return 7.50% instead of 8.50% (holding all other factors constant), contributions of $3.3 billion would be required in 2015. Under the first funding scenario presented above, if the funding interest rates were to decrease by 50 basis points (holding all other factors constant), contributions would be $0.9 billion and $5.6 billion in 2014 and 2015. If the funding interest rates were to increase by 50 basis points, no contributions would be required through 2015, although additional contributions may be required thereafter. In addition to the funding interest rate and rate of return on assets, the pension contributions could be affected by various other factors including the effect of any legislative changes.

The hypothetical valuations do not comprehend the potential election of relief provisions that are available to us under the PRA for the 2010 and 2011 plan year valuations. Electing the relief provisions for either the 2010, 2011 or both these valuations is projected to provide additional funding flexibility and allow additional deferral of significant contributions. However, the final regulations under the PRA have not yet been released, and as such we are not currently able to determine whether we would qualify or whether we would elect to avail ourselves of these relief provisions.

Fair Value Measurements

In January 2008 Old GM adopted ASC 820-10, "Fair Value Measurements and Disclosures," for financial assets and financial liabilities, which addresses aspects of fair value accounting. Refer to Note 23 to our audited consolidated financial statements and Note 19 to our unaudited condensed consolidated interim financial statements for additional information on the effects of this adoption. In January 2009 Old GM adopted ASC 820-10 for nonfinancial assets and nonfinancial liabilities. Refer to Note 25 to our audited consolidated financial statements and Note 21 to our unaudited condensed consolidated interim financial statements for additional information on the effects this adoption.

Fair Value Measurements on a Recurring Basis

At June 30, 2010 we used Level 3 inputs to measure net liabilities of $362 million (or 0.4%) of our total liabilities. These net liabilities included $29 million (or 0.1%) of the total assets, and $391 million (or 99.2%) of the total liabilities (of which $370 million were derivative liabilities) that we measured at fair value.

At December 31, 2009 we used Level 3, or significant unobservable inputs, to measure $33 million (or 0.1%) of the total assets that we measured at fair value, and $705 million (or 98.7%) of the total liabilities (all of which were derivative liabilities) that we measured at fair value.

At December 31, 2008 Old GM used Level 3, or significant unobservable inputs, to measure $70 million (or 1.2%) of the total assets that it measured at fair value, and $2.3 billion (or 65.8%) of the total liabilities (all of which were derivative liabilities) that it measured at fair value.

Significant assets and liabilities classified as Level 3, with the related Level 3 inputs, are as follows:

- Foreign currency derivatives — Level 3 inputs used to determine the fair value of foreign currency derivative liabilities include the appropriate credit spread to measure our nonperformance risk. Given our nonperformance risk is not observable through the credit default swap market we based this measurement on an analysis of comparable industrial companies to determine the appropriate credit spread which would be applied to us and Old GM by market participants in each period.

- Other derivative instruments — Other derivative instruments include warrants Old GM issued to the UST. Level 3 inputs used to determine fair value include option pricing models which include estimated volatility, discount rates, and dividend yields.

- Mortgage-backed and other securities — Prior to June 30, 2009 Level 3 inputs used to determine fair value include estimated prepayment and default rates on the underlying portfolio which are embedded in a proprietary discounted cash flow projection model.

- Commodity derivatives — Commodity derivatives include purchase contracts from various suppliers that are gross settled in the physical commodity. Level 3 inputs used to determine fair value include estimated projected selling prices, quantities purchased and counterparty credit ratings, which are then discounted to the expected cash flow.

Transfers In and/or Out of Level 3

At June 30, 2009 Old GM's mortgage- and asset-backed securities were transferred from Level 3 to Level 2 as the significant inputs used to measure fair value and quoted prices for similar instruments were determined to be observable in an active market.

For periods presented after June 1, 2009 nonperformance risk for us and Old GM was not observable through the credit default swap market as a result of the Chapter 11 Proceedings and the lack of traded instruments for us after the 363 Sale. As a result, foreign currency derivatives with a fair market value of $1.6 billion were transferred from Level 2 to Level 3. Our nonperformance risk remains not directly observable through the credit default swap market at December 31, 2009 and accordingly the derivative contracts for certain foreign subsidiaries remain classified in Level 3.

In the three months ended March 31, 2009 Old GM determined the credit profile of certain foreign subsidiaries was equivalent to Old GM's nonperformance risk which was observable through the credit default swap market and bond market based on prices for recent trades. Accordingly, foreign currency derivatives with a fair value of $2.1 billion were transferred from Level 3 into Level 2.

In December 2008 Old GM transferred foreign currency derivatives with a fair value of $2.1 billion from Level 2 to Level 3. These derivatives relate to certain of Old GM's foreign consolidated subsidiaries where Old GM was not able to determine observable credit ratings. At December 31, 2008 the fair value of these foreign currency derivative contracts was estimated based on the credit rating of comparable local companies with similar credit profiles and observable credit ratings together with internal bank credit ratings obtained from the subsidiary's lenders. Prior to December 31, 2008, these derivatives were valued based on Old GM's credit rating which was observable through the credit default swap market.

Refer to Notes 20 and 23 to our audited consolidated financial statements for additional information on the use of fair value measurements.

Level 3 Assets and Liabilities

At June 30, 2010 net liabilities of $362 million measured using Level 3 inputs were primarily comprised of foreign currency derivatives. Foreign currency derivatives were classified as Level 3 due to an unobservable input which relates to our nonperformance risk. Given our nonperformance risk is not observable through the credit default swap market we based this measurement on an analysis of comparable industrial companies to determine the appropriate credit spread which would be applied to us by market participants. At June 30, 2010 we included a non-performance risk adjustment of $15 million in the fair value measurement of these derivatives which reflects a discount of 4.2% to the fair value before considering our credit risk. We anticipate settling these derivatives at maturity at fair value unadjusted for our nonperformance risk. Credit risk adjustments made to a derivative liability reverse as the derivative contract approaches maturity. This effect is accelerated if a contract is settled prior to maturity.

In the six months ended June 30, 2010 assets and liabilities measured using Level 3 inputs decreased by $310 million from a net liability of $672 million to a net liability of $362 million primarily due to unrealized and realized gains on the settlement of derivatives.

At December 31, 2009 we used Level 3 inputs to measure net liabilities of $672 million (or 0.6%) of our total liabilities. In the period January 1, 2009 through July 9, 2009 net liabilities measured using Level 3 inputs decreased from $2.3 billion to $1.4 billion primarily due to unrealized and realized gains on derivatives and the settlement of UST warrants issued by Old GM. In the period July 10, 2009 through December 31, 2009 net liabilities measured using Level 3 inputs decreased from $1.4 billion to $672 million primarily due to unrealized and realized gains on and the settlement of derivatives.

At December 31, 2009 net liabilities of $672 million measured using Level 3 inputs were primarily comprised of foreign currency derivatives. Foreign currency derivatives were classified as Level 3 due to an unobservable input which relates to our nonperformance risk. Given our nonperformance risk is not observable through the credit default swap market we based this measurement on an analysis of comparable industrial companies to determine the appropriate credit spread which would be applied to us and Old GM by market participants in each period. At December 31, 2009 we included a $47 million non-performance risk adjustment in the fair value measurement of these derivatives which reflects a discount of 6.5% to the fair value before considering our credit risk. We anticipate settling these derivatives at maturity at fair value unadjusted for our nonperformance risk. Credit risk adjustments made to a derivative liability reverse as the derivative contract approaches maturity. This effect is accelerated if a contract is settled prior to maturity.

At December 31, 2008 Old GM used Level 3 inputs to measure net liabilities of $2.3 billion (or 1.3%) of Old GM's total liabilities. In the year ended 2008 assets and liabilities measured using Level 3 inputs changed from a net asset of $828 million to a net liability of $2.3 billion primarily due to foreign currency derivatives of $2.1 billion transferred from Level 2 to Level 3 in December 2008.

Realized gains and losses related to assets and liabilities measured using Level 3 inputs did not have a material effect on operations, liquidity or capital resources for GM in the periods January 1, 2010 through

June 30, 2010 or July 10, 2009 through December 31, 2009, or for Old GM in the periods July 1, 2009 through July 9, 2009 or January 1, 2009 through July 9, 2009 or in the year ended December 31, 2008.

Dividends

The declaration of any dividend on our common stock is a matter to be acted upon by our Board of Directors in its sole discretion. Since our formation, we have not paid any dividends on our common stock. We have no current plans to pay any dividends on our common stock. Our payment of dividends on our common stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings, liquidity and capital requirements, the covenants in our debt instruments, and other factors.

So long as any share of our Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. In addition, our new secured revolving credit facility contains certain restrictions on our ability to pay dividends, other than dividends payable solely in shares of our capital stock.

The Series A Preferred Stock accrue cumulative dividends at a rate equal to 9.0% per annum (payable quarterly on March 15, June 15, September 15 and December 15) if, as and when declared by our Board of Directors. We paid dividends of $203 million on March 15, 2010, $202 million on June 15, 2010 and $203 million on September 15, 2010 on our Series A Preferred Stock for the periods December 15, 2009 to March 14, 2010, March 15, 2010 to June 14, 2010 and June 15, 2010 to September 14, 2010 following approval by our Board of Directors. We paid dividends of $146 million on September 15, 2009 and $203 million on December 15, 2009 on our Series A Preferred Stock for the periods July 10, 2009 to September 14, 2009 and September 15, 2009 to December 14, 2009 following approval by our Board of Directors.

Our payment of dividends in the future, if any, will be determined by our Board of Directors and will be paid out of funds legally available for that purpose.

Prior to December 31, 2009 the 260 million shares of Series A Preferred Stock issued to the New VEBA were not considered outstanding for accounting purposes due to the terms of the 2009 Revised UAW Settlement Agreement. As a result, $105 million of the $146 million of dividends paid on September 15, 2009 and $147 million of the $203 million of dividends paid on December 15, 2009 were recorded as a reduction of Postretirement benefits other than pensions.

Critical Accounting Estimates

The audited consolidated financial statements and unaudited condensed consolidated interim financial statements are prepared in conformity with U.S. GAAP, which require the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and resulting balances are reasonable; however, due to inherent uncertainties in making estimates actual results could differ from the original estimates, requiring adjustments to these balances in future periods. We have discussed the development, selection and disclosures of our critical accounting estimates with the Audit Committee of the Board of Directors, and the Audit Committee has reviewed the disclosures relating to these estimates.

The critical accounting estimates that affect the audited consolidated financial statements and unaudited condensed consolidated interim financial statements and that use judgments and assumptions are listed below. In addition, the likelihood that materially different amounts could be reported under varied conditions and assumptions is discussed.

Fresh-Start Reporting

The Bankruptcy Court did not determine a reorganization value in connection with the 363 Sale. Reorganization value is defined as the value of our assets without liabilities. In order to apply fresh-start reporting, ASC 852 requires that total postpetition liabilities and allowed claims be in excess of reorganization value and prepetition stockholders receive less than 50.0% of our common stock. Based on our estimated reorganization value, we determined that on July 10, 2009 both the criteria of ASC 852 were met and, as a result, we applied fresh-start reporting.

Our reorganization value was determined using the sum of:

- Our discounted forecast of expected future cash flows from our business subsequent to the 363 Sale, discounted at rates reflecting perceived business and financial risks;
- The fair value of operating liabilities;
- The fair value of our non-operating assets, primarily our investments in nonconsolidated affiliates and cost method investments; and
- The amount of cash we maintained at July 10, 2009 that we determined to be in excess of the amount necessary to conduct our normal business activities.

The sum of the first, third and fourth bullet items equals our Enterprise value.

Our discounted forecast of expected future cash flows included:

- Forecasted cash flows for the six months ended December 31, 2009 and the years ending 2010 through 2014, for each of Old GM's former segments (refer to Note 3 to our audited consolidated financial statements for a discussion of our change in segments) and for certain subsidiaries that incorporated:
  - Ÿ Industry seasonally adjusted annual rate (SAAR) of vehicle sales and our related market share as follows:
    - Ÿ Worldwide — 59.1 million vehicles and market share of 11.9% based on vehicle sales volume in 2010 increasing to 81.0 million vehicles and market share of 12.2% in 2014;
    - Ÿ North America — 14.2 million vehicles and market share of 17.8% based on vehicle sales volume in 2010 increasing to 19.8 million vehicles and decreasing market share of 17.6% in 2014;
    - Ÿ Europe — 16.8 million vehicles and market share of 9.5% based on vehicle sales volume in 2010 increasing to 22.5 million vehicles and market share of 10.3% in 2014;
    - Ÿ LAAM — 6.1 million vehicles and market share of 18.0% based on vehicle sales volume in 2010 increasing to 7.8 million vehicles and market share of 18.4% in 2014;
    - Ÿ AP — 22.0 million vehicles and market share of 8.4% based on vehicle sales volume in 2010 increasing to 30.8 million vehicles and market share of 8.6% in 2014;
  - Ÿ Projected product mix, which incorporates the 2010 introductions of the Chevrolet Volt, Chevrolet/Holden Cruze, Cadillac CTS Coupe, Opel/Vauxhall Meriva and Opel/Vauxhall Astra Station Wagon;

- Ÿ Projected changes in our cost structure due to restructuring initiatives that encompass reduction of hourly and salaried employment levels by approximately 18,000;
- Ÿ The terms of the 2009 Revised UAW Settlement Agreement, which released us from UAW retiree healthcare claims incurred after December 31, 2009;
- Ÿ Projected capital spending to support existing and future products, which range from $4.9 billion in 2010 to $6.0 billion in 2014; and
- Ÿ Anticipated changes in global market conditions.

- A terminal value, which was determined using a growth model that applied long-term growth rates ranging from 0.5% to 6.0% and a weighted average long-term growth rate of 2.6% to our projected cash flows beyond 2014. The long-term growth rates were based on our internal projections as well as industry growth prospects; and
- Discount rates that considered various factors including bond yields, risk premiums, and tax rates to determine a weighted-average cost of capital (WACC), which measures a company's cost of debt and equity weighted by the percentage of debt and equity in a company's target capital structure. We used discount rates ranging from 16.5% to 23.5% and a weighted-average rate of 22.8%.

To estimate the value of our investment in nonconsolidated affiliates we used multiple valuation techniques, but we primarily used discounted cash flow analysis. Our excess cash of $33.8 billion, including Restricted cash and marketable securities of $21.2 billion, represents cash in excess of the amount necessary to conduct our ongoing day-to-day business activities and to keep them running as a going concern. Refer to Note 14 to our audited consolidated financial statements for additional discussion of Restricted cash and marketable securities.

Our estimate of reorganization value assumes the achievement of the future financial results contemplated in our forecasted cash flows, and there can be no assurance that we will realize that value. The estimates and assumptions used are subject to significant uncertainties, many of which are beyond our control, and there is no assurance that anticipated financial results will be achieved.

Assumptions used in our discounted cash flow analysis that have the most significant effect on our estimated reorganization value include:

- Our estimated WACC;
- Our estimated long-term growth rates; and
- Our estimate of industry sales and our market share in each of Old GM's former segments.

The following table reconciles our enterprise value to our estimated reorganization value and the estimated fair value of our Equity (in millions except per share amounts):

	Successor July 10, 2009
Enterprise value	$ 36,747
Plus: Fair value of operating liabilities (a)	80,832
Estimated reorganization value (fair value of assets) (b)	117,579
Adjustments to tax and employee benefit-related assets (c)	(6,074)
Goodwill (c)	30,464
Carrying amount of assets	$ 141,969
Enterprise value	$ 36,747
Less: Fair value of debt	(15,694)
Less: Fair value of warrants issued to MLC (additional paid-in-capital)	(2,405)
Less: Fair value of liability for Adjustment Shares	(113)
Less: Fair value of noncontrolling interests	(408)
Less: Fair value of Series A Preferred Stock (d)	(1,741)
Fair value of common equity (common stock and additional paid-in capital)	$ 16,386
Common shares outstanding (d)	1,238
Per share value	$ 13.24

(a) Operating liabilities are our total liabilities excluding the liabilities listed in the reconciliation above of our enterprise value to the fair value of our common equity.

(b) Reorganization value does not include assets with a carrying amount of $1.8 billion and a fair value of $2.0 billion at July 9, 2009 that MLC retained.

(c) The application of fresh-start reporting resulted in the recognition of goodwill. When applying fresh-start reporting, certain accounts, primarily employee benefit and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than at fair value and the difference between the U.S. GAAP and fair value amounts gives rise to goodwill, which is a residual. Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in goodwill. Our employee benefit related obligations were recorded in accordance with ASC 712, “Compensation — Nonretirement Postemployment Benefits” and ASC 715, “Compensation — Retirement Benefits,” and deferred income taxes were recorded in accordance with ASC 740, “Income Taxes.”

(d) The 260 million shares of Series A Preferred Stock, 263 million shares of our common stock, and warrant to acquire 45.5 million shares of our common stock issued to the New VEBA on July 10, 2009 were not considered outstanding until the UAW retiree medical plan was settled on December 31, 2009. The fair value of these instruments was included in the liability recognized at July 10, 2009 for this plan. The common shares issued to the New VEBA are excluded from common shares outstanding at July 10, 2009. Refer to Note 19 to our audited consolidated financial statements for a discussion of the termination of our UAW hourly retiree medical plan and Mitigation Plan and the resulting payment terms to the New VEBA.

The following table summarizes the approximate effects that a change in the WACC and long-term growth rate assumptions would have had on our determination of the fair value of our common equity at July 10, 2009 keeping all other assumptions constant (dollars in billions except per share amounts):

Change in Assumption	Effect on Fair Value of Common Equity at July 10, 2009	Effect on Per Share Value at July 10, 2009
Two percentage point decrease in WACC	+$2.9	+$7.04
Two percentage point increase in WACC	–$2.4	–$5.76
One percentage point increase in long-term growth rate	+$0.5	+$1.21
One percentage point decrease in long-term growth rate	–$0.5	–$1.10

In order to estimate these effects, we adjusted the WACC and long-term growth rate assumptions for each of Old GM's former segments and for certain subsidiaries. The aggregated effect of these assumption changes on each of Old GM's former segments and for certain subsidiaries does not necessarily correspond to assumption changes made at a consolidated level.

Pensions

The defined benefit pension plans are accounted for on an actuarial basis, which requires the selection of various assumptions, including an expected rate of return on plan assets and a discount rate. Due to significant events, including those discussed in Note 19 to the audited consolidated financial statements, certain of the pension plans were remeasured at various dates in the periods January 1, 2010 through June 30, 2010, July 10, 2009 through December 31, 2009, January 1, 2009 through July 9, 2009 and in the years ended 2008 and 2007.

Net pension expense is calculated based on the expected return on plan assets and not the actual return on plan assets. The expected return on U.S. plan assets that is included in pension expense is determined from periodic studies, which include a review of asset allocation strategies, anticipated future long-term performance of individual asset classes, risks using standard deviations, and correlations of returns among the asset classes that comprise the plans' asset mix. While the studies give appropriate consideration to recent plan performance and historical returns, the assumptions are primarily long-term, prospective rates of return. Differences between the expected return on plan assets and the actual return on plan assets are recorded in Accumulated other comprehensive income (loss) as an actuarial gain or loss, and subject to possible amortization into net pension expense over future periods. A market-related value of plan assets, which averages gains and losses over a period of years, is utilized in the determination of future pension expense. For substantially all pension plans, market-related value is defined as an amount that initially recognizes 60.0% of the difference between the actual fair value of assets and the expected calculated value, and 10.0% of that difference over each of the next four years. The market-related value of assets at December 31, 2009 used to determine U.S. net periodic pension income for the year ending December 31, 2010 was $2.8 billion lower than the actual fair value of plan assets at December 31, 2009.

Another key assumption in determining net pension expense is the assumed discount rate to be used to discount plan obligations. We estimate this rate for U.S. plans, using a cash flow matching approach, also called a spot rate yield curve approach, which uses projected cash flows matched to spot rates along a high quality corporate yield curve to determine the present value of cash flows to calculate a single equivalent discount rate. Old GM used an iterative process based on a hypothetical investment in a portfolio of high-quality bonds rated AA or higher by a recognized rating agency and a hypothetical reinvestment of the proceeds of such bonds upon maturity using forward rates derived from a yield curve until the U.S. pension obligation was defeased. This reinvestment component was incorporated into the methodology because it was not feasible, in light of the magnitude and time horizon over which U.S. pension obligations extend, to accomplish full defeasance through direct cash flows from an actual set of bonds selected at any given measurement date.

The benefit obligation for pension plans in Canada, the United Kingdom and Germany comprise 92% of the non-U.S. pension benefit obligation at December 31, 2009. The discount rates for Canadian plans are determined using a cash flow matching approach, similar to the U.S. The discount rates for plans in the United Kingdom and Germany use a curve derived from high quality corporate bonds with maturities consistent with the plans' underlying duration of expected benefit payments.

In the U.S., from December 31, 2009 to June 30, 2010, interest rates on high quality corporate bonds have decreased. We believe that a discount rate calculated as of June 30, 2010 using the methods described previously for U.S. pension plans would be approximately 65 to 75 basis points lower than the rates used to measure the pension plans at December 31, 2009, the date of the last remeasurement for the U.S. pension plans. As a result, funded status would decrease if the plans were remeasured at June 30, 2010, holding all other factors (e.g., actuarial assumptions and asset returns) constant. Refer to the following table, which presents the 25 basis point sensitivity for U.S. pension plans. It is not possible for us to predict what the economic environment will be at our next scheduled remeasurement as of December 31, 2010 or any earlier date that may be used for an interim remeasurement of the U.S. pension plans due to a significant event such as a plan amendment, curtailment or a settlement. Accordingly, discount rates and plan assets may be considerably different than those at June 30, 2010.

U. S. Plans (a)	25 basis point increase	25 basis point decrease
Effect on Annual Pension Expense (in millions)	$ 90	$ (95)
Effect on December 31, 2009 PBO (in billions)	$ (2.3)	$ 2.4

(a) Based on December 31, 2009 remeasurements

There were multiple remeasurements of certain non- U.S. plans during the six months ended June 30, 2010. If all non-U.S. plans were remeasured as of June 30, 2010, we believe that the weighted average discount rate would not change significantly from the discount rates used to measure the obligations included in our balance sheet at June 30, 2010. Refer to the following table, which presents the 25 basis point sensitivity for non-U.S. plans.

Non - U. S. Plans (b)	25 basis point increase	25 basis point decrease
Effect on Annual Pension Expense (in millions)	$ (6)	$ 11
Effect on December 31, 2009 PBO (in billions)	$ (0.6)	$ 0.7

(b) Our largest plans are in Canada, Germany and the U.K. The largest plans in Germany and the U.K. were remeasured at June 30, 2010 and our plans in Canada at December 31, 2009.

The following table summarizes rates used to determine net pension expense:

	Successor		Predecessor		
	January 1, 2010 Through June 30, 2010 (1)	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Weighted-average expected long-term rate of return on U.S. plan assets	8.50%	8.50%	8.50%	8.50%	8.50%
Weighted-average expected long-term rate of return on non-U.S. plan assets	7.34%	7.97%	7.74%	7.78%	7.85%
Weighted-average discount rate for U.S. plan obligations	5.52%	5.63%	6.27%	6.56%	5.97%
Weighted-average discount rate for non-U.S. plan obligations	5.31%	5.82%	6.23%	5.77%	4.97%

(1) No remeasurement except for pension plans in the United Kingdom, Belgium, and Germany.

Significant differences in actual experience or significant changes in assumptions may materially affect the pension obligations. The effect of actual results differing from assumptions and the changing of assumptions are included in unamortized net actuarial gains and losses that are subject to amortization to expense over future periods.

The following table summarizes the unamortized actuarial (gain) loss (before tax) on U.S. and non-U.S. pension plans (dollars in billions):

	Successor		Predecessor
	June 30, 2010	December 31, 2009	December 31, 2008
Unamortized actuarial (gain) loss	$ (2.7)	$ (3.0)	$ 41.1

The unamortized actuarial gain of $2.7 million as of June 30, 2010, reflects the December 31, 2009 amount updated for accounting activity during the six months ended June 30, 2010, arising primarily from the remeasurements in the United Kingdom, Belgium and Germany and foreign currency translation.

The following table summarizes the actual and expected return on pension plan assets (dollars in billions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
U.S. actual return (a)	$ 9.9	$ (0.2)	$ (11.4)	$ 10.1
U.S. expected return	$ 3.0	$ 3.8	$ 8.0	$ 8.0
Non-U.S. actual return (a)	$ 1.2	$ 0.2	$ (2.9)	$ 0.5
Non-U.S. expected return	$ 0.4	$ 0.4	$ 1.0	$ 1.0

(a) Actual return not available for the six months ended June 30, 2010 as all of the plans were not remeasured.

Based on the last full set of pension plan remeasurements that was completed as of December 31, 2009, a change in the expected return on assets (EROA) assumption has the following effects: For the U.S. plans, an increase in the EROA of 25 basis points will decrease annual pension expense by $193 million; a decrease to the EROA will increase pension expense by $193 million. For the non-U.S. plans, an increase in the EROA of 25 basis points will decrease annual pension expense by $32 million; a decrease to the EROA of 25 basis points will increase pension expense by $32 million.

The U.S. pension plans generally provide covered U.S. hourly employees hired prior to October 15, 2007 with pension benefits of negotiated, flat dollar amounts for each year of credited service earned by an individual employee. Early retirement supplements are also provided to those who retire prior to age 62. Hourly employees hired after October 15, 2007 participate in a cash balance pension plan. Formulas providing for such stated amounts are contained in the applicable labor contract. Pension expense in the six months ended June 30, 2010, the periods July 10, 2009 through December 31, 2009, January 1, 2009 through July 9, 2009, and in the years ended 2008 and 2007 and the pension obligations at June 30, 2010, December 31, 2009 and 2008 do not comprehend any future benefit increases or decreases that may occur beyond current labor contracts. The usual cycle for negotiating new labor contracts is every four years. There is not a past practice of maintaining a consistent level of benefit increases or decreases from one contract to the next.

The following data illustrates the sensitivity of changes in pension expense and pension obligation based on the last remeasurement of the U.S hourly pension plan at December 31, 2009, as a result of changes in future benefit units for U.S. hourly employees, effective after the expiration of the current contract:

Change in future benefit units	Effect on 2010 Pension Expense	Effect on December 31, 2009 PBO
One percentage point increase in benefit units	+$82 million	+$ 239 million
One percentage point decrease in benefit units	–$79 million	–$ 232 million

We utilize a variety of pricing sources to estimate the fair value of our pension assets, including: independent pricing vendors, dealer or counterparty supplied valuations, third party appraisals, appraisals prepared by investment managers, or investment sponsor or third party administrator supplied net asset value (NAV) used as a practical expedient.

A significant portion of our pension assets are classified within the fair value hierarchy as Level 3 fair value measurements. Pension assets for which fair value is determined through the use of net asset value per share (NAV) and for which we may not have the ability to redeem our entire investment with the investee at NAV as of the measurement date, are classified as Level 3 fair value measurements. In addition, we classify pension assets that include significant unobservable inputs as Level 3 in the fair value hierarchy.

Significant assets classified as Level 3, with the related Level 3 inputs to valuation that may be subject to volatility and change, and additional considerations for leveling, are as follows:

- Government, agency and corporate debt securities — Pricing services and dealers often use proprietary pricing models which incorporate unobservable inputs. These inputs primarily consist of yield and credit spread assumptions. Additionally, management may consider other security attributes such as liquidity, market activity, price level, credit ratings and geo-political risk, in assessing the observability of inputs used by pricing services or dealers, which may affect placement in the fair value hierarchy.
- Agency, non-agency mortgage and other asset-backed securities — Pricing services and dealers often use proprietary pricing models which incorporate unobservable inputs. These inputs typically consist of prepayment curves, discount rates, default assumptions and recovery rates. Additionally, management may consider other security attributes such as liquidity, market activity, price level, credit ratings and geo-political risk, in assessing the observability of inputs used by pricing services or dealers, which may affect placement in the fair value hierarchy.
- Investment funds/Private equity and debt investments/Real estate assets — Level 3 inputs for alternative investment funds and special purpose entities (e.g., limited partnerships, limited liability companies) include estimated changes in the composition or performance of the underlying investment portfolio, overall market conditions and other economic factors that may possibly have a favorable or unfavorable effect on the reported NAV per share (or its equivalent) between the NAV calculation date

and the financial reporting measurement date. When NAV was not used as a practical expedient, Level 3 factors used in estimating fair value included NAV (as one factor), overall market conditions, and expected future cash flows.

Refer to Note 4 to our audited consolidated financial statements for a more detailed discussion of the inputs used to determine fair value for each significant asset class or category.

Other Postretirement Benefits

OPEB plans are accounted for on an actuarial basis, which requires the selection of various assumptions, including a discount rate and healthcare cost trend rates. Old GM used an iterative process based on a hypothetical investment in a portfolio of high-quality bonds rated AA or higher by a recognized rating agency and a hypothetical reinvestment of the proceeds of such bonds upon maturity using forward rates derived from a yield curve until the U.S. OPEB obligation was defeased. This reinvestment component was incorporated into the methodology because it was not feasible, in light of the magnitude and time horizon over which the U.S. OPEB obligations extend, to accomplish full defeasance through direct cash flows from an actual set of bonds selected at any given measurement date.

Beginning in September 2008, the discount rate used for the benefits to be paid from the UAW retiree medical plan during the period September 2008 through December 2009 is based on a yield curve which uses projected cash flows of representative high-quality AA rated bonds matched to spot rates along a yield curve to determine the present value of cash flows to calculate a single equivalent discount rate. All other U.S. OPEB plans started using a discount rate based on a yield curve on July 10, 2009. The UAW retiree medical plan was settled on December 31, 2009 and the plan assets were contributed to the New VEBA as part of the payment terms under the 2009 Revised UAW Settlement Agreement. We are released from UAW retiree health care claims incurred after December 31, 2009.

An estimate is developed of the healthcare cost trend rates used to value benefit obligations through review of historical retiree cost data and near-term healthcare outlook which includes appropriate cost control measures that have been implemented. Changes in the assumed discount rate or healthcare cost trend rate can have significant effect on the actuarially determined obligation and related U.S. OPEB expense. As a result of modifications made as part of the 363 Sale, there are no significant uncapped U.S. healthcare plans remaining at December 31, 2009 and, therefore, the healthcare cost trend rate no longer has a significant effect in the U.S.

The significant non-U.S. OPEB plans cover Canadian employees. The discount rates for the Canadian plans are determined using a cash flow matching approach, similar to the U.S. OPEB plans.

Due to the significant events discussed in Note 19 to the audited consolidated financial statements, the U.S. and non-U.S. OPEB plans were remeasured at various dates in the periods July 10, 2009 through December 31, 2009, January 1, 2009 through July 9, 2009 and in the years ended 2008 and 2007.

Significant differences in actual experience or significant changes in assumptions may materially affect the OPEB obligations. The effects of actual results differing from assumptions and the effects of changing assumptions are included in net actuarial gains and losses in Accumulated other comprehensive income (loss) that are subject to amortization over future periods.

In the U.S., from December 31, 2009 to June 30, 2010, interest rates on high quality corporate bonds have decreased. We believe that a discount rate calculated as of June 30, 2010 using the methods described previously for U.S. OPEB plans would be approximately 65 to 75 basis points lower than the rates used to measure the plans at December 31, 2009, the date of the last remeasurement for U.S. OPEB Plans. As a result, funded status would decrease if the plans were remeasured at June 30, 2010, holding all other factors (e.g., actuarial assumptions) constant. Our significant non-U.S. OPEB plans are in Canada. We do not believe that there has been a significant

change in interest rates on high quality corporate bonds in Canada from December 31, 2009 to June 30, 2010. Accordingly, we believe that the weighted average discount rate would not change significantly from December 31, 2009. It is not possible for us to predict what the economic environment will be at our next scheduled remeasurement as of December 31, 2010 or any earlier date that may be used for an interim remeasurement of the U.S. OPEB plans due to a significant event such as a plan amendment, curtailment or a settlement. Accordingly, discount rates may be considerably different than those at June 30, 2010.

The estimated effect of a 25 basis point change in discount rate is summarized in the sensitivity table which follows.

	Change in Assumption	
U. S. Plans	25 basis point increase	25 basis point decrease
Effect on Annual OPEB Expense (in millions)	$ 5	$ (3)
Effect on December 31, 2009 APBO (in billions)	$ (0.1)	$ 0.1
Non - U. S. Plans		
Effect on Annual OPEB Expense (in millions)	$ 1	$ (1)
Effect on December 31, 2009 APBO (in billions)	$ (0.1)	$ 0.1

The following table summarizes the weighted-average discount rate used to determine net OPEB expense for the significant plans:

	Successor		Predecessor		
	January 1, 2010 Through June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Weighted-average discount rate for U.S. plans	5.57%	6.81%	8.11%	7.02%	5.90%
Weighted-average discount rate for non-U.S. plans	5.22%	5.47%	6.77%	5.90%	5.00%

The following table summarizes the health care cost trend rates used in the last remeasurement of the accumulated postretirement benefit obligations (APBO) at December 31:

	Successor		Predecessor	
	December 31, 2009		December 31, 2008	
Assumed Healthcare Trend Rates	U.S. Plans(a)	Non U.S. Plans(b)	U.S. Plans	Non U.S. Plans
Initial healthcare cost trend rate	—%	5.4%	8.0%	5.5%
Ultimate healthcare cost trend rate	—%	3.3%	5.0%	3.3%
Number of years to ultimate trend rate	—	8	6	8

(a) As a result of modifications made to health care plans in connection with the 363 Sale, there are no significant uncapped U.S. healthcare plans remaining at December 31, 2009 and, therefore, the healthcare cost trend rate does not have a significant effect on the U.S. plans.

(b) The implementation of the HCT in Canada is anticipated and will significantly reduce our exposure to changes in the healthcare cost trend rate.

The following table summarizes the effect of a one-percentage point change in the assumed healthcare trend rates based on the last remeasurement of the benefit plans at December 31, 2009:

	U.S. Plans(a)		Non-U.S. Plans	
Change in Assumption	Effect on 2010 Aggregate Service and Interest Cost	Effect on December 31, 2009 APBO	Effect on 2010 Aggregate Service and Interest Cost	Effect on December 31, 2009 APBO
One percentage point increase	$ —	$ —	+$ 14 million	+$ 413 million
One percentage point decrease	$ —	$ —	–$ 11 million	–$ 331 million

(a) As a result of modifications made to health care plans in connection with the 363 Sale, there are no significant uncapped U.S. healthcare plans remaining at December 31, 2009 and, therefore, the healthcare cost trend rate does not have a significant effect in the U.S.

Layoff Benefits

UAW employees are provided with reduced wages and continued coverage under certain employee benefit programs through the U.S. SUB and TSP job security programs. The number of weeks that an employee receives these benefits depends on the employee's classification as well as the number of years of service that the employee has accrued. A similar tiered benefit is provided to CAW employees. Considerable management judgment and assumptions are required in calculating the related liability, including productivity initiatives, capacity actions and federal and state unemployment and stimulus payments. The assumptions for the related benefit costs include the incidence of mortality, retirement, turnover and the health care trend rate, which are applied on a consistent basis with the U.S. hourly defined benefit pension plan and other U.S. hourly benefit plans. While we believe our judgments and assumptions are reasonable, changes in the assumptions underlying these estimates, which we revise each quarter, could result in a material effect on the financial statements in a given period.

Deferred Taxes

We establish and Old GM established valuation allowances for deferred tax assets based on a more likely than not threshold. The ability to realize deferred tax assets depends on the ability to generate sufficient taxable income within the carryback or carryforward periods provided for in the tax law for each applicable tax jurisdiction. We consider and Old GM considered the following possible sources of taxable income when assessing the realization of deferred tax assets:

- Future reversals of existing taxable temporary differences;
- Future taxable income exclusive of reversing temporary differences and carryforwards;
- Taxable income in prior carryback years; and
- Tax-planning strategies.

The assessment regarding whether a valuation allowance is required or should be adjusted also considers, among other matters, the nature, frequency and severity of recent losses, forecasts of future profitability, the duration of statutory carryforward periods, our and Old GM's experience with tax attributes expiring unused and tax planning alternatives. In making such judgments, significant weight is given to evidence that can be objectively verified.

Concluding that a valuation allowance is not required is difficult when there is significant negative evidence that is objective and verifiable, such as cumulative losses in recent years. Although we are a new company, and our ability to achieve future profitability was enhanced by the cost and liability reductions that occurred as a result of the Chapter 11 Proceedings and 363 Sale, Old GM's historic operating results remain relevant as they are reflective of the industry and the effect of economic conditions. The fundamental businesses and inherent

risks in which we globally operate did not change from those in which Old GM operated. We utilize and Old GM utilized a rolling three years of actual and current year anticipated results as the primary measure of cumulative losses in recent years. However, because a substantial portion of those cumulative losses relate to various non-recurring matters, those three-year cumulative results are adjusted for the effect of these items. In addition the near- and medium-term financial outlook is considered when assessing the need for a valuation allowance.

If, in the future, we generate taxable income in jurisdictions where we have recorded full valuation allowances, on a sustained basis, our conclusion regarding the need for full valuation allowances in these tax jurisdictions could change, resulting in the reversal of some or all of the valuation allowances. If our operations generate taxable income prior to reaching profitability on a sustained basis, we would reverse a portion of the valuation allowance related to the corresponding realized tax benefit for that period, without changing our conclusions on the need for a full valuation allowance against the remaining net deferred tax assets.

The valuation of deferred tax assets requires judgment and accounting for deferred tax consequences of events that have been recorded in the financial statements or in the tax returns and our future profitability represents our best estimate of those future events. Changes in our current estimates, due to unanticipated events or otherwise, could have a material effect on our financial condition and results of operations. In 2008 because Old GM concluded there was substantial doubt related to its ability to continue as a going concern, it was determined that it was more likely than not that it would not realize its net deferred tax assets in most jurisdictions even though certain of these entities were not in three-year adjusted cumulative loss positions. In July 2009 with U.S. parent company liquidity concerns resolved in connection with the Chapter 11 Proceedings and the 363 Sale, to the extent there was no other significant negative evidence, we concluded that it is more likely than not that we would realize the deferred tax assets in jurisdictions not in three-year adjusted cumulative loss positions.

Refer to Note 22 to our audited consolidated financial statements for additional information on the recording of valuation allowances.

Valuation of Vehicle Operating Leases and Lease Residuals

In accounting for vehicle operating leases, a determination is made at the inception of a lease of the estimated realizable value (i.e., residual value) of the vehicle at the end of the lease. Residual value represents an estimate of the market value of the vehicle at the end of the lease term, which typically ranges from nine months to four years. A customer is obligated to make payments during the term of a lease to the contract residual. A customer is not obligated to purchase a vehicle at the end of a lease and we are and Old GM was exposed to a risk of loss to the extent the value of a vehicle is below the residual value estimated at contract inception.

Residual values are initially determined by consulting independently published residual value guides. Realization of residual values is dependent on the future ability to market vehicles under prevailing market conditions. Over the life of a lease, the adequacy of the estimated residual value is evaluated and adjustments are made to the extent the expected value of a vehicle at lease termination declines. Adjustments may be in the form of revisions to depreciation rates or recognition of impairment charges. Impairment is determined to exist if the undiscounted expected future cash flows are lower than the carrying amount of the asset. Additionally, for automotive retail leases, an adjustment may also be made to the estimate of sales incentive accruals for residual support and risk sharing programs initially recorded when the vehicles are sold.

With respect to residual values of automotive leases to daily rental car companies, due to the short-term nature of the operating leases, Old GM historically had forecasted auction proceeds at lease termination. In the three months ended December 31, 2008 forecasted auction proceeds in the United States differed significantly from actual auction proceeds due to highly volatile economic conditions, in particular a decline in consumer confidence and available consumer credit, which affected the residual values of vehicles at auction. Due to these significant uncertainties, Old GM determined that it no longer had a reliable basis to forecast auction proceeds in

the United States and began utilizing current auction proceeds to estimate the residual values in the impairment analysis for the automotive leases to daily rental car companies, which is consistent with Old GM's impairment analyses for automotive retail leases. As a result of this change in estimate, Old GM recorded an incremental impairment charge of $144 million in the three months ended December 31, 2008 related to the automotive leases to daily rental car companies that is included in Cost of sales.

In the six months ended June 30, 2010 we recorded impairment charges of $15 million related to automotive retail leases to daily rental car companies. In the six months ended June 30, 2009 and in the year ended 2008 Old GM recorded impairment charges of $16 million and $377 million (which includes an increase of $220 million in intersegment residual support and risk sharing reserves) related to its automotive retail leases and $45 million and $382 million related to automotive leases to daily rental car companies.

We continue to use the lower of forecasted or current auction proceeds to estimate residual values. Significant differences between the estimate of residual values and actual experience may materially affect impairment charges recorded, if any, and the rate at which vehicles in the Equipment on operating leases, net are depreciated. Significant differences will also affect the residual support and risk sharing reserves established as a result of certain agreements with Ally Financial, whereby Ally Financial is reimbursed up to an agreed-upon percentage of certain residual value losses they experience on their operating lease portfolio. During the six months ended June 30, 2010, favorable adjustments of $0.4 billion were recorded in the U.S. due to increases in estimated residual values.

The following table illustrates the effect of changes in our estimate of vehicle sales proceeds at lease termination on residual support and risk sharing reserves related to vehicles owned by Ally Financial at June 30, 2010 and December 31, 2009, holding all other assumptions constant (dollars in millions):

	June 30, 2010 Effect on Residual Support and Risk Sharing Reserves	December 31, 2009 Effect on Residual Support and Risk Sharing Reserves
10% increase in vehicle sales proceeds	–$141 million	–$534 million
10% decrease in vehicle sales proceeds	+$401 million	+$381 million

The critical assumptions underlying the estimated carrying amount of Equipment on operating leases, net include: (1) estimated market value information obtained and used in estimating residual values; (2) proper identification and estimation of business conditions; (3) remarketing abilities; and (4) vehicle and marketing programs. Changes in these assumptions could have a significant effect on the estimate of residual values.

Due to the contractual terms of our residual support and risk sharing agreements with Ally Financial, which currently limit our maximum obligation to Ally Financial should vehicle residual values decrease, an increase in sales proceeds does not have the equivalent offsetting effect on our residual support and risk sharing reserves as a decrease in sales proceeds. At June 30, 2010 our maximum obligations to Ally Financial under our residual support and risk sharing agreements were $0.9 billion and $1.1 billion, our recorded receivable under our residual support agreements was $18 million, and our recorded liability under our risk sharing agreements was $401 million. At December 31, 2009 our maximum obligations to Ally Financial under our residual support and risk sharing agreements were $1.2 billion and $1.4 billion, and our recorded liabilities under our residual support and risk sharing agreements were $369 million and $366 million.

When a lease vehicle is returned to us, the asset is reclassified from Equipment on operating leases, net to Inventory at the lower of cost or estimated selling price, less cost to sell.

Impairment of Goodwill

Goodwill is tested for impairment in the fourth quarter of each year for all reporting units, or more frequently if events occur or circumstances change that would warrant such a review. Our reporting units are

GMNA, GME, and various reporting units within the GMIO segment. Because of the integrated nature of our manufacturing operations and the sharing of vehicle platforms among brands, assets and other resources are shared extensively within GMNA and GME and financial information by brand or country is not discrete below the operating segment level. Therefore, GMNA and GME do not contain reporting units below the operating segment level. However, GMIO is less integrated given the lack of regional trade pacts and other unique geographical differences and thus contains separate reporting units below the operating segment level.

The fair values of the reporting units are determined based on valuation techniques using the best available information, primarily discounted cash flow projections. We make significant assumptions and estimates about the extent and timing of future cash flows, growth rates and discount rates. The cash flows are estimated over a significant future period of time, which makes those estimates and assumptions subject to a high degree of uncertainty. While we believe that the assumptions and estimates used to determine the estimated fair values of each of our reporting units are reasonable, a change in assumptions underlying these estimates could result in a material effect on the financial statements.

At June 30, 2010 and December 31, 2009 we had goodwill of $30.2 billion and $30.7 billion, which predominately arose upon the application of fresh-start reporting. When applying fresh-start reporting, certain accounts, primarily employee benefit and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than fair value, and the difference between the U.S. GAAP and fair value amounts gives rise to goodwill, which is a residual. Our employee benefit related accounts were recorded in accordance with ASC 712 and ASC 715 and deferred income taxes were recorded in accordance with ASC 740. Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in goodwill. If all identifiable assets and liabilities had been recorded at fair value upon application of fresh-start reporting, no goodwill would have resulted.

In the future, we have an increased likelihood of measuring goodwill for possible impairment during our annual or event-driven goodwill impairment testing. An event-driven impairment test is required if it is more likely than not that the fair value of a reporting unit is less than its net book value. Because our reporting units were recorded at their fair values upon application of fresh-start reporting, it is more likely a decrease in the fair value of our reporting units from their fresh-start reporting values could occur, and such a decrease would trigger the need to measure for possible goodwill impairments.

Future goodwill impairments could occur should the fair value-to-U.S. GAAP adjustments differences decrease. Goodwill resulted from our recorded liabilities for certain employee benefit obligations being higher than the fair value of these obligations because lower discount rates were utilized in determining the U.S. GAAP values compared to those utilized to determine fair values. The discount rates utilized to determine the fair value of these obligations were based on our incremental borrowing rates, which included our nonperformance risk. Our incremental borrowing rates are also affected by changes in market interest rates. Further, the recorded amounts of our assets were lower than their fair values because of the recording of valuation allowances on certain of our deferred tax assets. The difference between these fair value-to-U.S. GAAP amounts would decrease upon an improvement in our credit rating, thus resulting in a decrease in the spread between our employee benefit related obligations under U.S. GAAP and their fair values. A decrease will also occur upon reversal of our deferred tax asset valuation allowances. Should the fair value-to-U.S. GAAP adjustments differences decrease for these reasons, the implied goodwill balance will decline. Accordingly, at the next annual or event-driven goodwill impairment test, to the extent the carrying value of a reporting unit exceeds its fair value, a goodwill impairment could occur. Future goodwill impairments could also occur should we reorganize our internal reporting structure in a manner that changes the composition of one or more of our reporting units. Upon such an event, goodwill would be reassigned to the affected reporting units using a relative-fair-value allocation approach and not based on the amount of goodwill that was originally attributable to fair value-to-U.S. GAAP differences that gave rise to goodwill.

In the three months ended June 30, 2010 there were event-driven changes in circumstances within our GME reporting unit that warranted the testing of goodwill for impairment. In the three months ended June 30, 2010

anticipated competitive pressure on our margins in the near- and medium-term led us to believe that the goodwill associated with our GME reporting unit may be impaired. Utilizing the best available information as of June 30, 2010 we performed a step one goodwill impairment test for our GME reporting unit, and concluded that goodwill was not impaired. The fair value of our GME reporting unit was estimated to be approximately $325 million over its carrying amount. If we had not passed step one, we believe the amount of any goodwill impairment would approximate $140 million representing the net decrease, from July 9, 2009 through June 30, 2010, in the fair value to U.S. GAAP differences attributable to those assets and liabilities that gave rise to goodwill.

We utilized a discounted cash flow methodology to estimate the fair value of our GME reporting unit. The valuation methodologies utilized were consistent with those used in our application of fresh-start reporting on July 10, 2009, as discussed in Note 2 to our audited consolidated financial statements, and in our 2009 annual and event-driven GME impairment tests and resulted in Level 3 measures within the valuation hierarchy. Assumptions used in our discounted cash flow analysis that had the most significant effect on the estimated fair value of our GME reporting unit include:

- Our estimated weighted-average cost of capital (WACC);
- Our estimated long-term growth rates; and
- Our estimate of industry sales and our market share.

We used a WACC of 22.0% that considered various factors including bond yields, risk premiums, and tax rates; a terminal value that was determined using a growth model that applied a long-term growth rate of 0.5% to our projected cash flows beyond 2015; and industry sales of 18.4 million vehicles and a market share for Opel/Vauxhall of 6.45% based on vehicle sales volume in 2010 increasing to industry sales of 22.0 million vehicles and a market share of 7.4% in 2015.

Our fair value estimate assumes the achievement of the future financial results contemplated in our forecasted cash flows, and there can be no assurance that we will realize that value. The estimates and assumptions used are subject to significant uncertainties, many of which are beyond our control, and there is no assurance that anticipated financial results will be achieved.

The following table summarizes the approximate effects that a change in the WACC and long-term growth rate assumptions would have had on our determination of the fair value of our GME reporting unit at June 30, 2010 keeping all other assumptions constant (dollars in millions):

Change in Assumption	Effect on Fair Value of GME Reporting Unit at June 30, 2010
One percentage point decrease in WACC	+$272
One percentage point increase in WACC	-$247
One-half percentage point increase in long-term growth rate	+$38
One-half percentage point decrease in long-term growth rate	-$36

Refer to Note 8 to our unaudited condensed consolidated interim financial statements for additional information on goodwill impairments.

During the three months ended December 31, 2009 we performed our annual goodwill impairment testing for all reporting units and additional event-driven impairment testing for our GME and certain other reporting units in GMIO. Based on this testing, we determined that goodwill was not impaired. Refer to Notes 12 and 25 to our audited consolidated financial statements for additional information on goodwill impairments.

Impairment of Long-Lived Assets

The carrying amount of long-lived assets held and used in the business is periodically evaluated, including finite-lived intangible assets, when events and circumstances warrant. If the carrying amount of a long-lived asset group is considered impaired, a loss is recorded based on the amount by which the carrying amount exceeds the

fair value for the asset group. Product-specific long-lived assets are tested at the platform level. Non-product line specific long-lived assets are tested on a regional basis in GMNA and GME and tested at our various reporting units within our GMIO segment. For assets classified as held for sale, such assets are recorded at the lower of carrying amount or fair value less cost to sell. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. We develop anticipated cash flows from historical experience and internal business plans. A considerable amount of management judgment and assumptions are required in performing the long-lived asset impairment tests, principally in determining the fair value of the asset groups and the assets' average estimated useful life. While we believe our judgments and assumptions are reasonable; a change in assumptions underlying these estimates could result in a material effect on the audited consolidated financial statements and unaudited condensed consolidated interim financial statements. Long-lived assets could become impaired in the future as a result of declines in profitability due to significant changes in volume, pricing or costs. Refer to Note 25 to our audited consolidated financial statements for additional information on impairments of long-lived assets and intangibles.

Valuation of Cost and Equity Method Investments

When events and circumstances warrant, equity investments accounted for under the cost or equity method of accounting are evaluated for impairment. An impairment charge would be recorded whenever a decline in value of an equity investment below its carrying amount is determined to be other than temporary. In determining if a decline is other than temporary we consider and Old GM considered such factors as the length of time and extent to which the fair value of the investment has been less than the carrying amount of the equity affiliate, the near-term and longer-term operating and financial prospects of the affiliate and the intent and ability to hold the investment for a period of time sufficient to allow for any anticipated recovery.

When available, quoted market prices are used to determine fair value. If quoted market prices are not available, fair value is based upon valuation techniques that use, where possible, market-based inputs. Generally, fair value is estimated using a combination of the income approach and the market approach. Under the income approach, estimated future cash flows are discounted at a rate commensurate with the risk involved using marketplace assumptions. Under the market approach, valuations are based on actual comparable market transactions and market earnings and book value multiples for the same or comparable entities. The assumptions used in the income and market approaches have a significant effect on the determination of fair value. Significant assumptions include estimated future cash flows, appropriate discount rates, and adjustments to market transactions and market multiples for differences between the market data and the investment being valued. Changes to these assumptions could have a significant effect on the valuation of cost and equity method investments.

In the three months ended December 31, 2009 we recorded impairment charges related to our investment in Ally Financial common stock of $270 million. We determined the fair value of our investment in Ally Financial common stock using a market multiple, sum-of-the-parts methodology. This methodology considered the average price/tangible book value multiples of companies deemed comparable to each of Ally Financial's operations, which were then aggregated to determine Ally Financial's overall fair value. Based on our analysis, the estimated fair value of our investment in Ally Financial common stock was determined to be $970 million, resulting in an impairment charge of $270 million. The following table illustrates the effect of a 0.1 change in the average price/tangible book value multiple on our impairment charge:

Change in Assumption	Effect on December 31, 2009 Impairment Charge
0.1 increase in average price/tangible book value multiple	+$100 million
0.1 decrease in average price/tangible book value multiple	–$100 million

At December 31, 2009 the balance of our investment in Ally Financial common stock was $970 million and the balance of our investment in Ally Financial preferred stock was $665 million.

Derivatives

Derivatives are used in the normal course of business to manage exposure to fluctuations in commodity prices and interest and foreign currency exchange rates. Derivatives are accounted for in the consolidated balance sheet as assets or liabilities at fair value.

Significant judgments and estimates are used in estimating the fair values of derivative instruments, particularly in the absence of quoted market prices. Internal models are used to value a majority of derivatives. The models use, as their basis, readily observable market inputs, such as time value, forward interest rates, volatility factors, and current and forward market prices for commodities and foreign currency exchange rates.

The valuation of derivative liabilities also takes into account nonperformance risk. At June 30, 2010 and December 31, 2009 our nonperformance risk was not observable through the credit default swap market. Our nonperformance risk was estimated based on an analysis of comparable industrial companies to determine the appropriate credit spread which would be applied to us by market participants. Refer to Note 16 to our unaudited condensed consolidated interim financial statements and Note 20 to our audited consolidated financial statements for additional information on derivative financial instruments.

Sales Incentives

The estimated effect of sales incentives to dealers and customers is recorded as a reduction of revenue, and in certain instances, as an increase to cost of sales, at the later of the time of sale or announcement of an incentive program to dealers. There may be numerous types of incentives available at any particular time, including a choice of incentives for a specific model. Incentive programs are generally brand specific, model specific or region specific, and are for specified time periods, which may be extended. Significant factors used in estimating the cost of incentives include the volume of vehicles that will be affected by the incentive programs offered by product, product mix and the rate of customer acceptance of any incentive program, and the likelihood that an incentive program will be extended, all of which are estimated based on historical experience and assumptions concerning customer behavior and future market conditions. Additionally, when an incentive program is announced, the number of vehicles in dealer inventory eligible for the incentive program is determined, and a reduction of revenue or increase to cost of sales is recorded in the period in which the program is announced. If the actual number of affected vehicles differs from this estimate, or if a different mix of incentives is actually paid, the reduction in revenue or increase to cost of sales for sales incentives could be affected. As discussed previously, there are a multitude of inputs affecting the calculation of the estimate for sales incentives, and an increase or decrease of any of these variables could have a significant effect on recorded sales incentives.

Policy, Warranty and Recalls

The estimated costs related to policy and product warranties are accrued at the time products are sold, and the estimated costs related to product recalls based on a formal campaign soliciting return of that product are accrued when they are deemed to be probable and can be reasonably estimated. These estimates are established using historical information on the nature, frequency, and average cost of claims of each vehicle line or each model year of the vehicle line. However, where little or no claims experience exists for a model year or a vehicle line, the estimate is based on long-term historical averages. Revisions are made when necessary, based on changes in these factors. These estimates are re-evaluated on an ongoing basis. We actively study trends of claims and take action to improve vehicle quality and minimize claims. Actual experience could differ from the amounts estimated requiring adjustments to these liabilities in future periods. Due to the uncertainty and potential volatility of the factors contributing to developing estimates, changes in our assumptions could materially affect our results of operations.

Accounting Standards Not Yet Adopted

Accounting standards not yet adopted are discussed in Note 3 to our unaudited condensed consolidated interim financial statements.

Quantitative and Qualitative Disclosures About Market Risk

We and Old GM entered into a variety of foreign currency exchange, interest rate and commodity forward contracts and options to manage exposures arising from market risks resulting from changes in foreign currency exchange rates, interest rates and certain commodity prices. We do not enter into derivative transactions for speculative purposes.

The overall financial risk management program is under the responsibility of the Risk Management Committee, which reviews and, where appropriate, approves strategies to be pursued to mitigate these risks. A risk management control framework is utilized to monitor the strategies, risks and related hedge positions, in accordance with the policies and procedures approved by the Risk Management Committee.

In August 2010 we changed our risk management policy. Our prior policy was intended to reduce volatility of forecasted cash flows primarily through the use of forward contracts and swaps. The intent of the new policy is primarily to protect against risk arising from extreme adverse market movements on our key exposures and involves a shift to greater use of purchased options.

A discussion of our and Old GM's accounting policies for derivative financial instruments is included in Note 4 to our audited consolidated financial statements. Further information on our exposure to market risk is included in Note 20 to our audited consolidated financial statements.

In 2008 credit market volatility increased significantly, creating broad credit concerns. In addition, Old GM's credit standing and liquidity position in the first half of 2009 and the Chapter 11 Proceedings severely limited its ability to manage risks using derivative financial instruments as most derivative counterparties were unwilling to enter into transactions with Old GM. Subsequent to the 363 Sale and through December 31, 2009, we were largely unable to enter forward contracts pending the completion of negotiations with potential derivative counterparties. In August 2010 we executed new agreements with counterparties that enable us to enter into options, forward contracts and swaps.

In accordance with the provisions of ASC 820-10, "Fair Value Measurements and Disclosures," which requires companies to consider nonperformance risk as part of the measurement of fair value of derivative liabilities, we record changes in the fair value of our derivative liabilities based on our current credit standing. At June 30, 2010 the fair value of derivatives in a net liability position was $340 million.

The following analyses provide quantitative information regarding exposure to foreign currency exchange rate risk, interest rate risk, commodity price risk and equity price risk. Sensitivity analysis is used to measure the potential loss in the fair value of financial instruments with exposure to market risk. The models used assume instantaneous, parallel shifts in exchange rates, interest rate yield curves and commodity prices. For options and other instruments with nonlinear returns, models appropriate to these types of instruments are utilized to determine the effect of market shifts. There are certain shortcomings inherent in the sensitivity analyses presented, primarily due to the assumption that interest rates and commodity prices change in a parallel fashion and that spot exchange rates change instantaneously. In addition, the analyses are unable to reflect the complex market reactions that normally would arise from the market shifts modeled and do not contemplate the effects of correlations between foreign currency pairs, or offsetting long-short positions in currency pairs which may significantly reduce the potential loss in value.

Foreign Currency Exchange Rate Risk

We have and Old GM had foreign currency exposures related to buying, selling, and financing in currencies other than the functional currencies of our and Old GM's operations. Derivative instruments, such as foreign currency forwards, swaps and options are used primarily to hedge exposures with respect to forecasted revenues, costs and commitments denominated in foreign currencies. At June 30, 2010 such contracts have remaining maturities of up to 14 months. At June 30, 2010 our three most significant foreign currency exposures are the U.S. Dollar/Korean Won, Euro/British Pound and Euro/Korean Won.

At June 30, 2010, December 31, 2009 and 2008 the net fair value liability of financial instruments with exposure to foreign currency risk was $3.6 billion, $5.9 billion and $6.3 billion. This presentation utilizes a population of foreign currency exchange derivatives and foreign currency denominated debt and excludes the offsetting effect of foreign currency cash, cash equivalents and other assets. The potential loss in fair value for such financial instruments from a 10% parallel shift in all quoted foreign currency exchange rates would be $589 million, $941 million and $2.3 billion at June 30, 2010, December 31, 2009 and 2008.

We are and Old GM was also exposed to foreign currency risk due to the translation of the results of certain international operations into U.S. Dollars as part of the consolidation process. Fluctuations in foreign currency exchange rates can therefore create volatility in the results of operations and may adversely affect our and Old GM's financial position. The effect of foreign currency exchange rate translation on our consolidated financial position was a net translation loss of $189 million in the six months ended June 30, 2010 and a gain of $157 million in the period July 10, 2009 through December 31, 2009. The effect of foreign currency exchange rate translation on Old GM's consolidated financial position was a net translation gain of $232 million in the period January 1, 2009 through July 9, 2009 and a net translation loss of $1.2 billion in the year ended December 31, 2008. These gains and losses were recorded as an adjustment to Total stockholders' deficit through Accumulated other comprehensive income (loss). The effects of foreign currency exchange rate transactions were a loss of $33 million in the six months ended June 30, 2010 a loss of $755 million in the period July 10, 2009 through December 31, 2009, a loss of $1.1 billion in the period January 1, 2009 through July 9, 2009 and a gain of $1.7 billion in the year ended December 31, 2008.

Interest Rate Risk

We are and Old GM was subject to market risk from exposure to changes in interest rates due to financing activities. Interest rate risk in Old GM was managed primarily with interest rate swaps. The interest rate swaps Old GM entered into usually involved the exchange of fixed for variable rate interest payments to effectively convert fixed rate debt into variable rate debt in order to achieve a target range of variable rate debt. At June 30, 2010 we did not have any interest rate swap derivative positions to manage interest rate exposures.

At June 30, 2010 we had fixed rate short-term debt of $4.4 billion and variable rate short-term debt of $1.1 billion. Of this fixed rate short-term debt, $3.2 billion was denominated in U.S. Dollars and $1.2 billion was denominated in foreign currencies. Of the variable rate short-term debt, $339 million was denominated in U.S. Dollars and $796 million was denominated in foreign currencies.

At December 31, 2009 we had fixed rate short-term debt of $592 million and variable rate short-term debt of $9.6 billion. Of this fixed rate short-term debt, $232 million was denominated in U.S. Dollars and $360 million was denominated in foreign currencies. Of the variable rate short-term debt, $6.2 billion was denominated in U.S. Dollars and $3.4 billion was denominated in foreign currencies.

At June 30, 2010 we had fixed rate long-term debt of $2.1 billion and variable rate long-term debt of $588 million. Of this fixed rate long-term debt, $576 million was denominated in U.S. Dollars and $1.5 billion was denominated in foreign currencies. Of the variable rate long-term debt, $358 million was denominated in U.S. Dollars and $230 million was denominated in foreign currencies.

At December 31, 2009 we had fixed rate long-term debt of $4.7 billion and variable rate long-term debt of $873 million. Of this fixed rate long-term debt, $3.4 billion was denominated in U.S. Dollars and $1.3 billion was denominated in foreign currencies. Of the variable rate long-term debt, $551 million was denominated in U.S. Dollars and $322 million was denominated in foreign currencies.

At June 30, 2010, December 31, 2009 and 2008 the net fair value liability of financial instruments with exposure to interest rate risk was $7.8 billion, $16.0 billion and $17.0 billion. The potential increase in fair value at June 30, 2010 resulting from a 10% decrease in quoted interest rates would be $226 million. The potential increase in fair value at December 31, 2009 resulting from a 10% decrease in quoted interest rates would be $402 million. The potential increase in fair value at December 31, 2008 resulting from a 10 percentage point increase in quoted interest rates would be $3.6 billion.

Commodity Price Risk

We are and Old GM was exposed to changes in prices of commodities used in the automotive business, primarily associated with various non-ferrous and precious metals for automotive components and energy used in the overall manufacturing process. Certain commodity purchase contracts meet the definition of a derivative. Old GM entered into various derivatives, such as commodity swaps and options, to offset its commodity price exposures. We resumed a derivative commodity hedging program using options in December 2009.

At June 30, 2010, December 31, 2009 and 2008 the net fair value asset (liability) of commodity derivatives was $24 million, $11 million and ($553) million. The potential loss in fair value resulting from a 10% adverse change in the underlying commodity prices would be $13 million, $6 million and $109 million at June 30, 2010, December 31, 2009 and 2008. This amount excludes the offsetting effect of the commodity price risk inherent in the physical purchase of the underlying commodities.

Equity Price Risk

We are and Old GM was exposed to changes in prices of equity securities held. We typically do not attempt to reduce our market exposure to these equity instruments. Our exposure includes certain investments we hold in warrants of other companies. At June 30, 2010 and December 31, 2009 the fair value of these warrants was $25 million. At June 30, 2010 and December 31, 2009 our exposure also includes investments of $30 million and $32 million in equity securities classified as trading. At December 31, 2008 Old GM had investments of $24 million in equity securities classified as available-for-sale. These amounts represent the maximum exposure to loss from these investments.

At June 30, 2010, the carrying amount of cost method investments was $1.7 billion, of which the carrying amounts of our investments in Ally Financial common stock and Ally Financial preferred stock were $966 million and $665 million. At December 31, 2009 the carrying amount of cost method investments was $1.7 billion, of which the carrying amounts of our investments in Ally Financial common stock and preferred stock were $970 million and $665 million. At December 31, 2008 the carrying amount of cost method investments was $98 million, of which the carrying amount of the investment in Ally Financial Preferred Membership Interests was $43 million. These amounts represent the maximum exposure to loss from these investments. On June 30, 2009 Ally Financial converted from a tax partnership to a C corporation and, as a result, our equity ownership in Ally Financial was converted from membership interests to shares of capital stock. Also, on June 30, 2009 Old GM began to account for its investment in Ally Financial common stock as a cost method investment. On July 10, 2009 as a result of our application of fresh-start reporting, we recorded an increase of $1.3 billion and $629 million to the carrying amounts of our investments in Ally Financial common stock and preferred stock to reflect their estimated fair value of $1.3 billion and $665 million. In the period July 10, 2009 through December 31, 2009 we recorded impairment charges of $270 million related to our investment in Ally Financial common stock and $4 million related to other cost method investments. In the year ended 2008 Old GM recorded impairment charges of $1.0 billion related to its investment in Ally Financial Preferred Membership Interests.

Counterparty Risk

We are exposed to counterparty risk on derivative contracts, which is the loss we could incur if a counterparty to a derivative contract defaulted. We enter into agreements with counterparties that allow the set-off of certain exposures in order to manage this risk.

Our counterparty risk is managed by our Risk Management Committee, which establishes exposure limits by counterparty. We monitor and report our exposures to the Risk Management Committee and our Treasurer on a periodic basis. At June 30, 2010 a majority of all of our counterparty exposures are with counterparties that are rated A or higher.

Concentration of Credit Risk

We are exposed to concentration of credit risk primarily through holding cash and cash equivalents (which include money market funds), short- and long-term investments and derivatives. As part of our risk management process, we monitor and evaluate the credit standing of the financial institutions with which we do business. The financial institutions with which we do business are generally highly rated and geographically dispersed.

We are exposed to credit risk related to the potential inability to access liquidity in money market funds we invested in if the funds were to deny redemption requests. As part of our risk management process, we invest in large funds that are managed by reputable financial institutions. We also follow investment guidelines to limit our exposure to individual funds and financial institutions.

BUSINESS

Launch of the New General Motors

General Motors Company was formed by the UST in 2009, and prior to July 10, 2009, our business was operated by Old GM. On June 1, 2009, Old GM and three of its domestic direct and indirect subsidiaries filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York. On July 10, 2009, we, through certain of our subsidiaries, acquired substantially all of the assets and assumed certain liabilities of Old GM in connection with the 363 Sale closing.

Through our purchase of substantially all of the assets and assumption of certain liabilities of Old GM in connection with the 363 Sale, we have launched a new company with a strong balance sheet, a competitive cost structure, and a strong cash position, which we believe will enable us to compete more effectively with our U.S. and foreign-based competitors in the U.S. and to continue our strong presence in growing global markets. In particular, we acquired assets that included Old GM's strongest operations, and we believe we will have a competitive operating cost structure, partly as a result of recent agreements with the UAW and CAW.

We have a vision to design, build and sell the world's best vehicles. Our executive leadership and our employees are committed to:

- Building our market share, revenue, earnings and cash flow;
- Improving the quality of our cars and trucks, while increasing customer satisfaction and overall perception of our products; and
- Continuing to take a leadership role in the development of advanced energy saving technologies, including advanced combustion engines, biofuels, fuel cells, hybrid vehicles, extended-range-electric vehicles, and advanced battery development.

General

We develop, produce and market cars, trucks and parts worldwide. We also provide automotive financing services through GM Financial, which we acquired on October 1, 2010.

Automotive

Our automotive operations meet the demands of our customers through our three segments: GMNA, GME and GMIO.

In the year ended December 31, 2009, we combine our vehicle sales data, market share data and production volume data in the period July 10, 2009 through December 31, 2009 with Old GM's data in the period January 1, 2009 through July 9, 2009 for comparative purposes.

Total combined GM and Old GM worldwide vehicle sales in the year ended December 31, 2009 were 7.5 million. Old GM's total worldwide vehicle sales were 8.4 million and 9.4 million in the years ended December 31, 2008 and 2007. GM's total worldwide vehicle sales in the six months ended June 30, 2010 were 4.2 million. Substantially all of the cars, trucks and parts are marketed through retail dealers in North America, and through distributors and dealers outside of North America, the substantial majority of which are independently owned.

GMNA primarily meets the demands of customers in North America with vehicles developed, manufactured and/or marketed under the following four brands:

Ÿ Buick Ÿ Cadillac Ÿ Chevrolet Ÿ GMC

The demands of customers outside North America are primarily met with vehicles developed, manufactured and/or marketed under the following brands:

Ÿ Buick Ÿ Daewoo Ÿ Holden Ÿ Opel
Ÿ Cadillac Ÿ GMC Ÿ Isuzu Ÿ Vauxhall
Ÿ Chevrolet

At June 30, 2010, we had equity ownership stakes directly or indirectly through various regional subsidiaries, including GM Daewoo Auto & Technology Co. (GM Daewoo), Shanghai General Motors Co., Ltd., SAIC-GM-Wuling Automobile Co., Ltd. (SGMW), FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM) and SAIC GM Investment Limited (HKJV). These companies design, manufacture and market vehicles under the following brands:

Ÿ Buick	Ÿ Daewoo	Ÿ GMC	Ÿ Jiefang
Ÿ Cadillac	Ÿ FAW	Ÿ Holden	Ÿ Wuling
Ÿ Chevrolet			

In addition to the products we sell to our dealers for consumer retail sales, we also sell cars and trucks to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. Sales to fleet customers are completed through our network of dealers and in some cases directly by us. Our retail and fleet customers can obtain a wide range of aftersale vehicle services and products through our dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories and extended service warranties.

Automotive Financing

On July 21, 2010 we entered into a definitive agreement to acquire 100% of the outstanding equity interests of AmeriCredit, an independent automobile finance company, for cash of approximately $3.5 billion. On September 29, 2010 the stockholders of AmeriCredit approved the acquisition, and on October 1, 2010 we completed the acquisition and changed the name from AmeriCredit to GM Financial.

GM Financial is an automotive finance company specializing in purchasing retail automobile installment sales contracts originated by franchised and select independent dealers in connection with the sale of used and new automobiles. The majority of GM Financial's loan purchasing and servicing activities involve sub-prime automobile receivables. Sub-prime borrowers are associated with higher-than-average delinquency and default rates. GM Financial generates revenue and cash flows primarily through the purchase, retention, subsequent securitization and servicing of finance receivables. To fund the acquisition of receivables prior to securitization, GM Financial uses available cash and borrowings under its credit facilities. GM Financial earns finance charge income on the finance receivables and pays interest expense on borrowings under its credit facilities.

Through wholly-owned subsidiaries, GM Financial periodically transfers receivables to securitization trusts that issue asset-backed securities to investors. GM Financial retains an interest in these securitization transactions in the form of restricted cash accounts and overcollateralization, whereby more receivables are transferred to the securitization trusts than the amount of asset-backed securities issued by the securitization trusts, as well as the estimated future excess cash flows expected to be received by GM Financial over the life of the securitization. Excess cash flows result from the difference between the finance charges received from the obligors on the receivables and the interest paid to investors in the asset-backed securities, net of credit losses and expenses.

Excess cash flows from the securitization trusts are initially utilized to fund credit enhancement requirements in order to attain specific credit ratings for the asset-backed securities issued by the securitization trusts. Once targeted credit enhancement requirements are reached and maintained, excess cash flows are distributed to GM Financial or, in a securitization utilizing a senior subordinated structure, may be used to accelerate the repayment of certain subordinated securities. In addition to excess cash flows, GM Financial receives monthly base servicing fees and collects other fees, such as late charges, as servicer for securitization trusts. For securitization transactions that involve the purchase of a financial guaranty insurance policy, credit enhancement requirements will increase if specified portfolio performance ratios are exceeded. Excess cash flows otherwise distributable to GM Financial from securitization trusts in which the portfolio performance ratios were exceeded and from other securitization trusts which may be subject to limited cross-collateralization provisions are accumulated in the securitization trusts until such higher levels of credit enhancement are reached and maintained. Senior subordinated securitizations typically do not utilize portfolio performance ratios.

GM Financial accounts for its securitization transactions as secured financings. Accordingly, following a securitization, the finance receivables and the related securitization notes payable remain on the consolidated balance sheets. GM Financial recognizes finance charge and fee income on the receivables and interest expense on the securities issued in the securitization transaction and records a provision for loan losses to cover probable loan losses on the receivables.

Brand Rationalization

We have focused our resources in the U.S. on four brands: Chevrolet, Cadillac, Buick and GMC. As a result, we have sold our Saab brand and have ceased production of our Pontiac, Saturn and HUMMER brands. Refer to the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Specific Management Initiatives—Brand Rationalization.”

Opel/Vauxhall Restructuring Activities

In February 2010 we presented our plan for the long-term viability of our Opel/Vauxhall operations to the German federal government. Our plan included funding requirement estimates of Euro 3.7 billion (equivalent to $5.1 billion) of which we planned to fund Euro 1.9 billion (equivalent to $2.6 billion) with the remaining funding from European governments.

In June 2010 the German federal government notified us of its decision not to provide loan guarantees to Opel/Vauxhall. As a result we have decided to fund the requirements of Opel/Vauxhall internally. Opel/Vauxhall has subsequently withdrawn all applications for government loan guarantees from European governments. Refer to the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Specific Management Initiatives—Opel/Vauxhall Restructuring Activities” for a further discussion of the Opel/Vauxhall operations long-term viability plan.

Vehicle Sales

The following tables summarize total industry sales of new motor vehicles of domestic and foreign makes and the related competitive position (vehicles in thousands):

	Vehicle Sales (a)(b)(c)											
	Six Months Ended June 30, 2010			Years Ended December 31,								
				2009			2008			2007		
	Industry	GM	GM as a % of Industry	Industry	Combined GM and Old GM	Combined GM and Old GM as a % of Industry	Industry	Old GM	Old GM as a % of Industry	Industry	Old GM	Old GM as a % of Industry
United States												
Cars												
Midsize	1,257	243	19.3%	2,288	518	22.7%	2,920	760	26.0%	3,410	884	25.9%
Small	1,029	98	9.5%	2,051	202	9.8%	2,547	328	12.9%	2,605	381	14.6%
Luxury	401	31	7.7%	778	69	8.8%	1,017	122	12.0%	1,184	157	13.3%
Sport	138	53	38.6%	253	85	33.7%	272	48	17.7%	372	68	18.2%
Total cars	2,825	425	15.0%	5,370	874	16.3%	6,756	1,257	18.6%	7,571	1,489	19.7%
Trucks												
Utilities	1,714	371	21.6%	3,071	642	20.9%	3,654	809	22.1%	4,752	1,136	23.9%
Pick-ups	743	247	33.2%	1,404	487	34.7%	1,993	738	37.0%	2,710	979	36.1%
Vans	331	35	10.6%	583	68	11.7%	841	151	17.9%	1,119	219	19.6%
Medium Duty	94	3	3.1%	177	13	7.2%	259	26	10.0%	321	44	13.7%
Total trucks	2,882	656	22.8%	5,236	1,210	23.1%	6,746	1,723	25.5%	8,902	2,377	26.7%
Total United States	5,708	1,081	18.9%	10,607	2,084	19.7%	13,503	2,981	22.1%	16,473	3,867	23.5%
Canada, Mexico, and Other	1,289	198	15.4%	2,470	399	16.2%	3,065	585	19.1%	3,161	650	20.6%
Total GMNA	6,998	1,280	18.3%	13,076	2,485	19.0%	16,567	3,565	21.5%	19,634	4,516	23.0%
GMIO	19,742	2,026	10.3%	32,529	3,326	10.2%	29,291	2,751	9.4%	28,173	2,672	9.5%
GME	9,782	846	8.6%	18,850	1,669	8.9%	21,968	2,043	9.3%	23,123	2,182	9.4%
Total Worldwide	36,522	4,152	11.4%	64,455	7,479	11.6%	67,826	8,359	12.3%	70,929	9,370	13.2%

	Vehicle Sales (a)(b)(c)(d)											
	Six Months Ended June 30,			Years Ended December 31,								
	2010			2009			2008			2007		
	Industry	GM	GM as a % of Industry	Industry	Combined GM and Old GM	Combined GM and Old GM as a % of Industry	Industry	Old GM	Old GM as a % of Industry	Industry	Old GM	Old GM as a % of Industry
GMNA (e)												
United States	5,708	1,081	18.9%	10,607	2,084	19.7%	13,503	2,981	22.1%	16,473	3,867	23.5%
Canada	798	123	15.5%	1,483	254	17.1%	1,674	359	21.4%	1,691	404	23.9%
Mexico	382	72	19.0%	774	138	17.9%	1,071	212	19.8%	1,146	230	20.1%
Other	109	3	3.1%	213	7	3.4%	320	13	4.2%	325	16	4.8%
Total GMNA	6,998	1,280	18.3%	13,076	2,485	19.0%	16,567	3,565	21.5%	19,634	4,516	23.0%
GMIO (f)(g)(h)												
China	9,143	1,209	13.2%	13,745	1,826	13.3%	9,074	1,095	12.1%	8,457	1,032	12.2%
Brazil	1,580	302	19.1%	3,141	596	19.0%	2,820	549	19.5%	2,463	499	20.3%
Australia	531	69	12.9%	937	121	12.9%	1,012	133	13.1%	1,050	149	14.2%
Middle East Operations	565	55	9.8%	1,053	117	11.1%	1,545	144	9.3%	1,276	136	10.7%
South Korea	752	58	7.7%	1,455	115	7.9%	1,215	117	9.7%	1,271	131	10.3%
Argentina	338	56	16.5%	517	79	15.2%	616	95	15.5%	573	92	16.1%
India	1,461	60	4.1%	2,257	69	3.1%	1,971	66	3.3%	1,989	60	3.0%
Colombia	107	36	33.6%	185	67	36.1%	219	80	36.3%	252	93	36.8%
Egypt	122	32	26.3%	206	52	25.5%	262	60	23.1%	227	40	17.5%
Venezuela	59	24	41.4%	137	49	36.1%	272	90	33.2%	492	151	30.7%
Other	5,084	125	2.5%	8,896	235	2.6%	10,285	322	3.1%	10,123	289	2.9%
Total GMIO	19,742	2,026	10.3%	32,529	3,326	10.2%	29,291	2,751	9.4%	28,173	2,672	9.5%
GME (f)												
Germany	1,598	129	8.1%	4,049	382	9.4%	3,425	300	8.8%	3,482	331	9.5%
United Kingdom	1,235	158	12.8%	2,223	287	12.9%	2,485	384	15.4%	2,800	427	15.2%
Italy	1,265	96	7.6%	2,358	189	8.0%	2,423	202	8.3%	2,778	237	8.5%
Russia	810	67	8.3%	1,511	142	9.4%	3,024	338	11.2%	2,707	260	9.6%
France	1,441	63	4.4%	2,685	119	4.4%	2,574	114	4.4%	2,584	125	4.8%
Spain	677	63	9.3%	1,075	94	8.7%	1,363	107	7.8%	1,939	171	8.8%
Other	2,756	270	9.8%	4,949	455	9.2%	6,674	599	9.0%	6,832	632	9.2%
Total GME	9,782	846	8.6%	18,850	1,669	8.9%	21,968	2,043	9.3%	23,123	2,182	9.4%
Total Worldwide (f)	36,522	4,152	11.4%	64,455	7,479	11.6%	67,826	8,359	12.3%	70,929	9,370	13.2%

(a) Includes HUMMER, Saturn and Pontiac vehicle sales data.

(b) Includes Saab vehicle sales data through February 2010.

(c) Vehicle sales data may include rounding differences.

(d) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

(e) Vehicle sales primarily represent sales to the ultimate customer.

(f) Vehicle sales primarily represent estimated sales to the ultimate customer.

(g) Includes SGM joint venture vehicle sales in China of 451,000 vehicles and SGMW, FAW-GM joint venture vehicle sales in China and HKJV joint venture vehicle sales in India of 737,000 vehicles in the six months ended June 30, 2010, combined GM and Old GM SGM joint venture vehicle sales in China of 710,000 vehicles and combined GM and Old GM SGMW and FAW-GM joint venture vehicle sales in China of 1.0 million vehicles in the year ended December 31, 2009 and Old GM SGM joint venture vehicle sales in China of 446,000 vehicles and 476,000 vehicles and Old GM SGMW joint venture vehicle sales in China of 606,000 vehicles and 516,000 vehicles in the years ended December 31, 2008 and 2007. We do not record revenue from our joint ventures' vehicle sales.

(h) The joint venture agreements with SGMW (34%) and FAW-GM (50%) allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM vehicle sales in China as part of global market share.

Fleet Sales and Deliveries

The sales and market share data provided previously includes both retail and fleet vehicle sales. Fleet sales are comprised of vehicle sales to daily rental car companies, as well as leasing companies and commercial fleet and government customers. Certain fleet transactions, particularly daily rental, are generally less profitable than retail sales. As part of our pricing strategy, particularly in the U.S., we have improved our mix of sales to specific customers. In the accompanying tables fleet sales are presented as vehicle sales. A significant portion of the sales to daily rental car companies are recorded as operating leases under U.S. GAAP with no recognition of revenue at the date of initial delivery.

The following table summarizes estimated fleet sales and the amount of those sales as a percentage of total vehicle sales (vehicles in thousands):

	Six Months Ended June 30, 2010	Years Ended December 31,		
		2009	2008	2007
	GM	Combined GM and Old GM	Old GM	Old GM
GMNA	395	590	953	1,152
GMIO	223	510	587	594
GME	257	540	769	833
Total fleet sales (a)(b)	875	1,640	2,309	2,579
Fleet sales as a percentage of total vehicle sales	21.1%	21.9%	27.6%	27.5%

(a) Fleet sale transactions vary by segment and some amounts are estimated.

(b) Certain fleet sales that are accounted for as operating leases are included in vehicle sales.

The following table summarizes U.S. fleet sales and the amount of those sales as a percentage of total U.S. vehicle sales (vehicles in thousands):

	Six Months Ended June 30, 2010	Years Ended December 31,		
		2009	2008	2007
	GM	Combined GM and Old GM	Old GM	Old GM
Daily rental sales	245	307	480	596
Other fleet sales	105	207	343	412
Total fleet sales	350	514	823	1,008
Fleet sales as a percentage of total vehicle sales				
Cars	41.5%	29.0%	34.8%	34.9%
Trucks	26.4%	21.6%	22.4%	20.5%
Total cars and trucks	32.3%	24.7%	27.6%	26.1%

Competitive Position

The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

In the six months ended June 30, 2010 our estimated worldwide market share was 11.4% based on vehicle sales volume. Our vehicle sales volumes in the first half of 2010 are consistent with a gradual U.S. vehicle sales recovery from the negative economic effects of the U.S. recession first experienced in the second half of 2008.

In the year ended December 31, 2009, combined GM and Old GM estimated worldwide market share was 11.6% based on vehicle sales volume. In 2009, the U.S. continued to be negatively affected by the economic factors experienced in 2008 as U.S. automotive industry sales declined 21.4% when compared to 2008. Despite this U.S. industry sales decline and the fact that the market share decreased from Old GM 2008 levels of 22.1%, based on vehicle sales volume, combined GM and Old GM estimated U.S. market share of 19.7% was the highest among GM and Old GM's principal competitors.

Old GM's estimated worldwide market share was 12.3% and 13.2% based on vehicle sales volume in the years ended December 31, 2008 and 2007. In 2008 worldwide market share was severely affected by the recession in Old GM's largest market, the U.S., and the recession in Western Europe. Tightening of the credit markets, increases in the unemployment rate, declining consumer confidence as a result of declining household incomes and escalating public speculation related to Old GM's potential bankruptcy contributed to significantly lower vehicle sales in the U.S. These economic factors had a negative effect on the U.S. automotive industry and the principal factors that determine consumers' vehicle buying decisions. As a result, consumers delayed purchasing or leasing new vehicles which caused a decline in U.S. vehicle sales.

The following table summarizes the respective U.S. market shares based on vehicle sales volume in passenger cars and trucks:

	Six Months Ended June 30, 2010	Years Ended December 31,		
		2009	2008	2007
GM (a)	18.9%	19.7%	22.1%	23.5%
Toyota	14.9%	16.7%	16.5%	15.9%
Ford	17.2%	15.9%	14.7%	15.6%
Honda	10.4%	10.8%	10.6%	9.4%
Chrysler	9.2%	8.8%	10.8%	12.6%
Nissan	7.7%	7.3%	7.0%	6.5%
Hyundai/Kia	7.5%	6.9%	5.0%	4.7%

(a) Market share data in the year ended December 31, 2009 combines our market share data in the period July 10, 2009 through December 31, 2009 with Old GM's market share data in the period January 1, 2009 through July 9, 2009 for comparative purposes. Market share data in the years ended December 31, 2008 and 2007 relate to Old GM.

Product Pricing

A number of methods are used to promote our products, including the use of dealer, retail and fleet incentives such as customer rebates and finance rate support. The level of incentives is dependent in large part upon the level of competition in the markets in which we operate and the level of demand for our products. In 2011, we will continue to price vehicles competitively, including offering strategic and tactical incentives as required. We believe this strategy, coupled with improved inventory management, will continue to strengthen the reputation of our brands and continue to improve our average transaction price.

Cyclical Nature of Business

In the automotive industry, retail sales are cyclical and production varies from month to month. Vehicle model changeovers occur throughout the year as a result of new market entries. The market for vehicles is cyclical and depends on general economic conditions, credit availability and consumer spending. In 2010, the global automotive industry, particularly in the U.S., had not yet recovered from the negative economic factors experienced in 2008 and has continued to experience decreases in the total number of new cars and trucks sold and decreased production volume.

Relationship with Dealers

We market vehicles worldwide through a network of independent retail dealers and distributors. At June 30, 2010, there were 5,172 vehicle dealers in the U.S., 489 in Canada and 253 in Mexico. Additionally, there were a total of 15,823 distribution outlets throughout the rest of the world. These outlets include distributors, dealers and authorized sales, service and parts outlets.

The following table summarizes the number of authorized dealerships:

	June 30, 2010	December 31, 2009	2008	2007
GMNA	5,914	6,450	7,360	7,835
GMIO	7,472	6,950	5,510	5,150
GME	8,351	8,422	8,732	8,902
Total Worldwide	21,737	21,822	21,602	21,887

As part of achieving and sustaining long-term viability and the viability of our dealer network, we determined that a reduction in the number of GMNA dealerships was necessary. In determining which dealerships would remain in our network we performed analyses of volumes and consumer satisfaction indexes, among other criteria. Refer to the section of this prospectus entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Specific Management Initiatives—Streamline U.S. Operations—U.S. Dealer Reduction” for a further discussion on our plan to reduce U.S. dealerships.

We enter into a contract with each authorized dealer agreeing to sell to the dealer one or more specified product lines at wholesale prices and granting the dealer the right to sell those vehicles to retail customers from a GM approved location. Our dealers often offer more than one GM brand of vehicle at a single dealership. In fact, we actively promote this for several of our brands in a number of our markets in order to enhance dealer profitability. Authorized GM dealers offer parts, accessories, service and repairs for GM vehicles in the product lines that they sell, using genuine GM parts and accessories. Our dealers are authorized to service GM vehicles under our limited warranty program, and those repairs are to be made only with genuine GM parts. In addition, our dealers generally provide their customers access to credit or lease financing, vehicle insurance and extended service contracts provided by Ally Financial or its subsidiaries and other financial institutions.

Because dealers maintain the primary sales and service interface with the ultimate consumer of our products, the quality of GM dealerships and our relationship with our dealers and distributors are critical to our success. In addition to the terms of our contracts with our dealers, we are regulated by various country and state franchise laws that may supersede those contractual terms and impose specific regulatory requirements and standards for initiating dealer network changes, pursuing terminations for cause and other contractual matters.

Research, Development and Intellectual Property

Costs for research, manufacturing engineering, product engineering, and design and development activities relate primarily to developing new products or services or improving existing products or services, including activities related to vehicle emissions control, improved fuel economy and the safety of drivers and passengers.

The following table summarizes research and development expense (dollars in millions):

	Successor		Predecessor		
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Research and development expense	$ 3,284	$ 3,034	$ 3,017	$ 8,012	$ 8,081

Research

Overview

Our top priority for research is to continue to develop and advance our alternative propulsion strategy, as energy diversity and environmental leadership are critical elements of our overall business strategy. Our objective is to be the recognized industry leader in fuel efficiency through the development of a wide variety of technologies to reduce petroleum consumption. To meet this objective we focus on five specific areas:

- Continue to increase the fuel efficiency of our cars and trucks;
- Develop alternative fuel vehicles;
- Invest significantly in our hybrid and electric technologies;
- Invest significantly in plug-in electric vehicle technology; and
- Continue development of hydrogen fuel cell technology.

Fuel Efficiency

We and Old GM have complied with federal fuel economy requirements since their inception in 1978, and we are fully committed to meeting the requirements of the Energy Independence and Security Act of 2007 (EISA) and compliance with other regulatory schemes, including the California vehicle greenhouse gas emissions program. We anticipate steadily improving fuel economy for both our car and truck fleets. We are committed to meeting or exceeding all federal fuel economy standards in the 2010 through 2016 model years. We plan to achieve compliance through a combination of strategies, including: (1) extensive technology improvements to conventional powertrains; (2) increased use of smaller displacement engines and six speed automatic transmissions; (3) vehicle improvements, including increased use of lighter, front-wheel drive architectures; (4) increased hybrid offerings and the launch of the Chevrolet Volt electric vehicle with extended range capabilities in 2010; and (5) portfolio changes, including increasing car/crossover mix and dropping select larger vehicles in favor of smaller, more fuel efficient offerings.

We are among the industry leaders in fuel efficiency and we are committed to lead in the development of technologies to increase the fuel efficiency of internal combustion engines such as cylinder deactivation, direct injection, turbo-charging with engine downsizing, six speed transmissions and variable valve timing. As a full-line manufacturer that produces a wide variety of cars, trucks and sport utility vehicles, we currently offer 13 models (2011 Model Year) obtaining 30 mpg or more in highway driving.

Alternative Fuel Vehicles

We have also been in the forefront in the development of alternative fuel vehicles, leveraging experience and capability developed around these technologies in our operations in Brazil. Alternative fuels offer the greatest near-term potential to reduce petroleum consumption in the transportation sector, especially as cellulosic sources of ethanol become more affordable and readily available in the U.S. An increasing percentage of our sales will be alternative fuel capable vehicles, estimated to increase from 40% in 2011 to over 70% in 2015.

As part of an overall energy diversity strategy, we remain committed to making at least 50% of the vehicles we produce for the U.S. capable of operating on biofuels, specifically E85 ethanol, by 2012. We currently offer 19 FlexFuel models (2011 Model Year) capable of operating on gasoline, E85 ethanol or any combination of the two.

We are focused on promoting sustainable biofuels derived from non-food sources, such as agricultural, forestry and municipal waste. We are continuing to work with our two strategic alliances with cellulosic ethanol makers: Coskata, Inc., of Warrenville, Illinois, and New Hampshire based Mascoma Corp. In October 2009, Coskata, Inc. opened its semi-commercial facility for manufacturing cellulosic ethanol and Mascoma Corp. has been making cellulosic ethanol at its Rome, New York, demonstration plant since late 2008.

We are also supporting the development of biodiesel, a clean-burning alternative diesel fuel that is produced from renewable sources. In 2011 model year full-size pickups and vans, B20 capability is standard on our Duramax 6.6L turbo diesel engine. The Duramax diesel engine is available in the Chevrolet Silverado and GMC Sierra heavy-duty pickups and Chevrolet Express and GMC Savana full-size vans.

We have also announced that Compressed Natural Gas (CNG) and Liquefied Petroleum Gas (LPG) powered versions of the Chevrolet Express and GMC Savana full-size vans will be offered to fleet and commercial customers beginning in late 2010. Production of the CNG cargo vans will begin in the fall of 2010 and the LPG van cutaway models will begin production in early 2011. The vans have specially designed engines for the gaseous fuels and come direct to the customer with the fully integrated and warranted dedicated gaseous fuel system in place.

Hybrid and Plug-In Electric Vehicles

We are investing significantly in vehicle electrification including hybrid, plug-in hybrid and electric vehicles with extended-range technology. We currently offer seven hybrid models. We are developing plug-in hybrid electric vehicle technology (PHEV) and the Chevrolet Volt and Opel Ampera electric vehicles with extended range capability. We plan to invest heavily between 2011 and 2012 to support the expansion of our electrified vehicle offerings and in-house development and manufacturing capabilities of the enabling technologies-advanced batteries, electric motors and power control systems.

We have multiple technologies offering increasing levels of vehicle electrification—hybrid, plug-in hybrid and electric vehicle with extended range.

The highly capable GM Two-mode Hybrid system is offered with the automotive industry's only hybrid fullsize trucks and sport utility vehicles: Chevrolet Tahoe, Chevrolet Silverado, GMC Yukon and Yukon Denali, GMC Sierra, Cadillac Escalade and Escalade Platinum.

A PHEV, using a modified version of GM's Two-Mode Hybrid system and advanced lithium-ion battery technology, is scheduled to launch in 2012. The PHEV will provide low-speed electric-only propulsion, and blend engine and battery power to significantly improve fuel efficiency.

We have also announced that we plan to launch the Chevrolet Volt, a full-performance battery electric vehicle with extended range capability, in selected U.S. geographic markets in late 2010 and throughout the United States approximately 12 to 18 months after that initial launch. The Chevrolet Volt always makes use of electric power within the drive unit at all times and at all speeds. The Chevrolet Volt is powered only from electricity stored in its 16-kWh lithium-ion battery for a typical range of 25-50 miles depending on terrain, driving technique, temperature and battery age. After that distance, the onboard engine's power is seamlessly utilized to provide an additional 300 miles of electric driving range on a full tank of gas prior to refueling. The onboard gasoline engine enables this additional range by providing power to the Volt's electric motors and under some conditions can be combined with power from the gasoline engine itself. Advanced lithium-ion battery technology is the key enabling technology for the Chevrolet Volt, although this technology is new and has not been proven to be commercially viable. In January 2009, Old GM announced that it would assemble the battery packs for the Chevrolet Volt in the U.S. using cells supplied by LG Chem. Battery production began at our Brownstown, Michigan battery facility in January 2010. A second electric vehicle with extended range, the Opel Ampera, is scheduled to launch in Europe in late 2011.

Hydrogen Fuel Cell Technology

As part of our long-term strategy to reduce petroleum consumption and greenhouse gas emissions we are committed to continuing development of our hydrogen fuel cell technology. We and Old GM have conducted research in hydrogen fuel cell development spanning more than 40 years, and we are the only U.S. automobile manufacturer actively engaged in all elements of the fuel cell propulsion system development in-house. Our Chevrolet Equinox fuel cell electric vehicle demonstration programs, such as Project Driveway, are the largest in

the world and have accumulated more than 1.7 million miles of real-world driving by consumers, celebrities, business partners and government agencies. More than 6,500 individuals have driven the fuel cell powered Chevrolet Equinox, either in short drives, such as media or special events, or as part of Project Driveway. To date, their feedback has led to technology improvements such as extending fuel cell stack life and improvements in the regenerative braking system, which has also benefited our Two-Mode Hybrid vehicles, and improvements in the infrastructure of fueling stations for hydrogen fuel cell electric vehicles. In addition, the knowledge gained during Project Driveway on the fuel cell itself has affected the development of the Chevrolet Volt battery as we are applying fuel cell thermal design knowledge to the Chevrolet Volt battery design. Project Driveway operates in Washington D.C. and California (including Los Angeles, Orange County and Sacramento) for the California Fuel Cell Partnership and the CARB. Project Driveway also operates in the New York Metropolitan area in Westchester County with expansion to the greater New York City area due to recent openings of hydrogen fueling stations at JFK International Airport and in the Bronx. Most Project Driveway participants drive Chevrolet Equinoxes for two months with the cost of fuel and insurance provided free in exchange for participant feedback. The Chevrolet Equinox fuel cell electric vehicles do not use any gasoline or oil and emit only water vapor. We have made significant progress on the fuel cell stack for a second-generation fuel cell vehicle, though we currently have not approved such a program.

OnStar

Advancements in telematics technology are demonstrated through our OnStar service. OnStar's in-vehicle safety, security and communications service is available on more than 40 of our 2011 model year vehicles and currently serves approximately 5.7 million subscribers. OnStar's key services include: Automatic Crash Response, Stolen Vehicle Assistance, Turn-by-Turn Navigation, OnStar Vehicle Diagnostics and Hands-Free Calling. Beginning in June 2010, we offer OnStar eNav, a feature of Turn-by-Turn Navigation, available through Google Maps. OnStar subscribers are able to search for and identify destinations using Google Maps and send those destinations to their vehicles. They can then access the destinations whenever they choose and receive OnStar Turn-by-Turn directions to the destination from wherever they are. Also in 2010, Chevrolet and OnStar unveiled the automobile industry's first working smartphone application, which will allow Chevrolet Volt owners 24/7 connection and remote control of vehicle functions and OnStar features. OnStar's Mobile Application allows drivers to communicate with their Volt from Motorola Droid, Apple iPhone and Blackberry Storm smartphones. It uses a real-time data connection to perform tasks from setting the charge time to unlocking the doors.

In May 2009, OnStar announced the development of an Injury Severity Prediction based on the findings of a Center for Disease Control and Prevention expert panel. This will allow OnStar advisors to alert first responders when a vehicle crash is likely to have caused serious injury to the occupants. Data from OnStar's Automatic Crash Response system will be used to automatically calculate the Injury Severity Prediction which can assist responders in determining the level of care required and the transport destination for patients. OnStar has also expanded its Stolen Vehicle Assistance services with the announcement of Remote Ignition Block. This will allow an OnStar Advisor to send a remote signal to a subscriber's stolen vehicle to prevent the vehicle from restarting once the ignition is turned off. We believe that this capability will not only help authorities recover stolen vehicles, but can also prevent or shorten dangerous high speed pursuits.

Other Technologies

Other safety systems include the third generation of our StabiliTrak electronic stability control system. The system maximizes handling and braking by using a combination of systems and sensors including ABS, traction control, suspension and steering. Our Lane Departure Warning System and Side Blind Zone Alert Systems extend and enhance driver awareness and vision.

Refer to the section of this prospectus entitled "—Environmental and Regulatory Matters" for a discussion of vehicle emissions requirements, vehicle noise requirements, fuel economy requirements and safety requirements, which also affect our research and development activities.

Product Development

Our vehicle development activities are integrated into a single global organization. This strategy builds on earlier efforts to consolidate and standardize our approach to vehicle development.

For example, in the 1990s Old GM merged 11 different engineering centers in the U.S. into a single organization. In 2005, GM Europe Engineering was created, following a similar consolidation from three separate engineering organizations. At the same time, we and Old GM have grown our engineering operations in emerging markets in the Asia Pacific and LAAM regions.

As a result of this process, product development activities are fully integrated on a global basis under one budget and one decision-making group. Similar approaches have been in place for a number of years in other key functions, such as powertrain, purchasing and manufacturing, to take full advantage of our global footprint and resources.

Under our global vehicle architecture strategy and for each of our nine global architectures, we define a specific range of performance characteristics and dimensions supporting a common set of major underbody components and subsystems with common interfaces.

A centralized organization is responsible for many of the non-visible parts of the vehicle, referred to as the architecture, such as steering, suspension, the brake system, the heating, ventilation and air conditioning system and the electrical system. This team works very closely with the global architecture development teams around the world, who are responsible for components that are unique to each brand, such as exterior and interior design, tuning of the vehicle to meet the brand character requirements and final validation to meet applicable government requirements.

We currently have nine different global architectures that are assigned to regional centers around the world. The allocation of the architectures to specific regions is based on where the expertise for the vehicle segment resides, e.g., mini and small vehicles in Asia Pacific, compact vehicles in Europe and fullsize pick-up trucks, sport utility vehicles, midsize vehicles and crossover vehicles in North America.

The nine global architectures are:

- Mini
- Small
- Compact
- Full and Midsize
- Fullsize Truck
- Rear-Wheel Drive and Performance
- Crossover
- Midsize Truck
- Electric

We plan to increase the volume of vehicles produced from common global architectures to more than 50% of our total volumes in 2014 from less than 17% today.

Intellectual Property

We generate and hold a significant number of patents in a number of countries in connection with the operation of our business. While none of these patents by itself is material to our business as a whole, these patents are very important to our operations and continued technological development. In addition, we hold a number of trademarks and service marks that are very important to our identity and recognition in the marketplace.

Raw Materials, Services and Supplies

We purchase a wide variety of raw materials, parts, supplies, energy, freight, transportation and other services from numerous suppliers for use in the manufacture of our products. The raw materials are primarily comprised of

steel, aluminum, resins, copper, lead and platinum group metals. We have not experienced any significant shortages of raw materials and normally do not carry substantial inventories of such raw materials in excess of levels reasonably required to meet our production requirements. In 2009 the weakening of commodity prices experienced in the latter part of 2008 was generally reversed with prices returning to more historical levels by year end. In early 2010, our costs increased further as commodity prices increased faster than expected due to economic growth in China and speculative activity in the commodity markets. In early May 2010, however, we saw a steep decline in commodity prices in response to European sovereign debt issues and concerns over a slowdown in China.

In some instances, we purchase systems, components, parts and supplies from a single source and may be at an increased risk for supply disruptions. Based on our standard payment terms with our systems, components and parts suppliers, we are generally required to pay most of these suppliers on average 47 days following receipt with weekly disbursements.

Environmental and Regulatory Matters

Automotive Emissions Control

We are subject to laws and regulations that require us to control automotive emissions, including vehicle exhaust emission standards, vehicle evaporative emission standards and onboard diagnostic system (OBD) requirements, in the regions throughout the world in which we sell cars, trucks and heavy-duty engines.

North America

The U.S. federal government imposes stringent emission control requirements on vehicles sold in the U.S., and additional requirements are imposed by various state governments, most notably California. These requirements include pre-production testing of vehicles, testing of vehicles after assembly, the imposition of emission defect and performance warranties and the obligation to recall and repair customer owned vehicles that do not comply with emissions requirements. We must obtain certification that the vehicles will meet emission requirements from the Environmental Protection Agency (EPA) before we can sell vehicles in the U.S. and Canada and from the California Air Resources Board (CARB) before we can sell vehicles in California and other states that have adopted the California emissions requirements.

The EPA and the CARB continue to emphasize testing on vehicles sold in the U.S. for compliance with these emissions requirements. We believe that our vehicles meet currently applicable EPA and CARB requirements. If our vehicles do not comply with the emission standards or if defective emission control systems or components are discovered in such testing, or as part of government required defect reporting, we could incur substantial costs related to emissions recalls and possible fines. We expect that new CARB and federal requirements will increase the time and mileage periods over which manufacturers are responsible for a vehicle’s emission performance.

The EPA and the CARB emission requirements currently in place are referred to as Tier 2 and Low Emission Vehicle (LEV) II, respectively. The Tier 2 requirements began in 2004 and were fully phased in by the 2009 model year, while the LEV II requirements began in 2004 and increase in stringency each year through the 2010 model year. Fleet-wide compliance with the Tier 2 and LEV II standards must be achieved based on a sales-weighted fleet average. President Obama has directed the EPA to review its vehicle emission standards, and if the EPA finds that more stringent emission regulations are necessary, to promulgate such regulations. The CARB is developing its next generation emission standards, LEV III, which will further increase the stringency of its emission standards. We expect the LEV III requirements to be adopted as early as the first quarter of 2011 and to apply beginning in the 2014 model year. Both the EPA and the CARB have also enacted regulations to control the emissions of greenhouse gases. Since we believe these regulations are effectively a form of fuel economy requirement, they are discussed under “Automotive Fuel Economy.”

California law requires that a specified percentage of cars and certain light-duty trucks sold in the state must be zero emission vehicles (ZEV), such as electric vehicles or hydrogen fuel cell vehicles. This requirement started at 10% for the 2005 model year and increased in subsequent years. The requirement is based on a complex system of credits that vary in magnitude by vehicle type and model year. Manufacturers have the option of meeting a portion of this requirement with partial ZEV credit for vehicles that meet very stringent exhaust and evaporative emission standards and have extended emission system warranties. An additional portion of the ZEV requirement can be met with vehicles that meet these partial ZEV requirements and incorporate advanced technology, such as a hybrid electric propulsion system meeting specified criteria. Beginning in 2012, an additional portion of the ZEV requirement can be met with PHEVs that meet the partial ZEV requirements and certain other criteria. We are complying with the ZEV requirements using a variety of means, including producing vehicles certified to the partial ZEV requirements. CARB has also announced plans to adopt, as early as the first quarter of 2011, 2015 model year and later requirements for ZEVs and PHEVs to achieve greenhouse gas as well as criteria pollutant emission reductions to help achieve the state's long-term greenhouse gas reduction goals.

The Clean Air Act permits states that have areas with air quality compliance issues to adopt the California car and light-duty truck emission standards in lieu of the federal requirements. Twelve states, including New York, Massachusetts, Maine, Vermont, Connecticut, Pennsylvania, Rhode Island, New Jersey, Oregon, Washington, Maryland and New Mexico, as well as the Province of Quebec, currently have these standards in effect. Arizona has adopted the California standards effective beginning in the 2012 model year. Additional states could also adopt the California standards in the future.

In addition to the exhaust emission programs previously discussed, advanced OBD systems, used to identify and diagnose problems with emission control systems, have been required under U.S. federal, Canadian federal and California law since the 1996 model year. Problems detected by the OBD system have the potential of increasing warranty costs and the chance for recall. OBD requirements become more challenging each year as vehicles must meet lower emission standards and new diagnostics are required. Beginning with the 2004 model year, California adopted more stringent OBD requirements, including new design requirements and corresponding enforcement procedures, and we have implemented hardware and software changes to comply with these more stringent requirements. In addition, California adopted technically challenging new OBD requirements that take effect from the 2008 through 2013 model years.

The federal Tier 2 and California LEV II requirements for evaporative emissions began phasing-in with the 2004 model year. The federal evaporative emission requirements are being harmonized with the California evaporative emission requirements beginning with a 2009 model year phase-in. California plans to further increase the stringency of its evaporative emission requirements as part of its LEV III rulemaking.

Vehicles equipped with heavy-duty engines are also subject to stringent emission requirements, and could be recalled, or fines could be imposed against us, should testing or defect reporting identify a noncompliance with these emission requirements. For the current (2011) model year, certain gasoline and diesel-powered Chevrolet Silverado and GMC Sierra Pickups, and Chevrolet Express and GMC Savana Vans, are classified as heavy-duty and subject to these requirements. We also certify heavy-duty engines for installation in other manufacturers' products. The heavy-duty exhaust standards became more stringent in the 2010 model year. As permitted by EPA and CARB regulations, we are using a system of credits, referred to as Averaging Banking and Trading (ABT), to help meet these stringent standards. OBD requirements first apply to heavy-duty vehicles beginning with the 2010 model year, which we are meeting with certain hardware and software changes.

Europe

In Europe emissions are regulated by two different entities: the European Commission (EC) and the United Nations Economic Commission for Europe (UN ECE). Under the Commission law, the EC imposes harmonized emission control requirements on vehicles sold in all 27 European Union (EU) Member States, and other

countries apply regulations under the framework of the UN ECE. EU Member States can give tax incentives to automobile manufacturers for vehicles which meet emission standards earlier than the compliance date. This can result in specific market requirements for automobile manufacturers to introduce technology earlier than is required for compliance with the EC emission standards. The current EC requirements include type approval of preproduction testing of vehicles, testing of vehicles after assembly and the obligation to recall and repair customer owned vehicles that do not comply with emissions requirements. EC and UN ECE requirements are equivalent in terms of stringency and implementation. We must demonstrate that vehicles will meet emission requirements in witness tests and obtain type approval from an approval authority before we can sell vehicles in the EU Member States.

Emission requirements in Europe will become even more stringent in the future. A new level of exhaust emission standards for cars and light-duty trucks, Euro 5 standards, was applied in September 2009, while stricter Euro 6 standards will apply beginning in 2014. The OBD requirements associated with these new standards will become more challenging as well. The new European emission standards focus particularly on reducing emissions from diesel vehicles. Diesel vehicles have become important in the European marketplace, where they encompass 50% of the market share based on vehicle sales volume. The new requirements will require additional technologies and further increase the cost of diesel engines, which currently cost more than gasoline engines. To comply with Euro 6, we expect that technologies need to be implemented which are identical to those being developed to meet U.S. emission standards. The technologies available today are not cost effective and would therefore not be suitable for the European market for small- and mid-size diesel vehicles, which typically are under high cost pressure. Further, certain measures to reduce exhaust pollutant emissions have detrimental effects on vehicle fuel economy, which drives additional technology cost to maintain fuel economy.

In the long-term, notwithstanding the already low vehicle emissions in Europe, regulatory discussions in Europe are expected to continue. Regulators will continue to refine the testing requirements addressing issues such as test cycle, durability, OBD, in-service conformity and off-cycle emissions.

International Operations

Within the Asia Pacific region, our vehicles are subject to a broad range of vehicle emission laws and regulations. China has implemented European standards, with Euro 4 standards first applied in Beijing in 2008. Shanghai implemented Euro 4 standards with European OBD requirements for newly registered vehicles in November 2009 and Euro 4 standards came into effect nationwide in July 2010 for new vehicle type approvals and will come into effect beginning in July 2011 for newly registered vehicles. Beijing is expected to require Euro 5 in 2012. Since January 2009, South Korea has implemented the CARB emission Fleet Average System with different application timings and levels of nonmethanic organic gas targets for gasoline and liquefied petroleum gas powered vehicles. In September 2009, South Korea implemented Euro 5 standards for diesel-powered vehicles. South Korea has adopted CARB standards for gasoline-powered vehicles and EU regulations for diesel-powered vehicles for OBD and evaporative emissions. The ASEAN Committee had agreed that the major ASEAN countries Thailand, Malaysia, Indonesia, Philippines and Singapore would implement Euro 4 standards for gasoline and diesel powertrains in 2012 with the exception of Singapore which already requires Euro 4 for diesel powertrains. However, as of April 2010, most of the ASEAN countries decided to postpone Euro 4 beyond 2012 with the exception of Thailand. Since April 2010, India’s Bharat Stage IV emission standards have been required for new vehicle registrations in 13 major cities and Bharat Stage III emission standards are required throughout the rest of India. Japan sets specific exhaust emission and durability standards, test methods and driving cycles. In Japan, OBD is required with both EU and U.S. OBD systems accepted. All other countries in which we conduct operations within the Asia Pacific region either require or allow some form of EPA, EU or UN ECE style emission regulations with or without OBD requirements. In Russia, current emission regulations are equivalent to Euro 3 for cars and Euro 2 for commercial vehicles. The implementation of Euro 4 equivalent emission requirements for cars has been delayed to 2012. Euro 5 equivalent emission requirements for cars do not have an implementation date, but are expected to be implemented in 2015.

Within the LAAM region, some countries follow the U.S. test procedures, standards and OBD requirements and some follow the EU test procedures, standards and OBD requirements with different levels of stringency. In terms of standards, Brazil implemented national LEV standards, L5, which preceded Tier 2 standards in the U.S., for passenger cars and light commercial vehicles in January 2009. Brazil has published new emission standards, L6, for light diesel and gasoline vehicles. L6 standards for light diesel vehicles are to be implemented in January 2012, which mandate OBD requirements for light diesel vehicles in 2015. L6 standards for light gasoline vehicles are to be implemented in January 2014 for new types and January 2015 for all models. Argentina implemented Euro 4 standards starting with new vehicle registrations in January 2009 and is moving to Euro 5 standards in January 2012 for new vehicle types and January 2014 for all models. Chile currently requires US Tier 1, and alternatively Euro 3, standards for gasoline vehicles and Euro 4 or U.S. Tier 2 Bin 8 standards for diesel vehicles and has approved Euro 4 or U.S. Tier 2 Bin 8 standards for gasoline vehicles beginning in April 2011 and Euro 5 or U.S. Tier 2 Bin 5 standards for diesel vehicles beginning in September 2011. Other countries in the LAAM region either have adopted some level of U.S. or EU standards or no standards at all.

Industrial Environmental Control

Our operations are subject to a wide range of environmental protection laws including those laws regulating air emissions, water discharges, waste management and environmental cleanup. In connection with the 363 Sale we have assumed various stages of investigation for sites where contamination has been alleged and a number of remediation actions to clean up hazardous wastes as required by federal and state laws. Certain environmental statutes require that responsible parties fund remediation actions regardless of fault, legality of original disposal or ownership of a disposal site. Under certain circumstances these laws impose joint and several liability, as well as liability for related damages to natural resources.

The future effect of environmental matters, including potential liabilities, is often difficult to estimate. Environmental reserves are recorded when it is probable that a liability has been incurred and the amount of the liability is reasonably estimable. This practice is followed whether the claims are asserted or unasserted. As of June 30, 2010, our reserves for environmental liabilities were $196 million. The amount of current reserves is expected to be paid out over the periods of remediation for the applicable sites, which typically range from five to thirty years.

The following table summarizes the expenditures for site-remediation actions, including ongoing operations and maintenance (dollars in millions):

	Successor		Predecessor		
	Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Site remediation expenditures	$ 8	$ 3	$ 34	$ 94	$ 104

It is possible that such remediation actions could require average annual expenditures of $30 million over the next five years.

Certain remediation costs and other damages for which we ultimately may be responsible are not reasonably estimable because of uncertainties with respect to factors such as our connection to the site or to materials located at the site, the involvement of other potentially responsible parties, the application of laws and other standards or regulations, site conditions and the nature and scope of investigations, studies and remediation to be undertaken (including the technologies to be required and the extent, duration and success of remediation). As a result, we are unable to determine or reasonably estimate the total amount of costs or other damages for which we are potentially responsible in connection with all sites, although that total could be substantial.

To mitigate the effects our worldwide facilities have on the environment, we are committed to convert as many of our worldwide facilities as possible to landfill-free facilities. Landfill-free facilities send no

manufacturing waste to landfills, by either recycling or creating energy from the waste. As part of Old GM's commitment to reduce the effect its worldwide facilities had on the environment, Old GM had committed to convert half of its major global manufacturing operations to landfill-free facilities by 2010. This landfill-free strategy translated, on an individual facility basis, to more than 69 (or 48%) of Old GM's manufacturing operations worldwide. At our landfill-free facilities, 96% of waste materials are recycled or reused and 3% is converted to energy at waste-to-energy facilities. We estimate that over 1 million tons of waste materials were recycled or reused by us in the six months ended June 30, 2010 and estimate that 22,500 tons of waste materials from us were converted to energy at waste-to-energy facilities. These numbers will increase as additional manufacturing sites reach landfill-free status.

We currently have not announced publicly any future targets to reduce carbon dioxide (CO_2) emission levels from our worldwide facilities; however, we are continuing to make significant progress in further reducing CO_2 emission levels. Seven of our facilities in Europe are included in and comply with the European Community Emissions Trading Scheme, which is being implemented to meet the European Community's greenhouse gas reduction commitments under the Kyoto Protocol. We and Old GM reported in accordance with the Global Reporting Initiative, the Carbon Disclosure Project, the EPA Climate Leaders Program and the DOE 1605(b) program since their inception. We are implementing and publicly reporting on various voluntary initiatives to reduce energy consumption and greenhouse gas emissions from our worldwide operations. In 2005 Old GM had a 2010 target of an 8% reduction in CO_2 emissions from its worldwide facilities compared to Old GM's worldwide facilities 2005 emission levels. By 2008 Old GM had exceeded this target by reducing CO_2 emissions from its worldwide facilities by 20% compared to 2005 levels. Based on reduced production volume in 2009, we estimate 2009 CO_2 emissions were reduced from its worldwide facilities by 40% compared to 2005 levels.

Automotive Fuel Economy

North America

The 1975 Energy Policy and Conservation Act (EPCA) provided for average fuel economy requirements for fleets of passenger cars built for the 1978 model year and thereafter. For the 2009 model year, our and Old GM's domestic passenger car fleet achieved a CAFE of 31.3 mpg, which exceeded the standard of 27.5 mpg. The estimated CAFE for our 2010 model year domestic passenger cars is 30.6 mpg, which would also exceed the 27.5 mpg standard applicable for that model year.

Cars that are imported for sale in the U.S. are counted separately. For our and Old GM's imported passenger cars, the 2009 model year CAFE was 30.3 mpg, which exceeded the requirement of 27.5 mpg. The estimated CAFE for our 2010 model year imported passenger cars is 34.0 mpg, which would also exceed the applicable requirement of 27.5 mpg.

Fuel economy standards for light-duty trucks became effective in 1979. Starting with the 2008 model year, the NHTSA implemented substantial changes to the structure of the truck CAFE program, including reformed standards based upon truck size. Under the existing truck rules, reformed standards are optional for the 2008 through 2010 model years. Old GM chose to comply with these optional reform-based standards beginning with the 2008 model year. Our and Old GM's light-duty truck CAFE performance for the 2009 model year was 23.6 mpg, which exceeds our and Old GM's reformed requirement of 22.5 mpg. Our projected reform standard for light-duty trucks for the 2010 model year is 22.9 mpg and our projected performance under this standard is 25.4 mpg.

In 2007 Congress passed the Energy Independence and Security Act, which directed NHTSA to modify the CAFE program. Among the provisions in the new law was a requirement that fuel economy standards continue to be set separately for cars and trucks that combined would increase to at least 35.0 mpg as the industry average by 2020.

In addition, California has passed legislation (AB 1493) requiring the CARB to regulate greenhouse gas emissions from vehicles (which is the same as regulating fuel economy). This California program is currently established for the 2009 through 2016 model years. California needed a federal waiver to implement this program and was granted this waiver on June 30, 2009.

Further, in response to a U.S. Supreme Court decision, the EPA was directed to establish a new program to regulate greenhouse gas emissions for vehicles under the Clean Air Act. As a result, in September 2009 the EPA and the NHTSA, on behalf of the DOT, issued a joint proposal to establish a coordinated national program consisting of new requirements for model year 2012 through 2016 light-duty vehicles that will reduce greenhouse gas emissions under the Clean Air Act and improve fuel economy pursuant to the CAFE standards under the EPCA. These reform-based standards will apply to passenger cars, light-duty trucks, and medium-duty passenger vehicles (collectively, light-duty vehicles) built in model years 2012 through 2016 and will require an industry wide standard of 35.5 mpg by 2016. The EPA and the NHTSA issued their final rule to implement this new federal program on April 1, 2010. Our current product plan projects compliance with the federal and California programs through 2016. In Canada, Environment Canada, an agency established to preserve and enhance the quality of the natural environment and coordinate environmental policies and programs for the federal government, is implementing vehicle greenhouse gas standards that are harmonized with the mandatory standards of the U.S. beginning with the 2011 model year. The Province of Quebec has indicated that it will align its vehicle greenhouse gas regulation to the Canadian federal requirements once they are finalized.

CARB has agreed that compliance with the EPA's greenhouse gas emission standards will be deemed compliance with the AB 1493 standards for 2012 through 2016 model years. In the meantime, California's program to regulate vehicle greenhouse gases is in effect for the 2009-2011 model years. The following table illustrates California's program compliance standards and our projected compliance (in grams per mile CO_2-equivalent):

	2009 Model Year		2010 Model Year		2011 Model Year	
	Standard	Combined GM and Old GM	Standard	GM	Standard	GM(a)
Passenger car and light-duty truck 1 fleet	323	297	301	296	267	285
Light-duty truck 2 + medium-duty passenger vehicle fleet	439	414	420	384	390	386

(a) Our performance projections for the 2011 model year for the passenger car is projected to be more than the standard. We are still projecting compliance due to the allowed use of credits earned in previous years.

Europe

In Europe, legislation was passed on April 23, 2009 to regulate vehicle CO_2 emissions beginning in 2012. Based on a target function of CO_2 to vehicle weight, each manufacturer must meet a specific sales weighted fleet average target. This fleet average requirement will be phased in with 65% of vehicles sold in 2012 required to meet this target, 75% in 2013, 80% in 2014 and 100% in 2015 and beyond. Automobile manufacturers can earn super-credits under this legislation for the sales volume of vehicles having a specific CO_2 value of less than 50 grams CO_2. This is intended to encourage the early introduction of ultra-low CO_2 vehicles such as the Chevrolet Volt and Opel/Vauxhall Ampera by providing an additional incentive to reduce the CO_2 fleet average. Automobile manufacturers may gain credit of up to 7 grams for eco-innovations for those technologies which improve real-world fuel economy but may not show in the test cycle, such as solar panels on vehicles. There is also a 5% credit for E85 flexible-fuel vehicles if more than 30% of refueling stations in an EU Member State sell E85. Further regulatory detail is being developed in the comitology process, which develops the detail of the regulatory requirements through a process involving the EC and EU Member States. The legislation sets a target of 95 grams per kilometer CO_2 for 2020 with an impact assessment required to further assess and develop this requirement. We have developed a compliance plan by adopting operational CO_2 targets for each market entry in Europe.

In October 2009, the European Commission adopted a proposal to regulate CO_2 emissions from light commercial vehicles. The proposal is modeled after the CO_2 regulation for passenger cars. It proposes that new light commercial vehicles meet a fleet average CO_2 target of 175 grams per kilometer CO_2 with a phase-in of compliance beginning with 75% of new light commercial vehicles by 2014, 80% by 2015 and 100% compliance by 2016. The manufacturer-specific CO_2 compliance target will be determined as a function of vehicle curb mass. Flexibilities, such as eco-innovations and super credits, are part of the regulatory proposal as well. A long-term target for 2020 of 135g/km has been also proposed, to be confirmed in January 2013 after an impact assessment. We are currently making an assessment of the effect of the proposal on our fleet of light commercial vehicles. The proposal will now go through the legislative process with the European Parliament and European Council, during which we expect some modifications to be adopted.

An EC Regulation has been adopted that will require low-rolling resistance tires, tire pressure monitoring systems and gear shift indicators by 2012. An additional EC Regulation has been adopted that will require labeling of tires for noise, fuel efficiency and rolling resistance, affecting vehicles at sale as well as the sale of tires in the aftermarket. Further, there are plans to introduce regulatory proposals regarding energy efficiency of air conditioning systems and fuel economy meters.

Seventeen EU Member States have introduced fuel consumption or CO_2 based vehicle taxation schemes. Tax measures are within the jurisdiction of the EU Member States. We are faced with significant challenges relative to the predictability of future tax laws and differences in the tax schemes and thresholds.

International Operations

In the Asia Pacific region, we face new or increasingly more stringent fuel economy standards. In China, Phase 3 fuel economy standards are under development and will move from a vehicle pass-fail system to an engine-displacement, corporate fleet average scheme. Phase 3 fuel economy standards are expected to increase by 15% to 20% from the current Phase 2 targets and implementation is expected to be phased in from 2012 with full compliance required by 2015. Some relief for certain vehicle types and vehicles with automatic transmissions will be applied through 2015. In 2016, it is expected that there will be one common standard for vehicles with either a manual or automatic transmission. In Korea, new fuel economy/CO_2 targets for 2012-2015 and beyond were preliminarily announced in September 2010 as part of the government's low carbon/green growth strategy. These targets are based on each vehicle's curb weight, but in general are set at levels more stringent than fuel economy/CO_2 targets in the U.S., but less stringent than fuel economy/CO_2 targets in Europe. The proposed standards will be phased-in beginning in 2012 and finishing in 2015 with manufacturers having the option to certify either on a fuel consumption basis or a CO_2 emissions basis. The final regulation will be promulgated by the end of 2010. Each manufacturer will be given a corporate target to meet based on an overall industry fleet fuel economy/CO_2 average. Other aspects of the program being considered include credits, incentives, and penalties. Legislation implementing the new standard is expected to be completed by the end of 2010. In Australia the government is conducting an assessment of possible vehicle fuel efficiency measures including shifting from voluntary to mandatory standards and how any such move would align with the government's policy response to climate change. Before the government makes any decisions on additional fuel efficiency measures, it will conduct an industry consultation. For the first time, India is expected to establish fuel economy norms based on weight and measured in CO_2 emissions that will become mandatory sometime in 2011. Final targets and labeling requirements are still to be determined. In April 2009, automobile manufacturers in India began to voluntarily declare the fuel economy of each vehicle at the point of sale. In South Africa, CO_2 emissions are not regulated, but a new CO_2 emission tax went into effect for all new passenger cars in September 2010 with the exception of double cabbed light commercial vehicles, for which implementation is delayed until March 2011.

In Brazil, governmental bodies and the Brazilian automobile makers association established, in 2009, a national voluntary program for evaluation and labeling of light passenger and commercial vehicles equipped with internal combustion engines. This voluntary program aims to increase vehicle energy efficiency by labeling vehicles with fuel consumption measurements for urban, extra-urban and combined (equivalent to city and highway mpg measurements in the U.S.) driving conditions.

Chemical Regulations

North America

In the U.S., the EPA and several states have introduced regulations or legislation related to the selection and use of safer chemical alternatives, green chemistry and product stewardship initiatives as have several provinces in Canada. These initiatives will give broad regulatory authority over the use of certain chemical substances and potentially affect automotive manufacturers' responsibilities for vehicle life-cycle, including chemical substance selection for product development and manufacturing. Although vehicles may not specifically be included in the regulations currently being developed, automotive sector effects are expected because substances that comprise components may be included. These emerging regulations will potentially lead to increases in cost and supply chain complexity. California's "Safer Alternatives for Consumer Products" is the first of these regulations expected to be finalized by the end of 2010.

Europe

In June 2007 the EU implemented its regulatory requirements to register, evaluate, authorize and restrict the use of chemical substances (REACH). This regulation requires chemical substances manufactured in or imported into the EU in quantities of one metric ton or more per year to be registered with the European Chemicals Agency before 2018. During REACH's pre-registration phase, Old GM and our suppliers registered those substances identified by the regulation. REACH is to be phased in over a 10 year period from the implementation date. During the implementation phase, REACH will require ongoing action from importers of pure chemical substances, chemical preparations (mixtures), and articles. This will affect us, as an OEM, as well as our suppliers and other suppliers in the supply chain. Under REACH, substances of very high concern may either require authorization for further use or may be restricted in the future. This could potentially increase the cost of certain alternative substances that are used to manufacture vehicles and parts or result in a supply chain disruption when a substance is no longer available to meet production timelines. In addition, our research and development initiatives may be diverted to address future REACH requirements. In order to maintain compliance, we are continually monitoring the implementation of REACH and its effect on our suppliers and the automotive industry.

Safety

New motor vehicles and motor vehicle equipment sold in the U.S. are required to meet certain safety standards promulgated by the NHTSA. The National Traffic and Motor Vehicle Safety Act of 1966 authorized the NHTSA to determine these standards and the schedule for implementing them. In addition, in the case of a vehicle defect that creates an unreasonable risk to motor vehicle safety or if a vehicle or item of motor vehicle equipment does not comply with a safety standard, the National Traffic and Motor Vehicle Safety Act of 1966 generally requires that the manufacturer notify owners and provide a remedy. The Transportation Recall Enhancement, Accountability and Documentation Act requires us to report certain information relating to certain customer complaints, warranty claims, field reports and notices and claims involving property damage, injuries and fatalities in the U.S. and claims involving fatalities outside the U.S., as well as information concerning safety recalls and other safety campaigns outside the U.S.

We are subject to certain safety standards and recall regulations in the markets outside the U.S. in which we operate. These standards often have the same purpose as the U.S. standards, but may differ in their requirements and test procedures. From time to time, other countries pass regulations which are more stringent than U.S. standards. Many countries require type approval while the U.S. and Canada require self-certification.

Vehicular Noise Control

Vehicles we manufacture and sell may be subject to noise emission regulations.

In the U.S., passenger cars and light-duty trucks are subject to state and local motor vehicle noise regulations. We are committed to designing and developing our products to meet these noise regulations. Since addressing different vehicle noise regulations established in numerous state and local jurisdictions is not practical, we attempt to identify the most stringent requirements and validate to those requirements. In the rare instances where a state or local noise regulation is not covered by the composite requirement, a waiver of the requirement is requested and to date the resolution of these matters has not resulted in significant cost or other material adverse effects to us. Medium to heavy-duty trucks are regulated at the federal level. Federal truck regulations preempt all United States state or local noise regulations for trucks over 10,000 lbs. gross vehicle weight rating.

Outside the U.S., noise regulations have been established by authorities at the national and supranational level (e.g., EC or UN ECE for Europe). We believe that our vehicles meet all applicable noise regulations in the markets where they are sold.

While current noise emission regulations serve to regulate maximum allowable noise levels, proposals have been made to regulate minimum noise levels. These proposals stem from concern that vehicles that are relatively quiet, specifically hybrids, may not be heard by the sight-impaired. We are committed to design and manufacture vehicles to comply with potential noise emission regulations that may come from these proposals.

Potential Effect of Regulations

We are actively working on aggressive near-term and long-term plans to develop and bring to market technologies designed to further reduce emissions, mitigate remediation expenses related to environmental liabilities, improve fuel efficiency, monitor and enhance the safety features of our vehicles and provide additional value and benefits to our customers. This is illustrated by our commitment to marketing more hybrid vehicles, our accelerated commitment to developing electrically powered vehicles, our use of biofuels in our expanded portfolio of flexible-fuel vehicles and enhancements to conventional internal combustion engine technology which have contributed to the fuel efficiency of our vehicles. In addition, the conversion of many of our manufacturing facilities to landfill-free status has shown our commitment to mitigate potential environmental liability. We believe that the development and global implementation of new, cost-effective energy technologies in all sectors is the most effective way to improve energy efficiency, reduce greenhouse gas emissions and mitigate environmental liabilities.

Despite these advanced technology efforts, our ability to satisfy fuel economy, CO_2 and other emissions requirements is contingent on various future economic, consumer, legislative and regulatory factors that we cannot control and cannot predict with certainty. If we are not able to comply with specific new requirements, which include higher CAFE standards and state CO_2 requirements such as those imposed by the AB 1493 Rules, then we could be subject to sizeable civil penalties or have to restrict product offerings drastically to remain in compliance. Environmental liabilities, which we may be responsible for, are not reasonably estimable and could be substantial. In addition, violations of safety or emissions standards could result in the recall of one or more of our products. In turn, any of these actions could have substantial adverse effects on our operations, including facility idling, reduced employment, increased costs and loss of revenue.

Pension Legislation

We are subject to a variety of federal rules and regulations, including the Employee Retirement Income Security Act of 1974, as amended (ERISA) and the Pension Protection Act of 2006, which govern the manner in which we fund and administer our pensions for our retired employees and their spouses. The Pension Protection Act of 2006 is designed, among other things, to more appropriately reflect the value of pension assets and liabilities to determine funding requirements. Recently, the Pension Relief Act of 2010 was passed. This act provides us additional options to amortize any shortfall amortization base for U.S. hourly and salaried qualified pension plans over 7 years with amortizations starting two years after the election of this relief or 15 years. We

expect to evaluate these options for the 2010 and 2011 plan years. If we decide to elect one of these options, it could provide us with the flexibility to defer and potentially reduce the size of any minimum funding requirements for the plan years beginning in 2010. However, we are considering making discretionary contributions to our U.S. qualified pension plans and are the evaluating the amount, timing, and form of assets that may be contributed. We also maintain pension plans for employees in a number of countries outside the U.S., which are subject to local laws and regulations.

Export Control

We are subject to U.S. export control laws and regulations, including those administered by the U.S. Departments of State, Commerce, and Treasury. In addition, most countries in which we do business have applicable export controls. Our Office of Export Compliance and global Export Compliance Officers are responsible for working with our business units to ensure compliance with these laws and regulations. Non-U.S. export controls are likely to become increasingly significant to our business as we develop our research and development operations on a global basis. If we fail to comply with applicable export compliance regulations, we and our employees could be subject to criminal and civil penalties and, under certain circumstances, loss of export privileges and debarment from doing business with the U.S. government and the governments of other countries.

Significant Transactions

363 Sale Transaction

On July 10, 2009, we completed the acquisition of substantially all of the assets and assumed certain liabilities of Old GM and three of its domestic direct and indirect subsidiaries (collectively, the Sellers). The 363 Sale was consummated in accordance with the Purchase Agreement, between us and the Sellers, and pursuant to the Bankruptcy Court's sale order dated July 5, 2009.

In connection with the 363 Sale, the purchase price we paid to Old GM equaled the sum of:

- A credit bid in an amount equal to the total of: (1) debt of $19.8 billion under Old GM's UST Loan Agreement, plus notes of $1.2 billion issued as additional compensation for the UST Loan Agreement, plus interest on such debt Old GM owed as of the closing date of the 363 Sale; and (2) debt of $33.3 billion under the DIP Facility, plus notes of $2.2 billion issued as additional compensation for the DIP Facility, plus interest Old GM owed as of the closing date, less debt of $8.2 billion owed under the DIP Facility;

- UST's return of the warrants Old GM previously issued to it;

- The issuance to MLC of 150 million shares (or 10%) of our common stock and warrants to acquire newly issued shares of our common stock initially exercisable for a total of 273 million shares of our common stock (or 15% on a fully diluted basis); and

- Our assumption of certain specified liabilities of Old GM (including debt of $7.1 billion owed under the DIP Facility).

Under the Purchase Agreement, as supplemented by a letter agreement we entered into in connection with our October 2009 holding company merger, we are obligated to issue additional shares of our common stock to MLC in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions). The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum number of Adjustment Shares issued if estimated general unsecured claims total $42.0 billion or more. We currently

believe that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In the circumstance where estimated general unsecured claims equal $37.0 billion, we would be required to issue 8.6 million Adjustment Shares to MLC as an adjustment to the purchase price under the terms of the Purchase Agreement.

As of June 30, 2010, we have accrued $162 million in Accrued expenses related to this contingent obligation.

We have not included pro forma financial information giving effect to the Chapter 11 Proceedings and the 363 Sale because the latest filed balance sheet, as well as the December 31, 2009 audited financial statements, include the effects of the 363 Sale. As such, we believe that further information would not be material to investors.

Issuances of Securities

Holding Company Merger

On October 19, 2009, we completed our holding company merger to implement a new holding company structure that is intended to provide greater financial and organizational flexibility. We effected our holding company merger pursuant to an Agreement and Plan of Merger, dated as of October 15, 2009 by and among us, our previous legal entity (which is now a wholly-owned subsidiary of the Company) (Prior GM), and an indirect wholly-owned subsidiary of Prior GM.

We issued new securities in connection with our holding company merger. All of the outstanding shares of common stock, shares of Series A Preferred Stock and warrants to purchase common stock in Prior GM were exchanged on a one-for-one basis for new shares of our common stock, new shares of our Series A Preferred Stock and new warrants to purchase shares of our common stock. These new GM securities have the same economic terms and provisions as the corresponding Prior GM securities for which they were exchanged and, upon completion of the holding company merger, were held by our securityholders in the same class evidencing the same proportional interest in us as the securityholders held in Prior GM prior to the exchange.

In addition, in connection with the holding company merger, we entered into Amended and Restated Warrant Agreements dated as of October 16, 2009 between us and U.S. Bank National Association, as Warrant Agent (the Warrant Agreements), a Stockholders Agreement dated as of October 15, 2009 by and among the Company, Prior GM, the UST, the New VEBA and Canada Holdings (the Stockholders Agreement) and the Equity Registration Rights Agreement, which are substantially identical to our prior warrant agreements, Stockholders Agreement dated as of July 10, 2009 and Equity Registration Rights Agreement dated as of July 10, 2009. Also in connection with the holding company merger, GMCL entered into an amendment (Canadian Loan Amendment) to the Canadian Loan Agreement, and we entered into an assignment and assumption agreement and amendment to the UST Credit Agreement and an assignment and assumption agreement and amendment to the VEBA Note Agreement.

Set forth below is a summary of GM securities we issued in connection with our holding company merger:

Common Stock

- Issued 912,394,068 shares to the UST;
- Issued 175,105,932 shares to Canada Holdings;
- Issued 262,500,000 shares to the New VEBA; and
- Issued 150,000,000 shares to MLC.

Series A Preferred Stock

- Issued 83,898,305 shares to the UST;

- Issued 16,101,695 shares to Canada Holdings; and
- Issued 260,000,000 shares to the New VEBA.

The shares of Series A Preferred Stock have a liquidation amount of $25.00 per share and accrue cumulative dividends at a rate equal to 9.0% per annum (payable quarterly on March 15, June 15, September 15, and December 15) if, as and when declared by our Board of Directors. So long as any share of our Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. On or after December 31, 2014, we may redeem, in whole or in part, the shares of Series A Preferred Stock at the time outstanding, at a redemption price per share equal to $25.00 per share plus any accrued and unpaid dividends, subject to limited exceptions.

Warrants

- Issued warrants to MLC to acquire 136,363,635 shares of our common stock, exercisable at any time prior to July 10, 2016, with an exercise price of $10.00 per share;
- Issued warrants to MLC to acquire 136,363,635 shares of our common stock, exercisable at any time prior to July 10, 2019, with an exercise price of $18.33 per share; and
- Issued warrants to the New VEBA to acquire 45,454,545 shares of our common stock, exercisable at any time prior to December 31, 2015, with an exercise price set at $42.31 per share.

The number of shares of our common stock underlying each of the warrants issued to MLC and the New VEBA and the per share exercise price thereof are subject to adjustment as a result of certain events, including stock splits, reverse stock splits and stock dividends.

363 Sale

The foregoing securities were issued to the UST, Canada Holdings, the New VEBA, and MLC solely in exchange for the corresponding securities of Prior GM in connection with the holding company merger. The consideration originally paid for the securities of Prior GM with respect to each of the UST, Canada Holdings, the New VEBA, and MLC in connection with the formation of Prior GM and the 363 Sale on July 10, 2009 was as follows:

UST

- UST’s existing credit agreement with Old GM;
- UST’s portion of Old GM’s DIP Facility (other than debt we assumed or MLC’s wind-down facility) and all of the rights and obligations as lender thereunder;
- The warrants Old GM previously issued to the UST; and
- Any additional amounts UST loaned to Old GM prior to the closing of the 363 Sale with respect to each of the foregoing UST credit facilities.

Canada Holdings

- Certain existing loans made to GMCL by EDC;

- Canada Holding's portion of the DIP Facility (other than debt we assumed or MLC's wind-down facility); and
- The loans made to Prior GM under the loan agreement between Prior GM, EDC and UST immediately following the closing of the 363 Sale on July 10, 2009.

New VEBA

- The compromise of certain claims against MLC existing under the 2008 UAW Settlement Agreement.

MLC

- The assets acquired by us pursuant to the Purchase Agreement, offset by the liabilities we assumed pursuant to the Purchase Agreement.

Agreements with the UST, EDC and New VEBA

On July 10, 2009, we entered into the UST Credit Agreement and assumed the UST Loans of $7.1 billion. In addition, through our wholly-owned subsidiary GMCL, we entered into the Canadian Loan Agreement and assumed the Canadian Loan of CAD $1.5 billion (equivalent to $1.3 billion when entered into). Proceeds of the DIP Facility of $16.4 billion were deposited in escrow, to be distributed to us at our request if certain conditions were met and returned to us after the UST Loans and the Canadian Loan were repaid in full. Immediately after entering into the UST Credit Agreement, we made a partial pre-payment due to the termination of the U.S. government sponsored warranty program, reducing the UST Loans principal balance to $6.7 billion.

In December 2009 and March 2010, we made quarterly payments of $1.0 billion on the UST Loans and quarterly payments of $192 million and $194 million on the Canadian Loan. In April 2010, we used funds from our escrow account to repay in full the outstanding amount of the UST Loans of $4.7 billion. In addition, GMCL repaid in full the outstanding amount of the Canadian Loan of $1.1 billion. Both loans were repaid prior to maturity. Following the repayment of the UST Loans and the Canadian Loan, the remaining funds in an amount of $6.6 billion that were held in escrow became unrestricted. The availability of those funds is no longer subject to the conditions set forth in the UST Credit Agreement.

While we have repaid in full our indebtedness under the UST Credit Agreement, the executive compensation and corporate governance provisions of Section 111 of the EESA, including the Interim Final Rule, will continue to apply to us for the period specified in the EESA and the Interim Final Rule. In addition, certain of the covenants in the UST Credit Agreement will continue to apply to us until the earlier to occur of (i) us ceasing to be a recipient of Exceptional Financial Assistance, as determined pursuant to the Interim Final Rule or any successor or final rule, or (ii) UST ceasing to own any direct or indirect equity interests in us, and impose obligations on us with respect to, among other things, certain expense policies, executive privileges and compensation requirements.

The UST Credit Agreement also includes a covenant requiring us to use our commercially reasonable best efforts to ensure that our manufacturing volume conducted in the United States is consistent with at least ninety percent of the projected manufacturing level (projected manufacturing level for this purpose being 1,801,000 units in 2010, 1,934,000 units in 2011, 1,998,000 units in 2012, 2,156,000 units in 2013 and 2,260,000 units in 2014), absent a material adverse change in our business or operating environment which would make the commitment non-economic. In the event that such a material adverse change occurs, the UST Credit Agreement provides that we will use our commercially reasonable best efforts to ensure that the volume of United States manufacturing is the minimum variance from the projected manufacturing level that is consistent with good business judgment and the intent of the commitment. This covenant survives our repayment of the loans and remains in effect through December 31, 2014 unless the UST receives total proceeds from debt repayments, dividends, interest, preferred stock redemptions and common stock sales equal to the total dollar amount of all UST invested capital.

UST invested capital totals $49.5 billion, representing the cumulative amount of cash received by Old GM from the UST under the UST Loan Agreement and the DIP Facility, excluding $361 million which the UST loaned to Old GM under the warranty program and which was repaid on July 10, 2009. This balance also does not include amounts advanced under the UST GMAC Loan as the UST exercised its option to convert this loan into GMAC Preferred Membership Interests previously held by Old GM in May 2009. At June 30, 2010, the UST had received cumulative proceeds of $7.4 billion from debt repayments, interest payments and Series A Preferred Stock dividends. The UST's invested capital less proceeds received totals $42.1 billion.

To the extent we fail to comply with any of the covenants in the UST Credit Agreement that continue to apply to us, the UST is entitled to seek specific performance and the appointment of a court-ordered monitor acceptable to the UST (at our sole expense) to ensure compliance with those covenants.

The Canadian Loan Agreement and related agreements include certain covenants requiring GMCL to meet certain annual Canadian production volumes expressed as ratios to total overall production volumes in the U.S. and Canada and to overall production volumes in the NAFTA region. The targets cover vehicles and specified engine and transmission production in Canada. These agreements also include covenants on annual GMCL capital expenditures and research and development expenses. In the event a material adverse change occurs that makes the fulfillment of these covenants non-economic (other than a material adverse change caused by the actions or inactions of GMCL), there is an undertaking that the lender will consider adjustments to mitigate the business effect of the material adverse change. These covenants survive GMCL's repayment of the loans and certain of the covenants have effect through December 31, 2016.

In connection with the 363 Sale, we also entered into the VEBA Note Agreement and issued the VEBA Notes in the principal amount of $2.5 billion to the New VEBA on July 10, 2009. The VEBA Notes had an implied interest rate of 9.0% per annum and were scheduled to be repaid in three equal installments of $1.4 billion on July 15 of 2013, 2015 and 2017. On October 26, 2010 we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion.

Agreement with Delphi Corporation

In July 2009, we entered into the DMDA with Delphi and other parties. Under the DMDA, we agreed to acquire Nexteer, which supplies us and other OEMs with steering systems and columns, and four domestic facilities that manufacture a variety of automotive components, primarily sold to us. We and the Investors agreed to acquire substantially all of Delphi's remaining assets through New Delphi. Certain excluded assets and liabilities have been retained by DPH to be sold or liquidated. In October 2009, we consummated the transaction contemplated by the DMDA with Delphi, New Delphi, Old GM and other sellers and other buyers that are party to the agreement, as more fully described in Note 5 to our audited consolidated financial statements. Refer to the section of this prospectus entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Specific Management Initiatives—Resolution of Delphi Matters" for a description of the terms of the DMDA and related agreements.

Employees

At June 30, 2010, we employed 208,000 employees, of whom 144,000 (69%) were hourly employees and 64,000 (31%) were salaried employees. The following table summarizes employment by segment (in thousands):

	Successor		Predecessor	
	June 30, 2010	December 31, 2009	December 31, 2008	December 31, 2007
GMNA (a)	105	103	118	142
GMIO (b)	61	62	70	68
GME (c)	42	50	54	55
Total Worldwide	208	215	242	265
United States — Salaried	26	26	30	34
United States — Hourly	53	51	62	78

(a) We acquired GM Financial effective October 1, 2010. At June 30, 2010, GM Financial employed 3,000 employees in the United States and Canada. These employees were excluded from our amounts because the date of acquisition was subsequent to June 30, 2010.

(b) Decrease in GMIO reflects a reduction of 2,400 employees due to the sale of our India Operations.

(c) Decrease in GME primarily relates to the sale of Saab, employees located within Russia and Uzbekistan transferred from our GME segment to our GMIO segment and restructuring initiatives in Germany, Spain and the United Kingdom.

At June 30, 2010, 53,000 of our U.S. employees (or 67%) were represented by unions, of which 52,000 employees were represented by the UAW. In addition, many of our employees outside the U.S. were represented by various unions. At June 30, 2010, we had 400,000 U.S. hourly and 117,000 U.S. salaried retirees, surviving spouses and deferred vested participants.

Refer to Note 19 to our audited consolidated financial statements and Note 20 to our unaudited condensed consolidated interim financial statements for additional information on our salaried and hourly severance programs.

Segment Reporting Data

Operating segment data for the six months ended June 30, 2010 are summarized in Note 25 to our unaudited condensed consolidated interim financial statements. Operating segment and principal geographic area data for July 10, 2009 through December 31, 2009 (Successor); January 1, 2009 through July 9, 2009 (Predecessor); and the years ended December 31, 2008 and 2007 (Predecessor) are summarized in Note 33 to our audited consolidated financial statements.

Properties

Excluding our automotive financing and leasing operations, at June 30, 2010 we had 117 locations in 26 states and 93 cities or towns in the United States excluding dealerships. Of these locations, 40 are manufacturing facilities, of which 11 are engaged in the final assembly of our cars and trucks and other manufacture automotive components and power products. Of the remaining locations, 26 are service parts operations primarily responsible for distribution and warehouse functions, and the remainder are offices or facilities primarily involved in engineering and testing vehicles. Leased properties are primarily composed of warehouses and administration, engineering and sales offices. The leases for warehouses generally provide for an initial period of five to 10 years, based upon prevailing market conditions and may contain renewal options. Leases for administrative offices are generally for shorter periods.

We have 17 locations in Canada, and assembly, manufacturing, distribution, office or warehousing operations in 58 other countries, including equity interests in associated companies which perform assembly, manufacturing or distribution operations. Leases for warehouses outside the United States have remaining lease terms ranging from one to 12 years, many of which contain options to extend or terminate the lease. The major facilities outside the United States and Canada, which are principally vehicle manufacturing and assembly operations, are located in:

Ÿ Argentina	Ÿ Colombia	Ÿ Kenya	Ÿ South Korea	Ÿ Venezuela
Ÿ Australia	Ÿ Ecuador	Ÿ Mexico	Ÿ Spain	Ÿ Vietnam
Ÿ Belgium	Ÿ Egypt	Ÿ Poland	Ÿ Thailand	
Ÿ Brazil	Ÿ Germany	Ÿ Russia	Ÿ United Kingdom	
Ÿ China	Ÿ India	Ÿ South Africa	Ÿ Uzbekistan	

We, our subsidiaries, or associated companies in which we own an equity interest, own most of the above facilities.

On October 1, 2010 we acquired AmeriCredit, an independent automobile finance company, which we subsequently renamed GM Financial. GM Financial's automotive financing and leasing operations lease facilities for administration and regional credit centers. These facilities are primarily located in the United States with one administrative facility located in Canada. GM Financial also owns a servicing facility, which is located in the United States.

Our properties include facilities which, in our opinion, are suitable and adequate for the manufacture, assembly and distribution of our products.

Legal Proceedings

The following section summarizes material pending legal proceedings to which the Company is a party, other than ordinary routine litigation incidental to the business. We and the other defendants affiliated with us intend to defend all of the following actions vigorously.

Canadian Export Antitrust Class Actions

Approximately eighty purported class actions on behalf of all purchasers of new motor vehicles in the United States since January 1, 2001, have been filed in various state and federal courts against General Motors Corporation, GMCL, Ford Motor Company, Chrysler, LLC, Toyota Motor Corporation, Honda Motor Co., Ltd., Nissan Motor Company, Limited, and Bavarian Motor Works and their Canadian affiliates, the National Automobile Dealers Association, and the Canadian Automobile Dealers Association. The federal court actions have been consolidated for coordinated pretrial proceedings under the caption *In re New Market Vehicle Canadian Export Antitrust Litigation Cases* in the U.S. District Court for the District of Maine, and the more than 30 California cases have been consolidated in the California Superior Court in San Francisco County under the case captions *Belch v. Toyota Corporation, et al.* and *Bell v. General Motors Corporation.* Old GM's liability in these matters was not assumed by General Motors Company as part of the 363 Sale. GMCL was not part of Old GM's bankruptcy proceeding and potentially remains liable in all matters. In the California state court cases, oral arguments on the plaintiffs' motion for class certification and defendants' motion in limine were heard on April 21, 2009. The court ruled that it would certify a class. Defendants written appeal to the appropriate California court was denied. Defendants are preparing other substantive motions for summary judgment. In the Minnesota state court cases, the court granted defendants' motions to lift the stay of proceedings and granted summary judgment on September 16, 2010. Plaintiffs have not yet filed an appeal.

The nearly identical complaints alleged that the defendant manufacturers, aided by the association defendants, conspired among themselves and with their dealers to prevent the sale to U.S. citizens of vehicles produced for the Canadian market and sold by dealers in Canada. The complaints alleged that new vehicle prices in Canada are 10% to 30% lower than those in the United States, and that preventing the sale of these vehicles to U.S. citizens resulted in the payment of higher than competitive prices by U.S. consumers. The complaints, as amended, sought injunctive relief under U.S. antitrust law and treble damages under U.S. and state antitrust laws, but did not specify damages. The complaints further alleged unjust enrichment and violations of state unfair trade practices act. On March 5, 2004, the U.S. District Court for the District of Maine issued a decision holding that the purported indirect purchaser classes failed to state a claim for damages under federal antitrust law but allowed a separate claim seeking to enjoin future alleged violations to continue. The U.S. District Court for the District of Maine on March 10, 2006 certified a nationwide class of buyers and lessees under Federal Rule 23(b)(2) solely for injunctive relief, and on March 21, 2007 stated that it would certify 20 separate statewide class actions for damages under various state law theories under Federal Rule 23(b)(3), covering the period from January 1, 2001 to April 30, 2003. On October 3, 2007, the U.S. Court of Appeals for the First Circuit heard oral arguments on Old GM's consolidated appeal of the both class certification orders.

On March 28, 2008, the U.S. Court of Appeals for the First Circuit reversed the certification of the injunctive class and ordered dismissal of the injunctive claim. The U.S. Court of Appeals for the First Circuit also vacated the

certification of the damages class and remanded to the U.S. District Court for the District of Maine for determination of several issues concerning federal jurisdiction and, if such jurisdiction still exists, for reconsideration of that class certification on a more complete record. On remand, plaintiffs again moved to certify a damages class, and defendants again moved for summary judgment and to strike plaintiffs' economic expert. On July 2, 2009, the court granted one of defendants' summary judgment motions. Plaintiffs did not appeal. As a result, the only issues remaining in the federal actions relate to disposition of the funds paid by Toyota in a settlement years ago.

American Export Antitrust Class Actions

On September 25, 2007, a claim was filed in the Ontario Superior Court of Justice against GMCL and Old GM on behalf of a purported class of actual and intended purchasers of vehicles in Canada claiming that a similar alleged conspiracy was now preventing lower-cost U.S. vehicles from being sold to Canadians. The Plaintiffs have delivered their certification materials. An order staying claims against MLC was granted in November 2009. A certification hearing has not yet been scheduled. No determination has been made that the case may be maintained as a class action, and it is not possible to determine the likelihood of liability or reasonably ascertain the amount of any damages.

Canadian Dealer Class Action

On January 21, 2010, a claim was filed in the Ontario Superior Court of Justice against GMCL for damages on behalf of a purported class of 215 Canadian General Motors dealers which entered into wind-down agreements with GMCL in May 2009. GMCL offered the Plaintiff dealers the wind-down agreements to assist the Plaintiffs' exit from the GMCL Canadian dealer network upon the expiration of their GM Dealer Sales and Service Agreements (DSSAs) on October 31, 2010, and to assist the Plaintiffs in winding down their dealer operations in an orderly fashion. The Plaintiff dealers allege that the DSSAs have been wrongly terminated by GMCL and that GMCL failed to comply with franchise disclosure obligations, breached its statutory duty of fair dealing and unlawfully interfered with the dealers' statutory right to associate in an attempt to coerce the class member dealers into accepting the wind-down agreements. The Plaintiff dealers claim that the wind-down agreements are void. GMCL is vigorously defending the claims. A certification hearing has not yet been scheduled. No determination has been made that the case may be maintained as a class action, and it is not possible to determine the likelihood of liability or reasonably ascertain the amount of any damages.

OnStar Analog Equipment Litigation

Our wholly-owned subsidiary OnStar Corporation is a party to more than 20 putative class actions filed in various states, including Michigan, Ohio, New Jersey, Pennsylvania and California. All of these cases have been consolidated for pretrial purposes in a multi-district proceeding under the caption *In re OnStar Contract Litigation* in the U.S. District Court for the Eastern District of Michigan. The litigation arises out of the discontinuation by OnStar of services to vehicles equipped with analog hardware. OnStar was unable to provide services to such vehicles because the cellular carriers which provide communication service to OnStar terminated analog service beginning in February 2008. In the various cases, the plaintiffs are seeking certification of nationwide or statewide classes of owners of vehicles currently equipped with analog equipment, alleging various breaches of contract, misrepresentation and unfair trade practices. No determination has been made as to whether class certification motions are appropriate, and it is not possible at this time to determine whether class certification or liability is probable as to OnStar or to reasonably ascertain the amount of any liability. On August 2, 2010 plaintiffs filed a motion seeking to add General Motors LLC as an additional defendant. We will oppose that motion, which we believe is barred by the Sale Approval Order entered by the United States Bankruptcy Court for the Southern District of New York on July 5, 2009.

Patent Infringement Litigation

On July 10, 2009, *Kruse Technology Partnership v. General Motors Company* was filed in the U.S. District Court for the Central District of California. In *Kruse*, the plaintiff alleges that we infringed three U.S. patents related to

"Internal Combustion Engine with Limited Temperature Cycle" by making and selling diesel engines. The plaintiff has not made a claim specifying damages in this case. However, in a similar case filed against Old GM in December 2008, plaintiff asserted that its royalty damages would be significantly more than $100 million. In April 2009, the plaintiff filed a separate patent infringement action against DMAX, Inc., then a joint venture between Isuzu Diesel Services of America, Inc. and Old GM, and which is now a joint venture between Isuzu Diesel Services of America, Inc. and General Motors LLC, our subsidiary. DMAX manufactures and assembles mechanical and other components of Duramax diesel engines for sale to us. The plaintiff asserted that its royalty damages claim against DMAX, Inc. would exceed $100 million and requests an injunction in both the case against DMAX and the case against General Motors LLC. In October 2010, the parties reached a tentative settlement to resolve the issues in this case.

Unintended Acceleration Class Actions

We have been named as a co-defendant in two of the many class action lawsuits brought against Toyota arising from Toyota's recall of certain vehicles related to reports of unintended acceleration. The two cases are *Nimishabahen Patel v. Toyota Motors North America, Inc. et al.* (filed in the United States District Court for the District of Connecticut on February 9, 2010) *and Darshak Shah v. Toyota Motors North America, Inc. et al.* (filed in the United States District court for the District of Massachusetts on or about February 16, 2010). The 2009 and 2010 model year Pontiac Vibe, which was manufactured by a joint venture between Toyota and Old GM, included components that were common with those addressed by the Toyota recall and were accordingly the subject of a parallel recall by us. Each case makes allegations regarding Toyota's conduct related to the condition addressed by the recall and asserts breaches of implied and express warranty, unjust enrichment and violation of consumer protection statutes and seeks actual damages, multiple damages, attorneys fees, costs and injunctive relief on behalf of classes of vehicle owners which include owners of 2009 and 2010 model year Pontiac Vibes. The cases were consolidated in the multi-district proceeding pending in the Central District of California created to administer all cases in the Federal court system addressing Toyota unintended acceleration issues. Although a comprehensive assessment of the cases is not possible at this time, we believe that, with respect to the overwhelming majority of Pontiac vehicles addressed by the two cases, the claims asserted are barred by the Sale Approval Order entered by the United States Bankruptcy Court for the Southern District of New York on July 5, 2009. Moreover, on August 2, 2010, a consolidated complaint was filed in the multi-district proceeding and we were omitted from the list of named defendants. Accordingly, it is possible that the claims asserted will not be further pursued against us.

UAW VEBA Contribution Claim

On April 6, 2010, the UAW filed suit against us in the U.S. District Court for the Eastern District of Michigan claiming that we breached our obligation to contribute $450 million to the New VEBA. The UAW alleges that we were required to make this contribution pursuant to the UAW-Delphi-GM Memorandum of Understanding Delphi Restructuring dated June 22, 2007. The UAW is seeking payment of $450 million. We were served with the complaint on September 17, 2010.

AmeriCredit Transaction Claims

On July 27, 2010 *Robert Hatfield, Derivatively on behalf of AmeriCredit Corp v, Clifton Morris, Jr. et al.* was filed in the district court for Tarrant County, Texas. General Motors Holdings, LLC and General Motors Company (the GM Entities) are two of the named defendants. Among other allegations, the complaint alleges that the individual defendants breached their fiduciary duty with regard to the proposed transaction between AmeriCredit and GM. The GM Entities are accused of aiding and abetting the alleged breach of fiduciary duty by the individual defendants (officers and directors of AmeriCredit). Among other relief, the complaint sought to enjoin the transaction from closing; however, no motion for an injunction was filed. It is not possible to determine the likelihood of success or reasonably ascertain the amount of any attorneys' fees or costs that may be awarded.

On July 28, 2010 *Labourers Pension Fund of Eastern and Central Canada, on behalf of itself and all others similarly situated v. AmeriCredit Corp, et al*. was filed in the district court for Tarrant County, Texas. General Motors Company is one of the named defendants. The plaintiff seeks class action status and alleges that AmeriCredit and the individual defendants (officers and directors of AmeriCredit) breached their fiduciary duties in negotiating and approving the proposed transaction between AmeriCredit and GM. We are accused of aiding and abetting the alleged breach of fiduciary duty. Among other relief, the complaint sought to enjoin both the transaction from closing as well as a shareholder vote on the proposed transaction; however, no motion for an injunction was filed. No determination has been made that the case may be maintained as a class action, and it is not possible to determine the likelihood of liability or reasonably ascertain the amount of any damages.

On or about August 6, 2010, *Clara Butler, Derivatively on behalf of AmeriCredit Corp v. Clifton Morris, Jr. et al*, was filed in the district court for Tarrant County, Texas. General Motors Holdings, LLC and General Motors Company are among the named defendants. Like previously filed litigation related to the proposed AmeriCredit acquisition, the complaint initiating this case alleges that individual officers and directors of AmeriCredit breached their fiduciary duties to AmeriCredit shareholders. The GM Entities are accused of breaching a fiduciary duty and aiding and abetting the individual defendants in usurping a corporate opportunity. Among other relief, the complaint seeks to rescind the AmeriCredit transaction and sought to enjoin its consummation, and also to award plaintiff costs and disbursements including attorneys' and expert fees; however, no motion for an injunction was filed. It is not possible to determine the likelihood of success or reasonably ascertain the amount of any attorneys' fees or costs that may be awarded.

On September 1, 2010, *Douglas Mogle, on behalf of himself and all others similarly situated v. AmeriCredit Corp., et al.* was filed in the district court for Tarrant County, Texas. General Motors Company is among the named defendants. This complaint is similar to the *Labourers Pension Fund* complaint discussed above.

Korean Labor Litigation

Commencing on or about September 29, 2010, current and former hourly employees of GM Daewoo, our majority-owned affiliate in the Republic of Korea, filed four separate group actions in the Incheon District Court in Incheon, Korea. The cases allege that GM Daewoo failed to include certain allowances in its calculation of Ordinary Wages due under the Presidential Decree of the Korean Labor Standards Act. GM Daewoo may receive additional claims by hourly employees in the future. Similar cases have been brought against other large employers in the Republic of Korea. This case is in its earliest stages and the scope of claims asserted may change. However, based on a preliminary analysis of the claims currently asserted, the allegations of plaintiffs if accepted in their entirety represent a claim of approximately 454 billion Korean won, which is approximately $400 million.

MANAGEMENT

Directors

The names and ages, as of October 31, 2010, of our directors and their positions and offices are as follows:

Name and (Age)	Positions and Offices
Daniel F. Akerson (62)	Chief Executive Officer, General Motors Company
David Bonderman (67)	Co-Founding Partner and Managing General Partner, TPG
Erroll B. Davis, Jr. (66)	Chancellor, University System of Georgia
Stephen J. Girsky (48)	Vice Chairman, Corporate Strategy and Business Development, General Motors Company
E. Neville Isdell (67)	Retired Chairman and Chief Executive Officer, The Coca-Cola Company
Robert D. Krebs (68)	Retired Chairman and Chief Executive Officer, Burlington Northern Santa Fe Corporation
Philip A. Laskawy (69)	Retired Chairman and Chief Executive Officer, Ernst & Young LLP
Kathryn V. Marinello (54)	Chairman and Chief Executive Officer, Stream Global Services, Inc.
Patricia F. Russo (58)	Former Chief Executive Officer, Alcatel-Lucent
Carol M. Stephenson (59)	Dean, Richard Ivey School of Business, The University of Western Ontario
Cynthia A. Telles (58)	Director, UCLA Neuropsychiatric Institute Spanish-Speaking Psychosocial Clinic
Edward E. Whitacre, Jr. (68)	Chairman, General Motors Company

There are no family relationships, as defined in Item 401 of Regulation S-K, between any of the directors named above. Other than as set forth in the Stockholders Agreement, which is described in the section of this prospectus entitled “Certain Stockholder Agreements—Stockholders Agreement,” there is no arrangement or understanding between any of the directors named above and any other person pursuant to which he or she was elected as a director.

Daniel F. Akerson

Daniel F. Akerson has been a member of our Board of Directors since July 24, 2009 and serves on the Finance and Risk Policy Committee (Chair). He has held the office of Chief Executive Officer of our company since September 1, 2010. He served as Managing Director and Head of Global Buyout of The Carlyle Group from July 2009 until August 2010 and as Managing Director and Co-Head of the U.S. Buyout Fund from 2003 to 2009. Prior to joining Carlyle, Mr. Akerson served as Chairman and Chief Executive Officer of XO Communications, Inc. from 1999 to January 2003. XO Communications, Inc. filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code in June 2002 and emerged from bankruptcy proceedings in January 2003. Mr. Akerson also served as Chairman of Nextel Communications from 1996 to 2001 and Chairman and Chief Executive Officer from 1996 to 1999. He held the offices of Chairman and Chief Executive Officer of General Instrument Corporation from 1993 to 1995. He is currently a director of American Express Company.

Mr. Akerson’s qualifications to serve on our Board of Directors are rooted in his operating and management experience as a chief executive officer in a succession of major companies in challenging, highly competitive industries. In that capacity he has dealt with a wide range of issues including audit and financial reporting, compliance and controls, technology and business restructuring. In addition, Mr. Akerson’s extensive experience in private equity investments brings to our Board of Directors significant expertise in finance, business development, mergers and acquisitions, risk management and international business.

David Bonderman

David Bonderman has been a member of our Board of Directors since July 24, 2009 and serves on the Directors and Corporate Governance and Executive Compensation Committees. He is Co-Founding Partner and Managing General Partner of TPG, a private investment firm he founded in 1992. Prior to forming TPG,

Mr. Bonderman served as Chief Operating Officer of Robert M. Bass Group (now doing business as Keystone Group, L.P.) from 1983 to 1991. Mr. Bonderman currently serves as Chairman of the Board of Directors of Ryanair Holdings PLC and as a director of Armstrong Worldwide Industries, Inc., CoStar Group, Inc., a marketing and information services company in the commercial real estate industry, and Gemalto N.V., a digital security company. He also served as a director of Washington Mutual, Inc. (April 2008-December 2008), Burger King Holdings, Inc. (2002-2008), Gemplus International SA (predecessor to Gemalto) (2000-2006), Ducati Motor Holding S.p.A. (1996-2006), Seagate Technology, a hard drive and storage solutions manufacturer (2000-2004), and Continental Airlines, Inc. (1993-2004).

Mr. Bonderman's qualifications to serve on our Board of Directors include his operating and leadership experience as a co-founding and managing general partner in a private equity firm. Through his involvement with TPG he has provided leadership to companies that have been in distressed and turn-around situations and are undergoing dramatic changes. He brings to our Board of Directors extensive experience in finance, business development, mergers and acquisitions, business restructuring and integration, and international business, particularly in China where GM has significant operations.

Erroll B. Davis, Jr.

Erroll B. Davis, Jr. has been a member of our Board of Directors since July 10, 2009 and serves on the Audit and Finance and Risk Policy Committees. He was also a member of the Board of Old GM from 2007 to July 2009. Mr. Davis has served as Chancellor of the University System of Georgia, the governing and management authority of public higher education in Georgia, since 2006. From 2000 to 2006, Mr. Davis served as Chairman of Alliant Energy Corporation, and he held the offices of President and Chief Executive Officer from 1998 to 2005. He is currently a director of Union Pacific Corporation. Mr. Davis also served as a director of PPG Industries, Inc. (1994-2007) and BP p.l.c. (1998-April 2010).

In nominating Mr. Davis to serve on our Board of Directors, the Board considered his operating and management experience as a chief executive officer of a large, diverse public university and, before that, a complex, highly regulated public utility. Mr. Davis brings to our Board of Directors extensive knowledge in the areas of financial reporting and accounting, compliance and controls, technology, and public policy issues such as education. In addition, his knowledge and experience in the utility and energy industries brings the board valuable insight regarding the infrastructure needed to advance the use and acceptance of electric power and natural gas to fuel low-emission vehicles.

Stephen J. Girsky

Stephen J. Girsky has been a member of our Board of Directors since July 10, 2009 and serves on the Finance and Risk Policy and Public Policy Committees. He has been GM Vice Chairman of Corporate Strategy and Business Development since March 1, 2010. Prior to that, he served as Senior Advisor to the Office of the Chairman of our company from December 2009 to February 2010 and President of S. J. Girsky & Company (SJG), an advisory firm, from January 2009 to March 1, 2010. From November 2008 to June 2009, Mr. Girsky was an advisor to the UAW. He served as President of Centerbridge Industrial Partners, LLC (Centerbridge), an affiliate of Centerbridge Partners, L.P., a private investment firm from 2006 to 2009. Prior to joining Centerbridge, Mr. Girsky was a special advisor to the Chief Executive Officer and the Chief Financial Officer of Old GM from 2005 to June 2006. From 1995 to 2005, he served as Managing Director at Morgan Stanley and a Senior Analyst of the Morgan Stanley Global Automotive and Auto Parts Research Team. Mr. Girsky also served as lead director of Dana Holding Corporation (2008-2009). He has been a member of the Adam Opel GmbH Supervisory Board since January 2010.

Mr. Girsky's current role as GM Vice Chairman of Corporate Strategy and Business Development in addition to nearly 25 years of experience in the automotive industry, both as a participant and insightful observer, provides our Board of Directors with unique insight into the Company's challenges, operations and strategic

opportunities as well as in-depth knowledge of the automotive business and its key participants. In addition, Mr. Girsky's experience as an auto analyst and president of a private equity firm brings to our Board of Directors significant expertise in finance, market and risk analysis, business restructuring and development.

E. Neville Isdell

E. Neville Isdell has been a member of our Board of Directors since July 10, 2009 and serves on the Public Policy (Chair) and Executive Compensation Committees. He was also a member of the Board of Old GM from 2008 to July 2009. Mr. Isdell served as Chairman of The Coca-Cola Company from 2004 until April 2009 and Chief Executive Officer from 2004 to 2008. From 2002 to May 2004, he was an International Consultant to The Coca-Cola Company and head of his investment company, Collines Investments in Barbados. Mr. Isdell served as Chief Executive Officer of Coca-Cola Hellenic Bottling Company from 2000 to May 2001 and Vice Chairman from May 2001 to December 2001. He was Chairman and Chief Executive Officer of Coca-Cola Beverages plc from 1998 to September 2000. Mr. Isdell also served as a director of SunTrust Banks, Inc. (2004-2008).

When considering Mr. Isdell as a nominee to serve on our Board of Directors the Board recognized his success as a chief executive officer of an iconic American corporation that promotes one of the most widely recognized consumer brands in the world in a continually growing global market. In addition, Mr. Isdell has significant expertise in global brand management, corporate strategy and business development. His previous and current board positions in non-profit organizations involved with, among other areas, community development, environmental issues and human rights, have developed his broad perspective on issues related to environmental sustainability and corporate social responsibility.

Robert D. Krebs

Robert D. Krebs has been a member of our Board of Directors since July 24, 2009 and serves on the Directors and Corporate Governance (Chair) and Audit Committees. He served as Chairman of Burlington Northern Santa Fe Corporation (BNSF) from December 2000 until his retirement in 2002. Prior to that, he served as Chairman and Chief Executive Officer of BNSF from June 1999 until 2000. He held the offices of Chairman, President and Chief Executive Officer from 1997 to 1999. Mr. Krebs also served as a director of UAL Corporation (2006-October 2010) and Phelps Dodge Corporation, a mining company (now doing business as Freeport-McMoRan Copper & Gold, Inc.), from 1987 to 2006.

Mr. Krebs' career at BNSF has provided him with wide-ranging operating and management experience as a chief executive officer of a large, highly regulated company focused on meeting the needs of industry in the U.S. and Canada. He brings to our Board of Directors extensive experience in corporate strategy, business development and finance. In addition, his service on several public company boards of directors provides exposure to diverse industries with unique challenges enabling him to make significant contributions to other areas of Board responsibility including governance and executive compensation.

Philip A. Laskawy

Philip A. Laskawy has been a member of our Board of Directors since July 10, 2009 and serves on the Audit (Chair) and Finance and Risk Policy Committees. He was also a member of the Board of Old GM from 2003 to July 2009. Mr. Laskawy served as Chairman and Chief Executive Officer of Ernst & Young LLP from 1994 to 2001. Mr. Laskawy is non-executive Chairman of the Board of Directors of the Federal National Mortgage Association and a director of Henry Schein, Inc., Lazard Ltd, and Loews Corporation. He also served as a director of The Progressive Corporation (2001-2007) and Discover Financial Services (2007-2008).

As the former Chairman and Chief Executive Officer of Ernst & Young LLP, Mr. Laskawy brings to GM both extensive audit and financial reporting expertise as well as his managerial and operational experience as a former chief executive officer of one of the four major international public accounting firms. With nearly 40 years of public

accounting experience, Mr. Laskawy has extensive knowledge and background relating to accounting and financial reporting rules and regulations as well as the evaluation of financial results, internal controls and business processes. Furthermore, his service on several public company boards of directors provides exposure to diverse industries with unique challenges enabling him to make significant contributions to our Board, particularly in the areas of audit and risk assessment.

Kathryn V. Marinello

Kathryn V. Marinello has been a member of our Board of Directors since July 10, 2009 and serves on the Audit and Public Policy Committees. She was also a member of the Board of Old GM from 2007 to July 2009. Ms. Marinello has been Chairman and Chief Executive Officer of Stream Global Services, Inc., a premium business process outsource (BPO) service provider specializing in customer relationship management for Fortune 1,000 companies, since August 2010. Prior to that, Ms. Marinello served as senior advisor and consultant at both Providence Equity Partners LLC, a private equity firm, and Ares Capital Corporation, a specialty finance company, since June 2010. She served as Chairman and Chief Executive Officer of Ceridian Corporation, an information services company in the human resource, retail, and transportation markets from December 2007 to January 2010. Prior to that, she held the offices of President and Chief Executive Officer from 2006 to 2007. Before joining Ceridian, Ms. Marinello served as President and Chief Executive Officer of GE Fleet Services, a division of General Electric Company, from 2002 to October 2006.

Ms. Marinello's experience in a variety of industries enables her to bring a varied perspective to the GM Board. As Chairman and CEO of Stream Global Services, Inc., she is focused on using information technology to enhance customer service, two areas that are key to our success. Her recent affiliation with Providence Equity Partners gave her insight into communications, media and entertainment, areas that are essential to GM's ability to grow in new areas such as vehicle infotainment and use of social media for marketing. Ares Capital, one of the largest business development companies, provided her with exposure to the current lending and leveraged financing market. At Ceridian, Ms. Marinello led a business service company providing integrated HR systems, dealing with a wide range of issues including audit and financial reporting, compliance and controls, and mergers and acquisitions. Moreover, as the former President and CEO of GE Fleet Services, Ms. Marinello has significant experience with vehicle fleet sales and financing, and dealer relations and continues to ensure that our Board of Directors considers the customer perspective in its decision-making.

Patricia F. Russo

Patricia F. Russo has been a member of our Board of Directors since July 24, 2009. She is Lead Director and serves on the Executive Compensation (Chair), Directors and Corporate Governance and Finance and Risk Policy Committees. She served as Chief Executive Officer of Alcatel-Lucent from 2006 to 2008. Prior to the merger of Alcatel and Lucent in 2006, she served as Chairman and Chief Executive Officer of Lucent Technologies, Inc. from February 2003 to 2006 and President and Chief Executive Officer from 2002 to 2003. Before rejoining Lucent in January 2002, Ms. Russo was President and Chief Operating Officer of Eastman Kodak Company from March 2001 to December 2001. Ms. Russo is currently a director of Alcoa Inc., and Merck & Co. Inc. Prior to its merger with Merck in 2009, Ms. Russo served as a director of Schering-Plough since 1995.

As the chief executive officer of two highly technical, complex companies, Ms. Russo demonstrated leadership that strongly supported her nomination to our Board of Directors. In that capacity she dealt with a wide range of issues including mergers and acquisitions and business restructuring as she led Lucent Technologies, Inc.'s recovery through a severe industry downturn and later a merger with Alcatel, a French company. In addition, she brings to the Board extensive global experience in corporate strategy, finance, sales and marketing, technology and leadership development. Ms. Russo's service as chair of the governance committee and lead director on the Schering-Plough board provided valuable expertise when she was chosen to be lead director by her fellow members of the GM Board.

Carol M. Stephenson

Carol M. Stephenson has been a member of our Board of Directors since July 24, 2009 and serves on the Directors and Corporate Governance and Executive Compensation Committees. She has been Dean of the Richard Ivey School of Business at The University of Western Ontario (Ivey) since 2003. Prior to joining Ivey, Ms. Stephenson served as President and Chief Executive Officer of Lucent Technologies Canada from 1999 to 2003. Ms. Stephenson is currently a director of Intact Financial Services Corporation (formerly ING Canada), a provider of property and casualty insurance in Canada and Manitoba Telecom Services Inc., a communications provider in Canada. She was a member of the General Motors of Canada Advisory Board from 2005 to July 2009.

Ms. Stephenson's experience as Dean of the Richard Ivey School of Business and President and Chief Executive Officer of Lucent Technologies Canada provides our Board of Directors with diverse perspective and progressive management expertise in marketing, operations, strategic planning, technology development and financial management. Her experience on boards of companies in a variety of industries provides our Board of Directors with her broad perspective on successful management strategies.

Cynthia A. Telles

Cynthia A. Telles has been a member of our Board of Directors since April 13, 2010 and serves on the Directors and Corporate Governance and Public Policy Committees. She has been on the faculty of the University of California, Los Angeles School of Medicine Department of Psychiatry since 1986 and the Director of the UCLA Neuropsychiatric Institute Spanish-Speaking Psychosocial Clinic since 1980. Among many corporate and non-profit board memberships, Dr. Telles was recently appointed to the White House Commission on Presidential Scholars by President Obama. She has held several governmental and public service appointments that include serving as a Commissioner for the City of Los Angeles for 13 years. Dr. Telles currently is a member of the board of the Kaiser Foundation Health Plan and Hospitals and Americas United Bank, the largest Hispanic-owned bank based in California. She previously served on the boards of Burlington Northern Santa Fe Corporation from 2009 to 2010 and California United Bank (formerly Sanwa Bank California) from 1994 to 2002.

Dr. Telles's qualifications for serving as a director include her extensive experience in public and governmental service, as well as public policy and governmental and community relations. In addition, her in-depth understanding of the Hispanic community, which represents the nation's largest and fastest growing consumer market segment, provides our Board of Directors with valuable insight. Moreover, her previous and current board positions in companies in the health care, transportation and financial industries and in non-profit organizations involved with, among other areas, community development, environmental issues, health care reform, and education, have developed her broad perspective on issues related to corporate social responsibility and governance.

Edward E. Whitacre, Jr.

Edward E. Whitacre, Jr. has been the Chairman of our Board of Directors since July 10, 2009. He served as Chief Executive Officer of our company from December 1, 2009 through August 31, 2010. He is also Chairman Emeritus of AT&T Inc., where he served as Chairman and Chief Executive Officer from 2005 until his retirement in 2007. Prior to the merger with AT&T, Mr. Whitacre served as Chairman and Chief Executive Officer of SBC Communications from 1990 to 2005. He is currently a director of Exxon Mobil Corporation. He also served as a director of Burlington Northern Santa Fe Corporation (1993-February 2010), Anheuser-Busch Companies, Inc. (1988-2008), Emerson Electric Co. (1990-2004), and The May Department Stores Company, now doing business as Macy's Inc. (1989-2004).

His prior experience as our Chief Executive Officer enables Mr. Whitacre to provide the Company's Board of Directors with insight and information related to the Company's strategy, operations, and business. His prior experience as the Chief Executive Officer of AT&T Inc. and its predecessor companies provided him with the ability to lead a highly competitive, highly-regulated consumer products business through significant change. During his tenure, which began with SBC Communications, Mr. Whitacre led the company through a series of mergers and acquisitions, including that of AT&T in 2005, to create the nation's largest provider of local, long distance and wireless services. On August 11, 2010, Mr. Whitacre announced his intention to retire from his position as Chairman of the Board by the end of 2010.

Executive Officers

The names and ages, as of October 31, 2010, of our executive officers, other than Messrs. Akerson and Girsky, who are discussed above, and their positions and offices with General Motors are as follows:

Name and (Age)	Positions and Offices
Christopher P. Liddell (52)	Vice Chairman and Chief Financial Officer
Thomas G. Stephens (62)	Vice Chairman, Global Product Operations
Timothy E. Lee (59)	President, GM International Operations
David N. Reilly (60)	President, GM Europe
Mark L. Reuss (47)	President, GM North America
Daniel Ammann (38)	Vice President, Finance and Treasurer
Jaime Ardila (55)	President, GM South America
Mary T. Barra (48)	Vice President, Global Human Resources
Selim Bingol (50)	Vice President, Communications
Nicholas S. Cyprus (57)	Vice President, Controller and Chief Accounting Officer
Terry S. Kline (48)	Vice President, Information Technology and Chief Information Officer
Michael P. Millikin (62)	Vice President and General Counsel

There are no family relationships, as defined in Item 401 of Regulation S-K, between any of the officers named above, and there is no arrangement or understanding between any of the officers named above and any other person pursuant to which he or she was selected as an officer. Each of the officers named above was elected by the Board of Directors or a committee of the Board to hold office until the next annual election of officers and until his or her successor is elected and qualified or until his or her earlier resignation or removal. The Board of Directors elects the officers immediately following each annual meeting of the stockholders and may appoint other officers between annual meetings.

Christopher P. Liddell joined GM as Vice Chairman and Chief Financial Officer in January 2010 and leads our financial and accounting operations on a global basis. Before joining GM, Liddell was CFO for Microsoft Corporation from May 2005 until December 2009, where he was responsible for leading their worldwide finance organization. Mr. Liddell had previously served as CFO at International Paper Co.

Thomas G. Stephens was named Vice Chairman, Global Product Operations in December 2009. He had been associated with Old GM since 1969. Mr. Stephens had been Vice Chairman, Global Product Development since July 10, 2009, and Vice Chairman, Global Product Development for Old GM since April 1, 2009. On January 1, 2007, Mr. Stephens was appointed Group Vice President Global Powertrain and Global Quality and became Executive Vice President on March 3, 2008. He was named Group Vice President for Global Powertrain on July 1, 2001.

Timothy E. Lee was named President, GM International Operations on December 4, 2009. He had been associated with Old GM since 1969. He had been Group Vice President, Global Manufacturing and Labor since October 1, 2009. He was named GM North America Vice President, Manufacturing in January 2006. Mr. Lee became Vice President of Manufacturing of GM Europe, on June 1, 2002.

David N. Reilly was named President, GM Europe on December 4, 2009. He had been associated with Old GM since 1975. He had been Executive Vice President, GM International Operations since August 4, 2009. He was appointed Group Vice President and President, of our former segment, GM Asia Pacific, in July 2006 and had previously been President and Chief Executive Officer of GM Daewoo after leading our transition team in the formation of GM Daewoo beginning in January 2002. Mr. Reilly served as Vice President, for Sales, Marketing, and Aftersales of GM Europe beginning in August 2001.

Mark L. Reuss was appointed President of GM North America on December 4, 2009. He had been associated with Old GM since 1983. Before this appointment, he served briefly as Vice President of Engineering. He managed GM's operations in Australia and New Zealand as the President and Managing Director of GM Holden, Ltd., from February 2008 until July 2009. In October 2005, Reuss was appointed Executive Director of North America vehicle systems and architecture, and the following year, he was named Executive Director of global vehicle integration, safety, and virtual development. In June, 2001, he was named Executive Director, architecture engineering and GM Performance Division.

Daniel Ammann was named Vice President, Finance and Treasurer of General Motors Company in April 2010. Before joining GM, he was Managing Director and Head of Industrial Investment Banking for Morgan Stanley, a position he held since 2004. During his 11 years at Morgan Stanley, he was instrumental in many high profile assignments spanning a variety of technology, service, and manufacturing clients.

Jaime Ardila was appointed President of GM South America, effective July 1, 2010, with responsibility for operations in South America. He had been associated with Old GM since 1984. He had served as President and Managing Director of GM Mercosur since November 1, 2007, with responsibility for GM operations in Brazil, Argentina, Uruguay, Paraguay, Chile, Bolívia and Peru. Prior to this position, he was Vice President and Chief Financial Officer of GM Latin America, Africa and Middle East since March 1, 2003.

Mary T. Barra was named Vice President, Global Human Resources on July 30, 2009. She had been associated with Old GM since 1980. Prior to this appointment, she had been Vice President, Global Manufacturing Engineering since February 2008. She had been Executive Director, Vehicle Manufacturing Engineering since January 2005, with global responsibility for General Assembly; Controls, Conveyors, Robotics and Welding; Paint and Polymer, and Advanced Vehicle Development Centers; Industrial Engineering, Global Manufacturing System Implementation, and Pre-Production Operations.

Selim Bingol was appointed Vice President, Communications on March 8, 2010, with overall responsibility for our global communications. Most recently, he served as Senior Vice President and senior partner with Fleishman-Hillard, where he specialized as a senior communications strategist to large international clients across diverse industries. He was Senior Vice President-Corporate Communications at AT&T Corporation from December 2004 until August 2007.

Nicholas S. Cyprus was named Vice President, Controller and Chief Accounting Officer on August 4, 2009. He had been associated with Old GM since December 2006, when he became Controller and Chief Accounting Officer. Prior to joining Old GM, he was Senior Vice President, Controller and Chief Accounting Officer for the Interpublic Group of Companies from May 2004 to March 2006. From 1999 to 2004, Mr. Cyprus was Vice President, Controller and Chief Accounting Officer at AT&T Corporation.

Terry S. Kline was named Vice President, Information Technology and Chief Information Officer on October 1, 2009. He had been associated with Old GM since December 2000. Previously, Mr. Kline was the Global Product Development Process Information Officer and was responsible for coordinating product development process re-engineering activities and the implementation of associated information systems across GM business sectors. From December 2004 until December 2007, he served as the Chief Information Officer for GM Asia Pacific.

Michael P. Millikin was appointed Vice President and General Counsel on July 20, 2009, with overall global responsibility for the legal affairs of GM. He had been associated with Old GM since 1977. Mr. Millikin was appointed Assistant General Counsel in June 2001 and became Associate General Counsel in June 2005. He is a member of the board of directors of GM Daewoo and the Supervisory Board of Adam Opel GmbH.

Board Designation Rights

Pursuant to the Stockholders Agreement, so long as the New VEBA holds at least 50% of the shares of our common stock it held at the date of the Stockholders Agreement, the New VEBA shall have the right to designate one nominee to our Board of Directors (which designation shall be subject to the consent of the UAW and, if the designated nominee is not independent within the meaning of New York Stock Exchange (NYSE) rules, to the consent of the UST, which consent of the UST is not to be unreasonably withheld). Immediately following this offering, the New VEBA will own approximately 73.0% (68.9% if the underwriters in the offering of our common stock exercise their over-allotment option in full) of the shares of our common stock that it held at the date of the Stockholders Agreement. Following this offering, for so long as the New VEBA has the right to designate one nominee to our Board of Directors, subject to our Board of Directors' approval, our Board of Directors shall nominate the New VEBA nominee to be elected a member of our Board of Directors and include the New VEBA nominee in our proxy statement and related materials in respect of the election to which the nomination pertains. Following this offering, the UST and Canada Holdings will no longer have the right under the Stockholders Agreement to designate nominees for election to our Board of Directors.

See the section of this prospectus entitled "Certain Stockholder Agreements—Stockholders Agreement" for additional information about the Stockholders Agreement.

Corporate Governance

In our Board's judgment, the rapid and severe changes in our business and our management that have occurred during the past year and the importance of reestablishing ourselves as a successful, stable company demands the continuity, efficiency, and centralized control that is provided by having a single individual act both as Chairman and CEO. On December 1, 2009, our Board requested Mr. Whitacre, the Chairman, to assume the role of CEO, following the resignation of Frederick A. Henderson, and in January 2010 our Board and Mr. Whitacre reaffirmed this decision. On August 11, 2010, the Board elected Daniel F. Akerson to be CEO effective September 1, 2010. Mr. Whitacre will remain Chairman of the Board until the end of 2010, since in the Board's judgment his continued involvement as Chairman while Mr. Akerson establishes himself as CEO will ensure a smooth transition and promote continuity during a time we are striving to maintain our successful momentum while undertaking this offering. Our Board has designated Mr. Akerson to serve as Chairman after Mr. Whitacre's departure in light of the advantages that have resulted from combining the positions under Mr. Whitacre. Our Board may reconsider its determination to have a single individual act both as Chairman and CEO from time to time based on changes in our circumstances.

On March 2, 2010, our Board designated Patricia F. Russo as its Lead Director. During the time that the roles of Chairman and Chief Executive Officer are combined in one person, our Board believes that a Lead Director will provide guidance to the non-management directors in their active oversight of management, including the Chairman and CEO. Under the policy adopted on the same day, the Board's Lead Director calls all executive sessions of our non-management directors, sets the agendas, chairs the sessions, and advises the Chairman and CEO of any actions taken. Agendas for Board meetings, which are established by the Chairman using input from other directors, are reviewed and approved by the Lead Director, along with Board meeting schedules and materials. The Lead Director also serves as a liaison between the Chairman and CEO and other directors, assists the Chairman and CEO in the recruiting and orientation of new directors, presides at Board meetings when the Chairman is not present, and assumes additional responsibilities as determined by our non-management directors. Finally, the Lead Director is available for consultation and direct communication with major stockholders, if requested.

Following this offering, nominations for the election of directors shall be made by the Board in accordance with the Stockholders Agreement and pursuant to the recommendations by the Board's Directors and Corporate Governance Committee (the Governance Committee), or by any stockholder entitled to vote for the election of directors who complies with the requirements of applicable law and of our Bylaws.

The Governance Committee is responsible for identifying potential candidates for Board membership and making its recommendations to the full Board. In assessing potential candidates the Governance Committee seeks to consider individuals with a broad range of business experience and diverse backgrounds. The Governance Committee also considers it desirable that each candidate contribute to the Board's overall diversity—diversity being broadly defined to mean a variety of opinions, perspectives, personal and professional experiences, and backgrounds, such as gender, race, ethnicity, or country of origin.

The selection of qualified directors is complex and crucial to our long-term success. Potential candidates for election to the Board are evaluated based upon criteria that include:

- The nature and depth of their experience in business, government, and non-profit organizations, and whether they are likely to be able to make a significant and immediate contribution to the Board's discussion and decision making concerning the broad array of complex issues facing the Company;
- Their demonstrated commitment to the highest ethical standards and the values of the Company;
- Their special skills, expertise, and experience that would complement or expand that of the current directors;
- Their ability to take into account and balance the legitimate interests and concerns of all our stockholders and other stakeholders effectively, consistently, and appropriately in reaching decisions; and
- Their global business and social perspective, personal integrity, and sound judgment.

In addition, directors must have time available to devote to Board activities and to enhance their knowledge of our Company and the global automotive industry. To assist in the identification and evaluation of qualified director candidates, the Governance Committee, on occasion, has engaged search firms that specialize in providing services for the identification and evaluation of candidates for election to corporate boards.

Our Board's primary function is oversight of management, directly and through its various committees, so that identifying and addressing the risks and vulnerabilities that we face is an important component of the Board's responsibilities, whether monitoring ordinary operations or considering significant plans, strategies, or proposed transactions. The risk management process that we have established is overseen by the Board's Audit Committee, which is also responsible for oversight of risk issues associated with our overall financial reporting and disclosure process and with legal compliance as well as reviewing policies on risk control assessment and accounting risk exposure. The Board's Finance and Risk Policy Committee, created on August 3, 2010, assists the Board in overseeing other aspects of risk management, including our risk management framework, our risk management and risk assessment policies regarding market, credit, liquidity and funding risks, and our risk tolerance, including risk tolerance levels and limits. In addition, each of our other Board committees oversees the risks within its area of responsibility. For example, the Executive Compensation Committee (the Compensation Committee) considers the risks that may be implicated by our executive compensation programs. While the Board is ultimately responsible for risk oversight, our management is responsible for day-to-day risk management processes. We believe this division of responsibilities is the most effective approach for addressing the risks facing our Company and that our Board leadership structure supports this approach.

Director Independence

Pursuant to our Bylaws and the Stockholders Agreement, at least two-thirds of our directors must be independent within the meaning of Rule 303A.02 of the NYSE Listed Company Manual, as determined by our Board of Directors.

The Governance Committee assesses the independence of each director and makes recommendations to the Board as to his or her independence both by using the quantitative criteria in the Board's Corporate Governance Guidelines and by determining whether he or she is free from any qualitative relationship that would interfere with the exercise of independent judgment.

Section 2.10 of our Bylaws incorporates, by reference, the independence criteria of the SEC and NYSE, and the Board's Corporate Governance Guidelines set forth our standards for director independence, which are based on all the SEC and NYSE requirements. The Board's Corporate Governance Guidelines provide that an independent director must satisfy all of the following criteria:

- During the past three years, we have not employed the director, and have not employed (except in a non-executive capacity) any of his or her immediate family members.

- During any twelve-month period within the last three years, the director has not received more than $120,000 in direct compensation from us other than director fees or other forms of deferred compensation. No immediate family members of the director have received any compensation other than for employment in a non-executive capacity.

- The director or an immediate family member is not a current partner of a firm that is our internal or external auditor; the director is not an employee of such a firm; the director does not have an immediate family member who is a current employee of such a firm and personally works on our audit; or the director or an immediate family member was not within the last three years a partner or employee of such a firm and personally worked on our audit within that time.

- During the past three years, neither the director nor any of his or her immediate family members has been part of an "interlocking directorate" in which one of our executive officers serves on the compensation committee (or its equivalent) of another company that employs the director.

- During the past three years, neither the director nor any of his or her immediate family members has been employed (except, in the case of family members, in a capacity other than an executive officer) by one of our significant suppliers or customers or any affiliate of such supplier or customer. For the purposes of this standard, a supplier or customer is considered significant if its sales to, or purchases from, us represent the greater of $1 million or 2% of our or the supplier's or customer's consolidated gross revenues.

In addition to satisfying all of the foregoing requirements, a director is not considered independent if he or she has, in the judgment of the Board, any other "material" relationship with the Company, other than serving as a director that would interfere with the exercise of his or her independent judgment.

Consistent with the standards described above, the Board has reviewed all relationships between the Company and the members of the Board, considering quantitative and qualitative criteria, and affirmatively has determined that, other than Messrs. Whitacre, Akerson and Girsky, all of the directors are independent according to the definition in the Board's Corporate Governance Guidelines, which is based on the standards of the SEC and NYSE.

Our Bylaws and Corporate Governance Guidelines are available on our website at http://investor.gm.com, under "Corporate Governance."

Code of Ethics

We have adopted a code of ethics that applies to our directors, officers, and employees, including the Chairman and Chief Executive Officer, the Vice Chairman and Chief Financial Officer, the Vice President, Controller and Chief Accounting Officer, and any other persons performing similar functions. The text of our code of ethics, "Winning With Integrity," is posted on our website at http://investor.gm.com, under "Corporate Governance." We will provide a copy of the code of ethics without charge upon request to the Corporate Secretary, General Motors Company, Mail Code 482-C25-A36, 300 Renaissance Center, P. O. Box 300, Detroit, Michigan 48265-3000.

Committees of the Board of Directors

Our Board of Directors has an Audit Committee, an Executive Compensation Committee, a Directors and Corporate Governance Committee, a Public Policy Committee and a Finance and Risk Policy Committee. Our Board of Directors may also establish from time to time any other committees that it deems necessary or desirable. The composition of each committee will comply with the listing requirements and other rules of the New York Stock Exchange and the Toronto Stock Exchange.

Audit Committee

Our Board of Directors has a standing Audit Committee to assist the Board in fulfilling its oversight responsibilities with respect to the financial reports and other financial information provided by us to stockholders and others; our system of internal controls; our compliance procedures for the employee code of ethics and standards of business conduct; and our audit, accounting, and financial reporting processes. Erroll B. Davis, Jr., Robert D. Krebs, Philip A. Laskawy (Chair) and Kathryn V. Marinello comprise the Audit Committee. Our Board has determined that all of the members of the Audit Committee are independent, financially literate, and have accounting or related financial management expertise as required by the NYSE. The Board also has determined that Mr. Davis, Mr. Krebs, Mr. Laskawy and Ms. Marinello all qualify as "audit committee financial experts" as defined by the SEC. Currently, Mr. Laskawy serves on the audit committees of four public companies in addition to GM. The Board has determined, in light of Mr. Laskawy's depth of knowledge and experience and time available as a retiree, that this simultaneous service does not impair his ability to function as a member and the Chair of the Audit Committee.

Executive Compensation Committee

Our Board of Directors has a standing Executive Compensation Committee. The members of our Compensation Committee are David Bonderman, E. Neville Isdell, Patricia F. Russo (Chair) and Carol M. Stephenson.

Although Mr. Whitacre was a member of the Compensation Committee during 2009, he is no longer a member. His membership was suspended when he initially agreed to serve as CEO in December 2009, and he resigned from the Compensation Committee after the Board reaffirmed his appointment as CEO in January 2010. The Chair of the Compensation Committee has invited Mr. Whitacre and Mr. Akerson to participate in meetings of the Compensation Committee, as appropriate. None of the members of our Compensation Committee are eligible to participate in any of the compensation plans or programs it administers.

The Compensation Committee's overall objective is to ensure that our compensation policies and practices support the recruitment, development, and retention of the executive talent needed for the long-term success of the Company. In doing this, the Compensation Committee must balance the need to provide competitive compensation and benefits with the guidelines and requirements of the UST Credit Agreement and the TARP regulations as they apply to Exceptional Assistance Recipients. Working with the Office of the Special Master, the Compensation Committee reviewed and approved corporate goals and objectives related to compensation and set individual award targets for the CEO and Named Executive Officers as well as our Senior Leadership Group (the SLG) and certain other employees subject to its review.

Directors and Corporate Governance Committee

Our Board of Directors has a standing Directors and Corporate Governance Committee. David Bonderman, Robert D. Krebs (Chair), Patricia F. Russo, Carol M. Stephenson and Cynthia A. Telles comprise our Governance Committee. The Governance Committee gives direction and oversight to the identification and evaluation of potential Board candidates and ultimately recommends candidates to be nominated for election to the Board (in accordance with the terms of the Stockholders Agreement). It periodically conducts studies of the appropriate size and composition of the Board and reviews and makes recommendations concerning compensation for non-employee directors. The Governance Committee is also responsible for reviewing and proposing revisions to the Board's Corporate Governance Guidelines and Delegation of Authority; recommending memberships, rotation, and Chairs for all committees of the Board; and contributing to the process of setting the agendas for the executive sessions of the Board.

Public Policy Committee

Our Board of Directors has a standing Public Policy Committee. Stephen J. Girsky, E. Neville Isdell (Chair), Kathryn V. Marinello and Cynthia A. Telles comprise our Public Policy Committee. The Public Policy Committee fosters our commitment to operate the business worldwide in a manner consistent with the rapidly changing demands of society. Topics reviewed by the Public Policy Committee include our strategies and plans in the areas of advanced technology, fuel economy, environmental and energy performance, global climate, research and development, automotive safety, diversity, health care, education, communications, government relations, employee health and safety, trade, and philanthropic activities. The Public Policy Committee provides public policy guidance to management to support our progress in growing the business globally within the framework of our core values to ensure that GM is strongly positioned to compete today and into the future.

Finance and Risk Policy Committee

Our Board of Directors has a standing Finance and Risk Policy Committee. Daniel F. Akerson (Chair), Erroll B. Davis, Jr., Stephen J. Girsky, Philip A. Laskawy and Patricia F. Russo comprise our Finance and Risk Policy Committee. The Finance and Risk Policy Committee is responsible for assisting the Board in its oversight of our financial policies and strategies, including our capital structure. It is also responsible for assisting the Board in its oversight of our risk management strategies and policies, including overseeing management of market, credit, liquidity and funding risks. In addition, the Finance and Risk Policy Committee periodically receives reports regarding our U.S. employee benefit plans for the purpose of reviewing the administration, financing, investment performance, risk and liability profile, and funding of such plans, in each case including with respect to regulatory compliance.

Non-Employee Director Compensation

Compensation for our non-employee directors is set by our Board at the recommendation of the Governance Committee. Pursuant to the Board's Corporate Governance Guidelines, the Governance Committee is responsible for conducting an annual assessment of non-employee director compensation. The Governance Committee compares our Board's compensation to compensation paid to directors at peer companies having similar size, scope and complexity.

Only non-employee directors receive fees for serving on the Board. Non-employee directors are not eligible to participate in the Savings-Stock Purchase Program (S-SPP), which is described in the section of this prospectus entitled "Executive Compensation—Retirement Programs Applicable to Executive Officers," nor any of the retirement programs for our employees. Other than as described in this section, there are no separate benefit plans for directors.

Non-employee directors are reimbursed for reasonable travel expenses incurred in connection with their duties as directors. Under our Expense Policy, members of the Board may use charter aircraft for travel only in North America and only when a clear business rationale is stated. The Governance Committee periodically monitors the use of charter aircraft.

To familiarize directors with our product line, we provide the use of a company vehicle on a six-month rotational basis, and directors are expected to submit product evaluations to us. In addition, we pay for the cost of personal accident insurance coverage, and until January 1, 2010, we paid the cost of personal liability insurance coverage.

Old GM Board of Directors

Members of the Old GM Board of Directors served until July 10, 2009, when the 363 Sale closed and our Board was constituted. The Old GM Board voluntarily agreed to reduce its total compensation for 2009, including annual Board retainer, retainers for Committee Chairs and Audit Committee membership, and fees for excess meetings and special services, to one dollar effective January 1, 2009. Prior to 2009, each non-employee director of Old GM received an annual Board retainer of $200,000 on a pro rata basis effective March 1, 2008, which was voluntarily reduced from time to time. Under the General Motors Corporation Compensation Plan for Non-Employee Directors (Old GM Director Compensation Plan), Old GM non-employee directors were required to defer at least 70% of their annual Board retainer (i.e., $140,000) into share units of its common stock and could elect to receive the remaining compensation in cash or to defer in cash-based alternatives or share units.

The Old GM Director Compensation Plan remains in place with respect to past deferrals of compensation to former directors of Old GM, including those who are now members of our Board. Old GM directors who deferred compensation into share units of common stock are not expected to receive any value for this deferred compensation under the Chapter 11 Proceedings. In addition, deferred cash-based account balances were reduced by ten percent for Old GM non-employee directors effective September 8, 2009, in line with the penalty incurred by Old GM executives on early withdrawal of their deferred cash account balances. Interest on fees deferred in cash-based alternatives was credited monthly to the directors' accounts. Old GM did not credit interest at above-market rates. In general, Old GM did not pay deferred amounts until January following the director's retirement or separation from the Old GM Board. Old GM then paid those amounts, either in lump sum or in annual installments for up to ten years based on the director's deferral election. (Members of the Old GM Board who are now serving on our Board will not receive their deferred amounts until after they leave our Board.)

2009 Old GM Non-Employee Director Compensation

Director (a)	Fees Earned or Paid in Cash $	All Other Compensation (b) $	Total $
Percy N. Barnevik	0	2,882	2,882
Erskine B. Bowles	1	10,250	10,251
John H. Bryan	1	32,586	32,587
Armando M. Codina	1	8,004	8,005
Erroll B. Davis, Jr.	1	7,880	7,881
George M.C. Fisher	1	25,616	25,617
E. Neville Isdell	1	4,316	4,317
Karen Katen	1	4,724	4,725
Kent Kresa	1	8,021	8,022
Philip A. Laskawy	1	7,727	7,728
Kathryn V. Marinello	1	7,650	7,651
Eckhard Pfeiffer	1	19,585	19,586

(a) Mr. Barnevik resigned from the Old GM Board effective February 3, 2009. The other directors resigned from the Old GM Board in early July 2009, either before or immediately after the closing of the 363 Sale.

(b) “All Other Compensation” is comprised of interest paid on deferred cash-based accounts; incremental costs for the use of company vehicles and reimbursement of associated taxes until August 1, 2009; and the costs associated with personal accident and liability insurances.

All Other Compensation

Totals for amounts reported as “All Other Compensation” in the preceding “2009 Old GM Non-Employee Director Compensation” table are described below:

Director	Aggregate Earnings on Deferred Compensation ($)	Company Vehicle (a) ($)	Tax Reimbursement (b) ($)	Other (c) ($)	Total ($)
Percy N. Barnevik	0	1,905	532	445	2,882
Erskine B. Bowles (e)	0	6,984	2,771	495	10,250
John H. Bryan (d)(e)	23,112	5,714	3,690	70	32,586
Armando M. Codina (e)	0	4,444	3,065	495	8,004
Erroll B. Davis, Jr.	744	3,810	3,035	291	7,880
George M.C. Fisher (d)(e)	19,574	3,175	2,372	495	25,616
E. Neville Isdell	0	3,810	436	70	4,316
Karen Katen (e)	0	2,540	1,689	495	4,724
Kent Kresa	604	3,810	3,316	291	8,021
Philip A. Laskawy	0	3,810	3,626	291	7,727
Kathryn V. Marinello	0	3,810	3,549	291	7,650
Eckhard Pfeiffer (d)(e)	7,056	6,984	5,050	495	19,585

(a) Includes incremental costs for company vehicles which are calculated based on the average monthly cost of providing vehicles to all directors, including lost sales opportunity and incentive costs, if any; insurance claims, if any; licensing and registration fees; and use taxes.

(b) Directors were charged with imputed income based on the lease value of the vehicle driven and reimbursed for associated taxes until August 1, 2009.

(c) Reflects cost of premiums for providing personal accident and personal umbrella liability insurance. If a director elected to receive coverage, the taxes related to the imputed income are the responsibility of the director.

(d) We administered the Old GM Director Compensation Plan after July 9, 2009. Amounts shown under “Aggregate Earnings on Deferred Compensation” for Mr. Bryan, Mr. Fisher, and Mr. Pfeiffer include interest credited to their deferred cash-based accounts in 2009 including the period subsequent to July 9, 2009.

(e) Following their resignation from the Old GM Board, Mr. Bowles, Mr. Bryan, Mr. Codina, Mr. Fisher, Ms. Katen and Mr. Pfeiffer were requested to turn in their company vehicles as soon as practicable because they did not join our Board. We paid for the costs related to providing company vehicles during the transition period which followed the closing of the 363 Sale in addition to costs related to selling company vehicles to certain former directors. Directors were charged imputed income for use of these vehicles and were responsible for associated taxes beginning August 1, 2009.

General Motors Board of Directors

Following the recommendation of the Governance Committee, our Board determined that effective July 10, 2009, each member of the Board who is not an employee would be paid, in cash, an annual retainer of $200,000 for service on the Board and, if applicable, one or more of the following annual retainers: (1) $10,000 for service as Chair of any Board committee; (2) $20,000 for service on the Audit Committee; and (3) $150,000 for service as the Chairman of the Board. In addition, until August 1, 2009, the members of the Board could be reimbursed for taxes related to income imputed to them for the use of company cars provided to non-employee directors.

Upon joining the Board, Mr. Bonderman requested that his annual retainer of $200,000 for service on the Board be reduced to one dollar. Effective August 2010, his annual Board retainer of $200,000 was reinstated.

On March 2, 2010, the Governance Committee approved an additional annual retainer of $10,000 for service as Lead Director, consistent with the annual retainer paid to the Chair of any Board committee.

Mr. Whitacre will receive director's and Chairman's fees totaling $300,000 for his service as Chairman of the Board for the period from September 1, 2010 through December 31, 2010. Mr. Whitacre stepped down from his position as Chief Executive Officer of the Company on September 1, 2010 and thus will receive only that portion of his salary and salary stock earned prior to his termination date, and will not be granted any restricted stock units.

On October 5, 2010, our Board adopted the General Motors Company Deferred Compensation Plan for Non-Employee Directors (New GM Director Compensation Plan). Under the New GM Director Compensation Plan, which takes effect January 1, 2011, non-employee directors will be required to defer 50% of their annual Board retainer (i.e., $100,000) into share units of our common stock and may elect to receive the remainder of the Board retainer in cash or to defer either 50% or 100% in additional share units of our common stock. Amounts deferred and credited as share units under this plan are not available until after the director retires or otherwise leaves the Board. After leaving the Board, the director receives a cash payment or payments under this plan based on the number of shares in the director's account, valued at the average daily closing market price for the quarter immediately preceding payment. Directors are paid in a lump sum or in annual installments for up to five years based on their deferral elections.

The fees for a director who joins or leaves the Board or assumes additional responsibilities during the year are pro-rated for his or her period of service. The fees listed in the table below reflect any pro-rata adjustments that occurred in the year ended December 31, 2009.

2009 GM Non-Employee Director Compensation

Director	Fees Earned or Paid in Cash (a)	All Other Compensation (b)	Total
	$	$	$
Daniel F. Akerson (d) (f)	91,667	1,444	93,111
David Bonderman (d)	1	1,095	1,096
Erroll B. Davis, Jr. (c)	108,333	3,337	111,670
Stephen J. Girsky (c)	100,000	76,792	176,792
E. Neville Isdell (c)	104,167	2,286	106,453
Robert D. Krebs (d)	83,333	1,095	84,428
Kent Kresa (c) (e)	112,500	3,242	115,742
Philip A. Laskawy (c)	112,500	2,815	115,315
Kathryn V. Marinello (c)	100,000	2,958	102,958
Patricia A. Russo (d)	87,500	1,095	88,595
Carol M. Stephenson (d)	83,333	1,820	85,153

(a) Includes annual retainer fees, Chair and Audit Committee fees. Fees for excess meetings and special services were eliminated effective July 10, 2009.

(b) "All Other Compensation" includes among other items incremental costs for the use of company vehicles and reimbursement of associated taxes until August 1, 2009; and the costs associated with personal accident and liability insurances.

(c) Following their resignations from the Old GM Board, Mr. Davis, Mr. Isdell, Mr. Kresa, Mr. Laskawy, and Ms. Marinello joined our Board on July 10, 2009. Mr. Girsky and Mr. Whitacre also joined our Board on the same day. (Mr. Whitacre's compensation as a director is reflected in the Summary Compensation Table.)

(d) Mr. Akerson, Mr. Bonderman, Mr. Krebs, Ms. Russo and Ms. Stephenson joined the Board on July 24, 2009.

(e) Mr. Kresa retired from the Board effective August 3, 2010.

(f) Mr. Akerson became our Chief Executive Officer on September 1, 2010.

All Other Compensation

Totals for amounts reported as "All Other Compensation" in the preceding "2009 GM Non-Employee Director Compensation" table are described below:

Director	Aggregate Earnings on Deferred Compensation ($)	Company Vehicle (a) ($)	Tax Reimbursement (b) ($)	Other (c) ($)	Total ($)
Daniel F. Akerson	0	1,394	0	50	1,444
David Bonderman	0	1,045	0	50	1,095
Erroll B. Davis, Jr. (e)	650	2,091	342	254	3,337
Stephen J. Girsky (d)	0	1,742	0	75,050	76,792
E. Neville Isdell	0	2,091	145	50	2,286
Robert D. Krebs	0	1,045	0	50	1,095
Kent Kresa (e)	523	2,091	374	254	3,242
Philip A. Laskawy	0	2,091	470	254	2,815
Kathryn V. Marinello	0	2,091	613	254	2,958
Patricia A. Russo	0	1,045	0	50	1,095
Carol M. Stephenson	0	1,742	28	50	1,820

(a) Includes incremental costs for company vehicles which are calculated based on the average monthly cost of providing vehicles to all directors, including lost sales opportunity and incentive costs, if any; insurance claims, if any; licensing and registration fees; and use taxes.

(b) Directors were charged with imputed income based on the lease value of the vehicle driven and reimbursed for associated taxes until August 1, 2009.

(c) Reflects cost of premiums for providing personal accident and personal umbrella liability insurance. If a director elected to receive coverage, the taxes related to the imputed income are the responsibility of the director. Effective January 1, 2010, we no longer pay for the cost of providing personal umbrella liability insurance.

(d) "Other" amount for Mr. Girsky reflects additional compensation received in the form of salary stock for his services as Senior Advisor to the Office of the Chairman in December 2009. See the section of this prospectus entitled "Certain Relationships and Related Party Transactions" for more information.

(e) We assumed the Old GM Director Compensation Plan, and it remains in place with respect to past deferrals of compensation to Old GM directors who are members of our Board.

Compensation Committee Interlocks and Insider Participation

No executive officer of GM served on any board of directors or compensation committee of any other company for which any of our directors served as an executive officer at any time during the year ended December 31, 2009.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following section contains a discussion of our executive compensation programs and our analysis of the compensation decisions affecting our Named Executive Officers during the year ended December 31, 2009, as well as a review of executive compensation programs related to Old GM.

Compensation Discussion and Analysis — Old GM

Prior to the Chapter 11 Proceedings and 363 Sale, Old GM's Compensation Committee had overall responsibility for the development and administration of Old GM's executive compensation program and executive benefit plans. Old GM's Compensation Committee established the compensation philosophy and strategy; set the base salary and incentive opportunities for Old GM's CEO and SLG; established performance measures and objectives for Old GM's CEO and SLG; determined whether, and to what extent, the performance objectives were achieved; recommended to the Old GM Board the amount of incentive compensation to be paid to the Old GM CEO and Old GM SLG; and was responsible for amending and modifying Old GM's executive compensation benefit plan. Old GM's Compensation Committee also recommended to the Old GM Board perquisites and non-qualified benefits for the Old GM CEO, and approved such benefits for the Old GM SLG, as well as any employment or consulting agreements and severance arrangements for Old GM SLG members.

Prior to the Chapter 11 Proceedings, the Old GM Compensation Committee consisted of the following directors: Mr. John H. Bryan (Chair), Mr. Erskine B. Bowles, Mr. Armando Codina, Mr. George M. C. Fisher, and Ms. Karen Katen. The Old GM Compensation Committee met five times between January 1 and July 9, 2009. All the members of the Old GM Compensation Committee resigned from the Board of Directors of Old GM by July 10, 2009.

Resignation of Mr. Wagoner and Appointment of Mr. Henderson. On March 29, 2009, Mr. Wagoner resigned as a director and stepped down from his positions as Chairman of the Board and Chief Executive Officer of Old GM. On the same date, Mr. Henderson was appointed President and Chief Executive Officer and elected to the Board of Directors of Old GM.

UST Loan Agreement Executive Compensation Limitations. Under the terms of the UST Loan Agreement, first effective on December 31, 2008, Old GM was required to comply with certain limitations on executive compensation. The most significant of these included:

- Prohibition of any severance payable to an "SEO" (Senior Executive Officer who is also a Named Executive Officer) and the next five most highly compensated employees (the MHCEs);
- No tax deduction for any compensation in excess of $500,000 paid to an SEO;
- Prohibition of any bonus or incentive compensation payments to or accruals for the 25 MHCEs (including the SEOs), unless otherwise approved by the UST;
- Prohibition from adopting or maintaining any compensation plan that would encourage manipulation of reported earnings;
- Clawback of any bonuses or other compensation paid to any SEO in violation of any of the executive compensation provisions of the UST Loan Agreement;
- Prohibitions on incentives for SEOs that might encourage them to take unnecessary or excessive risks and a requirement that the Committee review SEO compensation arrangements with the chief risk officer within 120 days of entering into the UST Loan Agreement and quarterly thereafter; and

- Prohibition on owning or leasing private aircraft and limitations on expenditures for corporate events, travel, consultants, real estate, and corporate offices.

These provisions also prohibited the payment of all outstanding equity awards granted prior to December 31, 2008 and disclosed in the section of this prospectus below entitled "—Outstanding Equity Awards at December 31, 2009" to the Named Executive Officers unless approved by the UST.

Bankruptcy Proceedings. On June 1, 2009, Old GM filed a motion for reorganization under the provisions of Chapter 11 of the Bankruptcy Code. In connection with the Chapter 11 Proceedings on July 10, 2009, we completed the 363 Sale and executed the UST Credit Agreement. The UST Credit Agreement reiterated the provisions of the UST Loan Agreement with respect to executive compensation and incorporated the requirements of the TARP Standards.

Treasury Interim Final Rule on TARP Standards for Compensation and Corporate Governance and Appointment of Special Master. On June 15, 2009, the UST published its Interim Final Rule on TARP Standards for Compensation and Corporate Governance, including the appointment of a Special Master and requirements for the approval by him of all compensation plans and payments for Old GM's SEOs and the next 20 MHCEs as well as the compensation structure for Old GM's top 100 executives.

Base Salaries. At Mr. Wagoner's recommendation, and with the concurrence of the other executives, Old GM's Compensation Committee had reduced the base salaries of Old GM's most senior executives as follows on January 1, 2009:

Mr. G. Richard Wagoner, Jr. — Chairman and Chief Executive Officer	$1.00 Annual Salary
Mr. Frederick A. Henderson — President and Chief Operating Officer	30% Annual Salary Reduction
Mr. Ray G. Young — Executive Vice President and Chief Financial Officer	20% Annual Salary Reduction

The remaining three Old GM Named Executive Officers (Mr. Robert S. Osborne, Mr. Carl-Peter Forster, and Mr. Nick S. Cyprus) received 10% salary reductions on May 1, 2009.

Annual Incentive Plan (AIP). Due to the severe economic downturn and Old GM's financial condition, no AIP target awards were established for Old GM's CEO and Old GM's SLG for 2009.

Long-Term Incentive Awards. In conjunction with the Chapter 11 Proceedings, all unexercised Old GM stock options, unvested restricted stock units, and unvested equity incentive plan awards were left in MLC with no consideration paid to the employees. Old GM did not make any new long-term award grants during 2009.

Perquisites and Benefits. Also, in conjunction with the Chapter 11 Proceedings, Old GM reduced or eliminated certain employee benefits, including the following:

- Executive Retirement Plan (ERP) — For executives that were still active employees, ERP benefit accruals were reduced by 10% effective with the closing of the 363 Sale. For executives that were retired from Old GM with an annual pension benefit below $100,000, ERP benefits were reduced by 10% effective with the closing of the 363 Sale. In addition, for executives that were retired from Old GM with an annual pension benefit above $100,000, the ERP benefit payable above $100,000 was reduced by two-thirds effective with the closing of the 363 Sale. Additional modifications to the ERP are discussed in the "Retirement Program Applicable to Executive Officers" subsection of this prospectus.

- Supplemental Life Benefits Program (SLBP) — The SLBP benefit for certain executive retirees was reduced by 50%, effective May 1, 2009. Additional modifications to the SLBP are discussed in footnote (4) of the "All Other Compensation" section.

Compensation Discussion and Analysis — New GM

Our Board of Directors was appointed in July 2009, following the 363 Sale. Upon its appointment, our Board began a review of the senior leadership team to assure that we have the right leadership to return the Company to sustained profitability. Our new leadership team was selected for their strategic orientation and ability to implement decisions quickly and effectively.

Objectives and Elements of Our Compensation Program. As discussed in the section of this prospectus entitled "Management—Committees of the Board of Directors—Executive Compensation Committee," the Committee must balance the need to provide competitive compensation and benefits with the guidelines and requirements of the UST Credit Agreement and in the TARP regulations as they apply to Exceptional Assistance Recipients. Working with the Special Master, the Committee reviewed and approved corporate goals and objectives related to compensation and set individual compensation amounts for the CEO and Named Executive Officers.

Between July 10 and December 31, 2009, representatives of management and the Compensation Committee met frequently and participated in several telephonic discussions with the Special Master to establish TARP compliant compensation, benefit, and incentive plans. Overall, "TARP compliant" compensation structures for our senior executives, including the Named Executive Officers, must be consistent with the following six general principles articulated by TARP regulations:

- Risk — The compensation structure should avoid incentives to take unnecessary and excessive risk, e.g., should be paid over a time horizon that takes into account the appropriate risk horizon;
- Taxpayer Return — The compensation paid should recognize the need for us to remain viable and competitive, and to retain and recruit critical talent;
- Appropriate Allocation — The structure should appropriately allocate total compensation to fixed and variable pay elements resulting in an appropriate mix of long- and short-term pay elements;
- Performance-Based Compensation — An appropriate portion of total compensation should be performance based over a relevant performance period;
- Comparable Structures and Payments — Structures and amounts should be competitive with those paid to persons in similar positions at similarly situated companies; and
- Employee Contribution to TARP Recipient Value — Compensation should reflect the current and prospective contributions of the individual employee to the value of the Company.

Total Compensation Framework

With these principles in mind, the Special Master determined that the following standards would be applied in setting compensation for our Named Executive Officers:

- Cash — Base salary should not exceed $500,000 per year, except in appropriate cases for good cause shown. Guarantees of "bonus" or "retention" awards are not permitted for Named Executive Officers. Overall, cash compensation for senior executives was reduced 31% from 2008 levels.
- Salary stock — comprises the majority of each senior executive's total annual compensation. Salary stock units (SSUs) vest immediately and are payable in three equal, annual installments beginning on the second anniversary of the quarter in which they were deemed to have been granted, or one year earlier upon certification by our Compensation Committee that repayment of our TARP obligations has commenced.

- Long-term restricted stock units — should not exceed one-third of total annual compensation and will be based on annual business performance. The restricted stock units will be forfeited unless the employee remains with the Company for at least three years following grant, and will only be redeemed after the third anniversary date of the grant in 25% installments for each 25% installment of our TARP obligations that is repaid.

- Benefits and perquisites — All "other" compensation and perquisites may not exceed $25,000 for Named Executive Officers except in exceptional circumstances for good cause shown, e.g., payments related to expatriate assignments. No severance benefits may be accrued or tax "gross-ups" paid, and no additional amounts under supplemental executive retirement plans or other "non-qualified deferred compensation" plans could be credited after October 22, 2009 for Messrs. Young, Cole, and Henderson, and after December 11, 2009 for Messrs. Stephens and Lutz.

Total annual compensation for each senior executive reflects the individual's value to us and was targeted at the 50th percentile of total compensation provided to persons in similar positions or roles at similar companies. Total direct compensation, excluding benefits and perquisites, for senior executives was decreased 24.7% from 2008 levels. All incentives paid to these Named Executive Officers are subject to recovery or "clawback" if payments are later found to be based on materially inaccurate financial statements or other materially inaccurate performance metrics, or if the executive is terminated due to any misconduct that occurred during the period in which the incentive was earned.

Assessing Compensation Competitiveness

With the completion of the 363 Sale, the starting point for our compensation planning was assuring compensation competitiveness and leadership strength. For this reason, although recognizing that our 2009 program would be shaped by the parameters of the TARP regulations for Exceptional Assistance Recipients, we began our planning with a review of our compensation program in comparison to compensation opportunities provided by other large companies. We cannot limit the group to our industry alone because compensation information is not available from most of our major competitors. We also believe it is important to understand the compensation practices for Named Executive Officers at other U.S. based multinationals as it affects our ability to attract and retain diverse talent around the globe.

During 2009, we used a comparator group of 23 companies whose selection was based on the following criteria:

- Large Fortune 100 companies (annual revenue from $18.4 billion to $477.3 billion);

- Complex business operations, including significant research and development, design, engineering, and manufacturing functions with large numbers of employees;

- Global enterprises; and

- Broad representation across several industries of companies that produce products, rather than services.

2009 Comparator Companies

Company	GICS Category	Company	GICS Category
Ford Motor Company	Consumer Discretionary	Johnson & Johnson	Consumer Staples
Johnson Controls Inc.	Consumer Discretionary	PepsiCo, Inc.	Consumer Staples
Dell Inc.	IT	The Procter & Gamble Company	Consumer Staples
Hewlett-Packard Company	IT	Chevron Corporation	Energy
International Business Machines Corporation	IT	ConocoPhillips	Energy
Alcoa, Inc.	Industrial	Exxon Mobil Corporation	Energy
The Boeing Company	Industrial	Abbott Laboratories	Healthcare
Caterpillar Inc.	Industrial	Pfizer Inc.	Healthcare
General Electric Company	Industrial	Archer Daniels Midland Company	Materials
Honeywell International Inc.	Industrial	E.I. du Pont De Nemours & Company	Materials
Lockheed Martin Corporation	Industrial	The Dow Chemical Company	Materials
United Technologies Corporation	Industrial		

Role of Management in Compensation Decisions

During his tenure as CEO, Mr. Henderson believed compensation had an important function in aligning and motivating the executive team to achieve key corporate objectives, and he played an active role in the development of our compensation plans. He personally reviewed the proposed individual compensation of our SLG. Mr. Henderson attended Compensation Committee meetings at the invitation of the committee Chairman and provided input to the Compensation Committee regarding the compensation of the Named Executive Officers reporting to him.

2009 Compensation for Named Executive Officers

Based on the compensation objectives and elements described above, and in cooperation with the Special Master, 2009 compensation was established for our Named Executive Officers listed below and described in the tables below in this “Executive Compensation” section of this prospectus:

Edward E. Whitacre, Jr.	Chairman of the Board and Former Chief Executive Officer
Thomas G. Stephens	Vice Chairman, Global Product Operations
Ray G. Young	Executive Vice President and Chief Financial Officer
Frederick A. Henderson	President and Chief Executive Officer (Separated)
G. Richard Wagoner, Jr.	Chairman of the Board and Chief Executive Officer (Retired)
Robert A. Lutz	Vice Chairman (Retired)
Kenneth W. Cole	Vice President, Global Public Policy and Government Relations (Retired)

Base Salaries and Salary Stock

As noted above in our discussion of TARP principles and Special Master guidelines, cash base salaries for Named Executive Officers of TARP Exceptional Assistance Recipients are not allowed to exceed $500,000 per year, except in appropriate cases approved by the Special Master for good cause shown, e.g., the retention of critical talent and competitive compensation data for individuals in comparable positions. We relied on our comparator information for similar positions to support our recommendations for setting base salaries for each Named Executive Officer. Although cash salaries exceeded the $500,000 guideline in all cases except Mr. Young and Mr. Cole as shown in the table below, they are well below the cash base salaries paid at comparator companies and are supplemented by the amounts set for SSUs for each senior executive.

We finalized our compensation planning for Named Executive Officers with the Special Master in late 2009. Although base salaries had been affected by reductions earlier in 2009, in determining the total annual compensation, including new salary amounts, for Messrs. Stephens, Lutz, Young, Cole, and Henderson, we relied on the comparator data for total compensation at the 50th percentile for each respective position. We then

excluded one-third of the value for long-term restricted stock units, and adjusted the allocation between cash and SSUs in accordance with TARP guidelines as follows:

	Cash Salary	SSUs	Total
Mr. Stephens	$900,000	$ 945,833	$1,845,833
Mr. Lutz	$900,000	$1,070,833	$1,970,833
Mr. Young	$500,000	$ 576,668	$1,076,668
Mr. Cole	$500,000	$ 935,543	$1,435,543
Mr. Henderson	$950,000	$2,421,667	$3,371,667

SSUs are determined as a dollar amount through the date salary is earned, accrued at the same time as salary would otherwise be paid, and vest immediately upon grant, with the number of SSUs based on the most current value of the Company on the date of the grant. To assure that our compensation structure appropriately allocates a portion of compensation to long-term incentives, these vested units will become payable in three equal, annual installments beginning on the second anniversary of the quarter in which they were deemed to have been granted, with each installment payable one year earlier upon certification by our Compensation Committee that repayment of our TARP obligations has commenced. SSUs will be payable in cash if settled prior to six months after completion of this offering. Thereafter, settlement of awards will be made in shares of stock. As the compensation plans were not finalized until late in 2009, amounts earned for earlier 2009 pay periods will become payable on their anniversary dates as if they had been credited on a *nunc pro tunc* basis throughout 2009 beginning January 1, and will be paid on the anniversary of the quarter in which they were deemed to have been granted.

Mr. Whitacre served as our CEO from December 1, 2009 until August 31, 2010. He received no 2009 cash salary or SSU grant as he was not an employee of the Company during 2009. His compensation was paid in the form of a director's retainer as described in the section of this prospectus below entitled "—Summary Compensation Table."

Mr. Wagoner retired on August 1, 2009. His compensation was reduced to $1 on January 1, 2009, and he did not receive a salary increase or an SSU grant in 2009. His retirement benefit was determined under the provisions of Old GM Salaried Retirement Program (SRP) and Old GM ERP plans.

"Other" Compensation, Benefits, and Perquisites

Pursuant to TARP regulations, the Special Master determined that no more than $25,000 in total "other" compensation and perquisites may be provided to Named Executive Officers, absent exceptional circumstances for good cause shown. Payments related to expatriate assignments are not included in this total. Detailed disclosure of these items for the Named Executive officers appears in footnote (9) in the section of this prospectus below entitled "—Summary Compensation Table," and any exceptions to this guideline were reviewed and approved by the Special Master.

2009 accruals for non-qualified supplemental executive retirement and deferred compensation plans for Named Executive Officers ceased as described in footnote (9) in the section of this prospectus entitled "—Summary Compensation Table." No severance payment to which a Named Executive Officer becomes entitled in the future may take into account any salary increase or payment of salary stock awarded during 2009, and none of the Named Executive Officers may receive a severance payment of any kind during the TARP period.

Stock Ownership Guidelines

We continue to believe it is important to align the interests of senior executives with those of stockholders, and will review our stock ownership guidelines and practices after this offering has been completed.

Employment Agreements

We had no employment agreements with Messrs. Stephens or Young that provided them with special compensation arrangements. In addition, we do not maintain any plan providing benefits related to a change-in-control of the Company, and none of our current incentive plans contain such provisions. Employment arrangements with Messrs. Akerson, Girsky and Liddell are discussed in the section of this prospectus below entitled "—Employment Arrangements."

Recoupment Policy on Incentive Compensation

In October 2006, the Old GM Board adopted a policy regarding the recoupment of incentive compensation paid to executive officers after January 1, 2007 and unvested portions of awards previously granted in situations involving financial restatement due to employee fraud, negligence, or intentional misconduct. The policy was published on Old GM's website. In addition, Old GM included provisions in all executive incentive and deferred compensation plans referencing Old GM's Board compensation policies and required that the compensation of all executives covered by this policy be subject to this recoupment clause.

On September 8, 2009, our Board reaffirmed this policy and re-published it on our website, consistent with the requirements for TARP recipients. Our recoupment policy now provides that if our Board or an appropriate committee thereof has determined that any bonus, retention award, or incentive compensation has been paid to any Senior Executive Officer or any of the next 20 MHCEs of the Company based on materially inaccurate misstatement of earnings, revenues, gains, or other criteria, the Board or Compensation Committee shall take, in its discretion, such action as it deems necessary to recover the compensation paid, remedy the misconduct, and prevent its recurrence. For this purpose, a financial statement or performance metric shall be treated as materially inaccurate with respect to any employee who knowingly engaged in providing inaccurate information or knowingly failed to timely correct information relating to those financial statements or performance metrics.

Luxury Expense Policy

As required by TARP regulations, we have adopted a luxury expense policy and published it on our website. The policy's governing principles establish expectations for every business expense, embodying the integrity and values that promote the best interests of the enterprise.

Luxury or excessive expenditures are not reimbursable under the policy. Such expenditures may include, but are not limited to expenditures on entertainment or events, office and facility renovations, aviation, transportation services, or other activities or events that are not reasonable expenditures for staff development, performance incentives, or other similar measures conducted in the normal course of business operations. Guidelines relating to transportation expenses are discussed in footnote (9) (All Other Compensation) in the section of this prospectus below entitled "—Summary Compensation Table."

Tax Considerations

As a recipient of TARP funds, we cannot claim a tax deduction in excess of $500,000 annually for compensation paid to any of our Named Executive Officers (including with respect to performance-based compensation), so long as the UST owns direct or indirect equity interests in us.

2010 Compensation for Named Executive Officers

We have developed our 2010 compensation structure for our Named Executive Officers pursuant to the provisions of the UST Credit Agreement, Special Master Determinations, and TARP regulations. The elements of these plans are based on the same principles as our 2009 plans:

- Avoidance of incentives to take unnecessary and excessive risk;
- Recognition of the need for us to remain viable and competitive, and to retain and recruit critical talent;

- Appropriate allocation of total compensation to fixed, variable, long-term, and short-term pay elements;
- Pay is performance-based over a relevant performance period;
- Structures and amounts are competitive with those paid to employees in comparable positions by similarly situated companies; and
- The employee's contribution to enterprise value is recognized.

With these principles as a foundation, we will again compensate our Named Executive Officers with cash salary, SSUs, and performance-based long-term restricted stock units, consistent with proportions and guidelines utilized in our 2009 plans and determinations made by the Special Master.

Long-Term Restricted Stock

Long-term restricted stock unit grants were planned under the amended 2009 Long-Term Incentive Plan (2009 GMLTIP) and reviewed with the Special Master as part of our overall compensation structure. These grants, totaling 14.9 million share units, were based on exceeding the 2009 operating cash flow targeted performance of ($6.0) billion, and were granted on March 15, 2010, to the Company's executive employees, including the Named Executive Officers in the following amounts: Mr. Stephens, $1,016,667 (56,505 share units) and Mr. Young, $630,000 (35,013 share units). Mr. Young terminated employment on October 29, 2010 and forfeited these outstanding share units. Messrs. Lutz, Cole and Henderson did not receive RSU grants as they had already terminated or planned to terminate employment with the Company before the grants could vest.

In addition, 2.4 million salary stock units were granted to senior executives, including the Named Executive Officers through June 30, 2010.

New Incentive Plans

On October 5, 2010 our Board approved the 2009 GMLTIP, as amended October 5, 2010; the 2009 Salary Stock Plan, as amended October 5, 2010 (the GMSSP); and the 2010 Short-Term Incentive Plan (the GMSTIP).

The 2009 GMLTIP authorizes awards of RSUs and options. Our Board approved an aggregate fungible pool of shares totaling 75 million for the 2009 GMLTIP, the GMSSP and the GMSTIP with a maximum grant to any one individual under the 2009 GMLTIP of 3 million options or 750,000 RSUs. The fungible pool assigns a ratio for counting share usage upon issuance of awards as follows:

- Stock options and stock appreciation rights ("SARS") granted under the 2009 GMLTIP will count against the pool on a 1:1 ratio; and
- Full value awards granted under the 2009 GMLTIP, the GMSSP, and the GMSTIP will count against the fungible pool on a 2.5:1 ratio for awards granted after October 5, 2010.

Under the GMSSP, our Compensation Committee may select employees to receive base salary or other compensation as salary stock subject to a payment schedule over a three-year period. Compensation to be paid in salary stock is converted to RSUs at each quarter-end unless a different issue date is approved by our Compensation Committee. Salary stock RSUs are settled ratably in one-third increments on each of the first, second, and third anniversaries of the issue date thereof, or other settlement dates as approved by our Compensation Committee. Awards are not forfeitable and may be settled in cash, or stock, if settlement occurs after this offering.

Under the GMSTIP, grants of target awards may be made based on the establishment of one or more performance metrics by our Compensation Committee. Target awards may become final awards based on the relative achievement of the selected metrics, and any payment of final awards will be made in cash and/or restricted stock units subsequent to the determination of the actual performance achieved during the performance period. The maximum final award payable to any one individual under the GMSTIP is $7.5 million.

Summary Compensation Table

(a) Name and Principal Position	(b) Year	(c) Salary	(d) Bonus	(e) Stock Awards(7)	(f) Stock Options(8)	(g) Non-Equity Incentive Plan Compensation	(h) Pension Value and NQ Deferred Compensation(9)	(i) All Other Compensation(10)	(j) TOTAL
Whitacre, Jr., E.E. (1) Chairman and Former CEO	2009							$ 181,308	$ 181,308
Stephens, T.G. Vice Chairman – Global Product Operations	2009	$1,087,500	$ 0	$ 945,833	$ 0	$ 0	$ 0	$ 78,785	$ 2,112,118
	2008	$ 970,833	$ 0	$1,375,000	$ 637,875	$ 0	$ 644,300	$ 140,621	$ 3,768,629
	2007	$ 825,000	$ 0	$2,218,637	$ 437,500	$ 468,000	$ 1,528,100	$ 112,499	$ 5,589,736
Lutz, R.A. (2) Vice Chairman (Ret)	2009	$1,379,167	$ 0	$1,070,833	$ 0	$ 0	$ 0	$ 175,854	$ 2,625,854
	2008	$1,678,000	$ 0	$4,387,800	$1,822,500	$ 0	$ 0	$ 674,199	$ 8,562,499
	2007	$1,279,167	$ 0	$4,018,283	$2,187,500	$ 1,026,000	$ 0	$ 516,506	$ 9,027,456
Young, R.G. (3) Executive Vice President and Chief Financial Officer	2009	$ 683,333	$ 0	$ 576,668	$ 0	$ 0	$ 345,200	$ 21,573	$ 1,626,774
	2008	$ 850,000	$ 0	$1,007,234	$ 637,875	$ 0	$ 85,000	$ 93,003	$ 2,673,112
Cole, K.W. (4) Vice President Global Public Policy and Gov't Rel. (Ret)	2009	$ 643,417	$785,000	$ 935,543	$ 0	$ 0	$ 0	$ 49,907	$ 2,413,867
Henderson, F.A. (5) President and CEO (Sep)	2009	$1,208,333	$ 0	$2,421,667	$ 0	$ 0	$ 0	$ 400,764	$ 4,030,764
	2008	$1,719,667	$ 0	$3,422,030	$3,222,500	$ 0	$ 264,500	$ 348,710	$ 8,977,407
	2007	$1,279,167	$ 0	$4,018,283	$2,187,500	$ 1,026,000	$ 748,300	$ 805,848	$10,065,098
Wagoner, Jr., G.R. (6) Chairman and CEO (Ret)	2009	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,833,809	$ 2,833,810
	2008	$2,108,333	$ 0	$4,786,076	$7,145,000	$ 0	$ 1,583,800	$ 836,703	$16,459,912
	2007	$1,558,333	$ 0	$7,308,783	$4,375,000	$ 1,802,000	$ 4,020,400	$ 697,358	$19,761,874

(1) Mr. Whitacre was named Chairman and CEO effective December 1, 2009 and served as our CEO until August 31, 2010. He was elected Chairman of our Board of Directors on July 10, 2009. The compensation shown in All Other Compensation reflects retainer amounts paid to him for his service as Board member, Governance Committee Chair, and Chairman of the Board during the year ended December 31, 2009. Mr. Whitacre, who continues to serve as Chairman of the Board, announced his intention to retire from that position by the end of 2010.

(2) Mr. Lutz retired on May 1, 2010.

(3) Mr. Young was appointed Vice President-International Operations in Shanghai, China on February 1, 2010. During the year ended December 31, 2009, he served as Executive Vice President and Chief Financial Officer of Old GM and GM. Mr. Christopher P. Liddell was appointed Vice Chairman and Chief Financial Officer on January 1, 2010.

(4) On December 30, 2009, Mr. Cole announced that he would retire in 2010. He continued to provide public policy support as a special advisor until his retirement on July 1, 2010. Mr. Cole's guaranteed payment of $785,000 was made pursuant to the terms of his employment agreement with Old GM and pre-dated the UST Credit Agreement. This payment was reviewed with the UST as part of our 2009 compensation planning and the agreement was terminated on September 4, 2009.

(5) Mr. Henderson was appointed President and CEO of Old GM on March 29, 2009. He had been President and Chief Operating Officer of Old GM since March 3, 2008. He was subsequently appointed President and CEO of GM on July 10, 2009. He resigned as a director and as President and CEO of GM on December 1, 2009. His employment terminated on December 31, 2009. As a result of his employment termination, Mr. Henderson is only eligible for a deferred vested pension benefit from the SRP.

(6) Mr. Wagoner resigned as a director and as Chairman and CEO of Old GM on March 29, 2009. He retired on August 1, 2009.

(7)(8) For 2009, the amounts shown in this column reflect the value of SSUs at their grant dates to each of the Named Executive Officers. Individual grants are discussed previously in the section of this prospectus above entitled "—Compensation Discussion and Analysis," as well as in the section of this prospectus below entitled "—2009 Grants of Plan Based Awards." We describe the valuation assumptions used in measuring the expense in Note 29 to our audited consolidated financial statements, "Stock Incentive Plans."

The 2008 and 2007 awards include equity awards and stock options granted by Old GM to the Named Executive Officers. These 2008 and 2007 awards are included in the Summary Compensation Table above at their grant date fair value, and we describe the valuation assumptions used in measuring the expense in Note 29 to our audited consolidated financial statements, "Stock Incentive Plans." These Old GM awards have no future value as we did not assume them on July 10, 2009.

(9) Pension values actuarially decreased during 2009 for Messrs. Stephens, Lutz, Cole, Henderson, and Wagoner but are shown in column (h) as $0, consistent with SEC reporting guidelines.

(10) ***All Other Compensation*** — Totals for amounts reported as All Other Compensation in column (i) are described in the table below. Mr. Whitacre did not participate in these plans during 2009; the amount reported as his All Other Compensation reflects the amount paid to him as a director.

	E.E. Whitacre, Jr.	T.G. Stephens	R.A. Lutz	R.G. Young	K.W. Cole	F.A. Henderson	G.R. Wagoner, Jr.
(i) Personal Benefits	$ 2,091	$ 15,735	$ 55,829	$ 11,829	$ 11,888	$ 377,924	$ 289,660
(ii) Tax Reimbursements	$	$ 5,294	$ 5,626	$ 1,798	$ 3,139	$ 2,039	$ 5,687
(iii) Savings Plan Contributions	$	$ 9,334	$ 36,049	$ 1,650	$ 15,540	$ 2,888	$ 0
(iv) Insurance and Death Benefits	$	$ 47,322	$ 77,250	$ 5,196	$ 18,915	$ 16,813	$ 2,537,362
(v) Other	$ 179,217	$ 1,100	$ 1,100	$ 1,100	$ 425	$ 1,100	$ 1,100
Total All Other Compensation	$ 181,308	$ 78,785	$ 175,854	$ 21,573	$ 49,907	$ 400,764	$ 2,833,809

(i) See the "Personal Benefits" table below for additional information.

(ii) Includes payments made on the executives' behalf by the Company for the payment of taxes related to executive company program vehicles from January 1 until June 15, 2009, and for spousal accompaniment on business travel.

(iii) Includes employer contributions to tax-qualified and non-qualified savings and excess benefit plans. For Messrs. Lutz and Cole, amounts also include tax-qualified retirement plan contributions and post-retirement healthcare contributions; the non-qualified retirement plan contributions are included in the section of this prospectus entitled "—2009 Pension Benefits." Non-qualified employer contributions were suspended for Messrs. Young, Cole, and Henderson on October 22, 2009, and for Messrs. Stephens and Lutz on December 11, 2009.

(iv) Includes SLBP cash benefits paid upon the death of an active executive at three times annual salary for executives appointed prior to January 1, 1989 and two times annual salary for executives appointed on January 1, 1989 or later. No income is imputed to the executive and the benefit is taxable as ordinary income to survivors when paid.

The incremental cost reflects amounts contained in IRS Table 1 for insurance premiums at comparable coverage limits based on the executive's age. SLBP benefits were eliminated for retirees on August 1, 2009. SLBP benefits for active executives were eliminated effective May 1, 2010, and benefits will be provided under a Group Variable Universal Life insurance plan. The amount shown for Mr. Wagoner represents the taxable cash value proceeds of a split dollar life insurance policy maintained for him by the Company. The Company terminated the policy, received a return of the cash value, and paid the proceeds to him following his retirement.

(v) Includes the cost of premiums for personal umbrella liability insurance. Program coverage was eliminated January 1, 2010, and existing program participants were allowed to continue coverage on a self-paid basis. For Mr. Whitacre, cost includes annual retainer, Governance Committee Chair and Chairman of the Board fees, and personal accident insurance premium.

Personal Benefits — Amounts shown below for personal benefits include the incremental costs for executive security services and systems, the executive company vehicle program, executive health evaluations, and financial counseling. During 2009, we divested ourselves of any private passenger aircraft or any interest in such aircraft, and private passenger aircraft leases, and we did not maintain company aircraft for employees' business or personal use.

	E.E. Whitacre, Jr.	T.G. Stephens	R.A. Lutz	R.G. Young	K.W. Cole	F.A. Henderson	G.R. Wagoner, Jr.
(i) Security	$ 0	$ 1,924	$ 45,313	$ 1,313	$ 0	$ 364,428	$ 276,144
(ii) Company Vehicle Program	$ 2,091	$ 1,516	$ 1,516	$ 1,516	$ 1,516	$ 1,516	$ 1,516
(iii) Financial Counseling	$ 0	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 9,000	$ 12,000
(iv) Medical Evaluations	$ 0	$ 3,295	$ 0	$ 0	$ 1,372	$ 2,980	$ 0
Total	$ 2,091	$ 15,735	$ 55,829	$ 11,829	$ 11,888	$ 377,924	$ 289,660

(i) As part of a comprehensive security study, residential security systems and services were maintained for Messrs. Wagoner and Henderson and vehicles and drivers are available for business-related functions. The associated cost includes the actual costs of the residential systems including installation and monitoring of security systems and allocation of staffing expenses for personal protection during 2009. Vehicle and driver costs associated with daily commuting are deemed "personal benefits," and, as such, are imputed as income to the executives and are included at their full incremental cost in these security expenses. In 2009, they totaled $22,799 for Mr. Lutz, $996 for Mr. Stephens, $1,313 for Mr. Young, $16,752 for Mr. Henderson, and $4,559 for Mr. Wagoner.

(ii) Includes the incremental cost to maintain the executive company vehicle program fleet that is allocated to each executive and includes lost sales opportunity and incentive costs, if any; fuel, maintenance, and repair costs; insurance claims, if any; licensing and registration fees; and use taxes. Executives electing to participate in the program are required to purchase or lease at least one GM vehicle every four years and asked to evaluate the vehicles they drive, thus providing feedback about our products. Participants are required to pay a monthly administration fee of $300 and are charged with imputed income based on the value of the vehicle they choose to drive. During part of 2009, participants were reimbursed for taxes on this income, subject to a maximum vehicle value. Beyond this maximum amount, taxes assessed on imputed income are the responsibility of the participant. Tax "gross-ups" were eliminated on June 15, 2009 for Named Executive Officers and on February 1, 2010 for other executives. Mr. Whitacre's vehicle was provided under the provisions of the vehicle program for directors.

(iii) Costs associated with financial counseling and estate planning services with one of several approved providers.

(iv) Costs for medical services incurred by the Corporation in providing executive health evaluations with one of several approved providers.

2009 Grants of Plan Based Awards

As a TARP recipient under the jurisdiction of the Special Master, we have adopted a new equity compensation plan, the Salary Stock Plan. Pursuant to plan terms and upon approval of the Special Master, Named Executive Officers receive a portion of their total annual compensation in the form of SSUs. In 2009, SSUs were granted on each salary payment date to Named Executive Officers in lieu of a portion of their total annual compensation based on the most current valuation of the Company as determined by an independent third party. SSUs are non-forfeitable and will be paid in three equal installments at each of the second, third, and fourth anniversary of the quarter in which they were deemed to have been granted, and may be paid one year earlier upon certification by our Compensation Committee that repayment of our TARP obligations has commenced.

				Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
Name (1)	Award Type	Grant Date	Approval Date (2)	Threshold ($)	Target ($)	Max. ($)	Threshold (#)	Target (#)	Max. (#)	(#)	(#)	($/Share) ($)	($)
T.G. Stephens	SSU	12/31/2009	11/2/2009							52,566			**945,833**
R.A. Lutz	SSU	12/31/2009	11/2/2009							59,514			**1,070,833**
R.G. Young	SSU	11/13/2009	11/2/2009							11,127			144,167
	SSU	11/30/2009	11/2/2009							11,127			144,167
	SSU	12/15/2009	11/2/2009							11,127			144,167
	SSU	12/31/2009	11/2/2009							8,013			144,167
													576,668
K.W. Cole	SSU	11/13/2009	11/2/2009							7,896			102,306
	SSU	11/30/2009	11/2/2009							7,896			102,306
	SSU	12/15/2009	11/2/2009							7,896			102,306
	SSU	12/31/2009	11/2/2009							34,938			628,625
													935,543
F. A. Henderson	SSU	11/13/2009	11/2/2009							46,728			605,417
	SSU	11/30/2009	11/2/2009							46,728			605,417
	SSU	12/15/2009	11/2/2009							46,728			605,417
	SSU	12/31/2009	11/2/2009							33,648			605,416
													2,421,667

(1) Messrs. Whitacre and Wagoner are not included in this table as they did not receive grants under this plan during 2009.

(2) On November 2, 2009, the Compensation Committee took action to approve grants of SSUs to be made on various salary payment dates as determined by and subject to the approval of the Special Master. The unit value for the November 13, November 30, and December 15 grant dates was $12.96 based on the July 10, 2009 valuation. The unit value for the December 31 grant date was $17.99, based on the December 31, 2009 valuation. When salary amounts were converted to SSUs, fractional shares were rounded up to the nearest whole share.

Outstanding Equity Awards at December 31, 2009

All of the awards reflected in the table below were granted by Old GM and all obligations in respect thereto were retained by Old GM. The awards reflected in this table, while valued as required by SEC rules, are expected to have a realized value of $0. This table does not include any SSUs we granted in 2009 to our Named Executive Officers.

	Option Awards (1)					Stock Awards				
(a)		(b)	(c)	(d)	(e)	(f)		(g)	(h)	(i)	(j)
Name	Grant Date	Number of Securities Underlying Unexercised Options (# Exercisable) (#)	Number of Securities Underlying Unexercised Options (#Un-exercisable) (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Grant Date	Number of Shares or Units of Stock That Have Not Vested (2) (#)	Market Value of Shares or Units of Stock That Have Not Vested (2) ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights That Have Not Vested (3) (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units, or Other Rights That Have Not Vested (3) ($)
T. G. Stephens	3/05/2008	29,168	58,332		23.13	3/06/2018	3/05/2008	22,688	10,686	2,760	1,300
	3/20/2007	33,334	16,666		29.11	3/21/2017	3/20/2007	15,000	7,065		
	2/23/2006	36,000			20.90	2/24/2016					
	1/24/2005	32,000			36.37	1/25/2015					
	1/23/2004	32,000			53.92	1/24/2014					
							6/02/2003	9,000	4,239		
	1/21/2003	40,000			40.05	1/22/2013					
	2/04/2002	20,000			50.82	2/05/2012					
	1/07/2002	40,000			50.46	1/08/2012					
	1/08/2001	20,000			52.35	1/09/2011					
	1/10/2000	18,000			75.50	1/11/2010					
R.A. Lutz	3/05/2008	83,334	166,666		23.13	3/06/2018	3/05/2008	60,000	28,260	18,396	8,665
	3/20/2007	166,667	83,333		29.11	3/21/2017	3/20/2007	36,000	16,956		
	2/23/2006	106,664			20.90	2/24/2016					
	1/24/2005	160,000			36.37	1/25/2015					
	1/23/2004	160,000			53.92	1/24/2014					
	1/21/2003	200,000			40.05	1/22/2013					
	2/04/2002	100,000			50.82	2/05/2012					
	1/07/2002	100,000			50.46	1/08/2012					
	9/04/2001	200,000			54.91	9/05/2011					
R. G. Young	3/05/2008	29,168	58,332		23.13	3/06/2018	3/05/2008	20,236	9,531	2,760	1,300
	3/20/2007	10,000	5,000		29.11	3/21/2017	3/20/2007	3,651	1,720		
	2/23/2006	10,000			20.90	2/24/2016					
							6/06/2005	29,412	13,853		
	1/24/2005	12,800			36.37	1/25/2015					
	1/23/2004	12,800			53.92	1/24/2014					
	1/21/2003	16,000			40.05	1/22/2013					
	2/04/2002	7,000			50.82	2/05/2012					
	1/07/2002	14,000			50.46	1/08/2012					
	1/08/2001	7,500			52.35	1/09/2011					
	1/10/2000	6,000			75.50	1/11/2010					
K. W. Cole	3/05/2008	11,459	22,916		23.13	3/06/2018	3/05/2008	10,890	5,129	1,153	543
	3/20/2007	13,334	6,666		29.11	3/21/2017	3/20/2007	3,651	1,720		
	2/23/2006	15,000			20.90	2/24/2016					
	1/24/2005	16,000			36.37	1/25/2015					
	1/23/2004	16,000			53.92	1/24/2014					
	1/21/2003	20,000			40.05	1/22/2013					
	2/04/2002	10,000			50.82	2/05/2012					
	1/07/2002	20,000			50.46	1/08/2012					
	8/06/2001	20,000			63.76	8/07/2011					
G. R. Wagoner, Jr.	3/05/2008		500,000		23.13	3/05/2013					
	3/05/2008	500,000			23.13	3/06/2018					
	3/20/2007	500,000			29.11	3/21/2017	3/20/2007	57,000	26,847		
	2/23/2006	400,000			20.90	2/24/2016					
	1/24/2005	400,000			36.37	1/25/2015					
	1/23/2004	400,000			53.92	1/24/2014					
	1/21/2003	500,000			40.05	1/22/2013					
	2/04/2002	100,000			50.82	2/05/2012					
	1/07/2002	500,000			50.46	1/08/2012					
	1/08/2001	400,000			52.35	1/09/2011					
	6/01/2000	50,000			70.10	6/02/2010					
	1/10/2000	200,000			75.50	1/11/2010					

Old GM Plans

We did not assume any of the Old GM plans and we do not expect to pay any awards under these plans.

(1) The stock options in columns (b) and (c) above were granted by Old GM to the Named Executive Officers in a combination of non-qualified and Incentive Stock Options (ISOs) up to the Internal Revenue Code of 1986, as amended (IRC) maximum limit on ISOs, on the grant dates shown. Options become exercisable in three equal annual installments commencing on the first anniversary of the date of grant. The ISOs expire ten years from the date of grant, and the non-qualified options expire two days later. However, we assumed none of these outstanding stock options, and they are not expected to vest, be exercised, or have any future value.

(2) The amounts in columns (g) and (h) for 2008 and 2007 reflect restricted stock unit (RSU) and cash-based restricted stock unit (CRSU) grants by Old GM that, under their original terms, would vest ratably at various dates over several years. The awards are valued in column (h) based on the closing price of MLC Common Stock which is still being traded under the symbol MTLQQ (Pink Sheets) on December 31, 2009 ($0.471). However, we assumed none of these outstanding awards, and they are not expected to vest, be earned, pay out, or have any future value.

(3) Amounts in columns (i) and (j) reflect long term incentive awards granted by Old GM to Named Executive Officers. Award opportunities cover the 2008-2010 performance period and were granted under the Old General Motors 2007 Long-Term Incentive Plan. Each unit in the table refers to a share of MLC Common Stock. The SPP grant may be earned in four discrete installments based on the Total Shareholder Return (TSR) ranking results of three one-year periods and one three-year period. Each installment, if earned, would have been credited as share equivalents and, at the end of the three-year performance period, the value of the number of share equivalents credited would be paid in cash based on the stock price at the end of the performance period. For the 2008-2010 plan, no amount was credited for the 2008 or 2009 periods, and the shares shown also reflect two remaining installments at the threshold (50%) level. The awards are valued in column (j) based on the closing price of MLC Common Stock on December 31, 2009 ($0.471). However, we assumed none of these outstanding awards and they are not expected to vest, be earned, pay out, or have any future value.

Mr. Henderson terminated employment on December 31, 2009, and forfeited all outstanding unvested equity awards.

2009 Option Exercises and Stock Vested

	Option Awards		Stock Awards	
[a]	[b]	[c]	[d]	[e]
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
T. G. Stephens	0	0	52,566	945,833
R. A. Lutz	0	0	59,514	1,070,833
R. G. Young	0	0	41,394	576,668
K. W. Cole	0	0	58,626	935,543
F. A. Henderson	0	0	173,832	2,421,667

Old GM Plans

The Named Executive Officers exercised no stock options and did not acquire any shares or receive any cash payments as a result of vesting of RSUs, CRSUs, or outstanding performance shares. We assumed none of these outstanding stock options or equity awards. Pursuant to the UST Credit Agreement, we cannot pay or accrue any incentive compensation to Named Executive Officers. No awards granted prior to 2009 were paid out in 2009 when vesting or payment dates occurred and none are expected to pay out at any time in the future.

Our Plans

During 2009, SSUs shown in columns (d) and (e) above were awarded to Named Executive Officers as a portion of their total annual compensation on each salary payment date as described in the section of this prospectus above entitled "—2009 Grants of Plan Based Awards." SSUs are non-forfeitable and will be paid in three equal installments at each of the second, third, and fourth anniversary of the quarter in which they were deemed to have been granted. Although the compensation plans were not finalized until late in 2009, these SSUs are deemed to have been issued throughout 2009 on a *nunc pro tunc* basis (as if granted on various salary payroll dates beginning January 1, 2009) and will become payable beginning March 31, 2011, or one year earlier upon certification by our Compensation Committee that repayment of our TARP obligations has commenced.

Retirement Programs Applicable to Executive Officers

In 2006, benefit accruals under Old GM's U.S. pension plans were frozen effective December 31, 2006, and new pension plan formulas for U.S. and Canadian executive and salaried employees became effective for service on and after January 1, 2007. The implementation of these changes has had a significant effect on expected retirement benefit levels for executives, resulting in reductions generally ranging from 18% to greater than 50%, depending on the age of the executive at the time the new plan was implemented. We assumed these plans as amended on July 10, 2009.

Benefits for our U.S. executives may be from both a tax-qualified plan that is subject to the requirements of ERISA and from a non-qualified plan that provides supplemental benefits. Tax-qualified benefits are pre-funded and paid out of the trust assets of the SRP for executives with a length of service date prior to January 1, 2001. For executives with a length of service date between January 1, 2001 and December 31, 2006, tax-qualified benefits are pre-funded and paid out of the trust assets of the SRP for service prior to January 1, 2007 and are paid out of the S-SPP for service after December 31, 2006. For executives with a length of service date on or after January 1, 2007, all tax-qualified benefits are paid out of the S-SPP. Non-qualified benefits are not pre-funded and are paid out of our general assets.

U.S. executive employees must be at least age 55 with a minimum of ten years of eligible service to be vested in the U.S. non-qualified ERP, and must have been an executive employee on the active payroll as of December 31, 2006 to be eligible for any frozen accrued non-qualified ERP benefit. As of December 31, 2009, Messrs. Stephens, Lutz, and Cole were eligible to retire under these provisions.

In May 2009, Old GM non-qualified ERP benefits for all executive retirees were reduced by 10%. In June and July of 2009, as a result of Old GM's amendment of ERP and the Chapter 11 Proceedings and 363 Sale, a number of ERP recipients had their non-qualified benefit further reduced. Effective August 1, 2009, following the 363 Sale, Old GM executive retirees with an annual combined qualified SRP benefit plus non-qualified ERP benefit over $100,000, had the portion of their ERP benefit above $100,000 reduced by two-thirds, inclusive of the 10% reduction to ERP benefits effective in May 2009. Also effective August 1, 2009, non-qualified ERP benefits accrued as of that date for active executives were frozen and reduced by 10%. Accruals resumed after August 1, 2009, based on the applicable ERP benefits formula described below. On October 22, 2009, and December 11, 2009, benefit accruals and company contributions under our deferred compensation plans were suspended by the Special Master pursuant to the UST Credit Agreement for SEOs and MHCEs.

Effective for service rendered on and after January 1, 2007, non-qualified retirement benefits for executive employees are determined under one of two methods, depending on an executive's length of service date. Executives retiring on and after January 1, 2007, will have all vested non-qualified retirement benefits (benefits accrued both before and after January 1, 2007) paid as a five-year annuity. Should the executive die within the five-year period, any remaining five-year annuity payments will be converted to a present value lump sum for payment to the executive's surviving spouse or, in the event there is no surviving spouse, the executive's estate. Should an executive die prior to retirement, any vested non-qualified benefits will be converted to a present value

lump sum for payment to the executive's surviving spouse or, in the event there is no surviving spouse, the executive's estate. The interest rate used in determining the non-qualified five-year annuity retirement benefits referenced above is the average of the 30-year U.S. Treasury Securities rate for the month of July and is re-determined annually. This annual interest rate is then effective for retirements commencing October 1 through September 30 of the succeeding year.

For executives with a length of service date prior to January 1, 2001, including Messrs. Stephens, Young, and Henderson, retirement benefits are calculated using a 1.25% Career Average Pay formula. Tax-qualified benefits will accrue for such executives with respect to the total of actual base salary plus eligible AIP final awards received while employed as an executive for service on and after January 1, 2007 equal to 1.25% of base salary plus eligible AIP final awards received up to the IRC 401(a)(17) compensation limit. Non-qualified benefits equal to 1.25% will accrue for such executives with respect to the total of actual base salary plus eligible AIP final awards received in excess of the IRC 401(a)(17) compensation limit. Eligible AIP final awards are defined as those paid with respect to annual incentive compensation performance periods commencing on and after January 1, 2007. Pro-rata annual incentive awards attributable to the year of retirement are not used in the calculation of any non-qualified benefits.

For executives with a length of service date on or after January 1, 2001, including Messrs. Lutz and Cole, retirement benefits are accumulated using a 4% defined contribution formula. Tax-qualified benefits are accrued for such executives with respect to the total of actual base salary and eligible AIP final awards received while employed as an executive for service on and after January 1, 2007, consisting of company contributions equal to 4% of base salary and eligible AIP final awards received up to the IRC 401(a)(17) compensation limit. Non-qualified benefits are accrued for executive service on or after January 1, 2007 consisting of notional contributions equal to 4% of base salary and eligible AIP final awards received in excess of the IRC 401(a)(17) compensation limit. Eligible AIP final awards are defined as those paid with respect to annual incentive compensation performance periods commencing on and after January 1, 2007. Pro-rata annual incentive awards attributable to the year of retirement are not used in the calculation of any non-qualified benefits. The notional contributions are credited into an unfunded individual defined contribution account for each executive. These individual accounts are credited with earnings based on investment options selected by the executive from a list approved by the Compensation Committee.

2009 Pension Benefits

(a) Name	(b) Plan Name	(c) No. of Years of Eligible Service as of December 31, 2009 (1) (#)	(d) Present Value of Accumulated Benefit (2) ($)	(e) Annual or Five Year Annuity Payable on December 31, 2009 Under GM Pension Plans ($)	(f) Present Value of December 31, 2009 Plan Benefits ($)
T. G. Stephens (3)	SRP	40.84	1,601,400	120,600	1,601,400
	ERP	40.84	6,785,100	1,534,400	6,785,100
			8,386,500		8,386,500
R. A. Lutz (4)	SRP	8.33	142,400	18,500	142,400
	ERP	17.33	4,345,600	982,700	4,345,600
			4,488,000		4,488,000
R. G. Young (5)	SRP	23.42	481,200	76,500	357,500
	ERP	23.42	1,000,300	0	0
			1,481,500		357,500
K. W. Cole (4)	SRP	8.42	144,900	11,500	144,900
	ERP	20.75	2,534,600	573,200	2,534,600
			2,679,500		2,679,500
F. A. Henderson (5)	SRP	25.50	631,500	85,200	468,500
	ERP	25.50	0	0	0
			631,500		468,500
G. R. Wagoner, Jr. (6)	SRP	32.00	1,105,400	70,100	1,105,400
	ERP	32.00	7,281,400	1,646,600	7,281,400
			8,386,800		8,386,800

(1) Eligible service recognizes credited service under the frozen qualified SRP, in addition to service under the new plan formulas. The 35-year cap on ERP service used in calculating the frozen accrued ERP benefits still applies. Also, as noted below, Mr. Cole was approved for 12 years and 4 months of additional service under the non-qualified ERP, and Mr. Lutz was approved for nine additional years of service.

(2) The present value of the SRP benefit amounts shown takes into consideration the ability of the executive to elect a joint and survivor annuity form of payment. For SRP and ERP benefits, the present value represents the value of the benefit accrued through December 31, 2009 and payable at age 60 (or immediately if over age 60). Benefits and present values reflect the provisions of the SRP and ERP as of December 31, 2009. Present values shown here are based on the mortality and discount rate assumptions used in the December 31, 2009 disclosures contained in notes to our audited consolidated financial statements.

(3) As of December 31, 2009, Mr. Stephens is eligible to retire under both the qualified and non-qualified GM retirement plans. The amounts shown in column (d) represent the present value of benefits accrued through December 31, 2009, payable at age 60 (or immediately if over age 60) as a lifetime annuity form of payment for the SRP and payable as a five year annuity form of payment for the ERP. The amounts shown in column (e) are payable immediately, with the SRP benefit reduced from age 62. The ERP benefit is unreduced at age 60. The amounts in column (f) are the present values of the benefits shown in column (e).

(4) Beginning January 1, 2007, benefits for Messrs. Cole and Lutz are accumulated using the 4% defined contribution formula and are included in table in footnote (9) (All Other Compensation) in the section of this prospectus entitled “—Summary Compensation Table.” The SRP amounts shown in column (d) only reflect their frozen Account Balance Plans, valued and payable immediately as a lifetime annuity.

In addition, beginning January 1, 2007, benefits under the ERP for Messrs. Cole and Lutz are accumulated using the 4% defined contribution formula on the total of actual base and eligible AIP final awards received in excess of the IRS 401(a)(17) compensation limit. The ERP amounts in column (d) for Messrs. Cole and Lutz include their accumulated benefit under the 4% ERP defined contribution formula plus the frozen ERP benefit, valued and payable immediately as a five-year annuity form of payment. For purposes of calculating benefits under the frozen ERP, the Committee approved a combined total award of 12 years and 4 months of additional service credits for Mr. Cole on February 5, 2001 and February 6, 2006 and awarded nine additional years of service credits for Mr. Lutz on December 4, 2006.

(5) As of December 31, 2009, Messrs. Henderson and Young are not eligible to retire under any qualified or non-qualified retirement plan. Amounts shown in column (d) for Messrs. Henderson and Young represent the present value of benefits accrued through December 31, 2009 payable at age 60 as a lifetime annuity form of payment for the SRP with reduction from age 62, and payable as a five year annuity form of payment for the ERP. Upon termination of employment prior to retirement eligibility, Messrs. Henderson and Young are only eligible for a deferred vested benefit from the SRP, reduced for age if received prior to age 65. The amount shown in column (e) represents the annual deferred vested SRP benefit that would be payable commencing at age 65. The present value benefit shown in column (f) represents the amount that would be payable per SRP plan rules if taken at December 31, 2009 as a lump sum. They would not have been eligible for ERP benefits if service terminated on December 31, 2009. Mr. Henderson did terminate employment on December 31, 2009, and, therefore, forfeited the ERP benefit, reflecting a zero value in column (d). He may elect to receive his deferred vested SRP benefit at any time.

(6) Mr. Wagoner retired from the Company on August 1, 2009, and commenced receipt of retirement benefits pursuant to the Old GM plan provisions applicable to Mr. Wagoner. His SRP benefit shown above in column (e) comprehends his election of a joint and survivor annuity form of payment. A significant portion of his non-qualified ERP benefits was reduced by two-thirds, consistent with the ERP reductions adopted by Old GM and applicable to Mr. Wagoner. Because Mr. Wagoner is a specified employee as defined by IRC 409A, he was subject to a six month waiting period before payment of his ERP benefits commenced.

2009 Nonqualified Deferred Compensation Plans

Old GM Plans

Old GM maintained the following nonqualified deferred compensation plans for executives:

- The Deferred Compensation Plan (DCP) described below, and
- The Benefit Equalization Plan (BEP) included in “Our Plans” on the following pages.

In addition, certain incentive awards earned and vested under the incentive plans were subject to mandatory deferral.

The DCP permitted senior executives to defer a portion of their base salary, AIP, SPP, and RSU earnings into the plan. The plan included eight investment options, one of which was Old GM common stock. No deferrals into the plan have been allowed since December 31, 2005. Dividend equivalents were credited and paid on Old GM common stock units until suspended on July 14, 2008. We did not assume the DCP on July 10, 2009, and the DCP will be included in the liquidation and asset distribution of MLC.

Old GM Nonqualified Deferred Compensation Plans

Name	Plan	Executive Contributions in the Year Ended December 31, 2009	Registrant Contributions in the Year Ended December 31, 2009	Aggregate Earnings in the Year Ended December 31, 2009	Aggregate Withdrawals and Distributions	Aggregate Balance at December 31, 2009 (6)
(a)		(b)	(c)	(d)	(e)	(f)
T. G. Stephens (1)	DCP	$ 0	$ 0	$ (108,757)	$ (48,080)	$ 0
R. A. Lutz (2)	DCP	$ 0	$ 0	$ (297,034)	$ (131,316)	$ 0
	RSU			$ (204,675)		$ 35,325
						35,325
R. G. Young (3)	DCP	$ 0	$ 0	$ (4,196)	$ (33,934)	$ 0
F. A. Henderson (4)	DCP	$ 0	$ 0	$ (135,369)	$ (291,896)	$ 47,683
G. R. Wagoner, Jr. (5)	DCP	$ 0	$ 0	$ (35,921)	$ (362,634)	$ 0
	RSU			$ (341,125)		$ 58,875
						$ 58,875

The table above reflects year-end balances and contributions, earnings, and withdrawals during the year for the DCP, as well as vested, but unpaid, RSUs for the Named Executive Officers. The plan does not provide for interest or earnings to be paid at above-market rates, so none of the amounts in column (d) have been reported in the Summary Compensation Table. Mr. Cole did not participate in the DCP and had no vested, but unpaid, incentive awards.

(1) On May 15, 2009, Mr. Stephens elected to receive an unscheduled distribution of all assets from the DCP as permitted under IRC 409A. The gross distribution included 44,110 shares of Old GM common stock at a share price of $1.09 and was subject to a 10% penalty pursuant to plan terms.

(2) On May 15, 2009, Mr. Lutz elected to receive an unscheduled distribution of all assets from the DCP as permitted under IRC 409A. The gross distribution included 120,473 shares of Old GM common stock at a share price of $1.09 and was subject to a 10% penalty pursuant to plan terms. 75,000 RSUs were granted to Mr. Lutz on January 21, 2003, in lieu of cash bonus, deliverable upon retirement or mutual separation. We did not assume any obligation in respect of these incentive awards. The amount shown is based on the December 31, 2009 MLC share price of $0.471. We estimate that the actual realizable value of these shares is $0.

(3) On May 15, 2009, Mr. Young elected to receive an unscheduled distribution of all assets from the DCP as permitted under IRC 409A. This gross withdrawal amount was subject to a 10% penalty pursuant to plan terms.

(4) On May 15, 2009, Mr. Henderson elected to receive an unscheduled distribution of cash assets from the DCP as permitted under IRC 409A. This gross withdrawal amount was subject to a 10% penalty pursuant to plan terms. Mr. Henderson’s remaining DCP balance includes 101,238 shares of MLC common stock at a December 31, 2009 share price of $0.471. We estimate that the actual realizable value of these shares is $0.

(5) On April 21, 2009, Mr. Wagoner elected to receive an unscheduled distribution of all assets from the DCP as permitted under IRC 409A. This gross withdrawal amount was subject to a 10% penalty pursuant to plan terms. 125,000 RSUs were granted to Mr. Wagoner on January 21, 2003, in lieu of cash bonus, deliverable upon retirement or mutual separation. We did not assume these RSUs and the amount shown in Column (f) is their value based on the closing price of MLC common stock on December 31, 2009 of $0.471. Even though Mr. Wagoner retired effective August 1, 2009, pursuant to the UST Credit Agreement his awards cannot be paid out and are not expected to be paid out at any time in the future.

(6) All amounts reported in column (f), except earnings at prevailing market rates, have been reported in the Summary Compensation Table in previous years when earned if that officer's compensation was required to be disclosed in the applicable year. Amounts previously reported in such years include previously earned, but deferred salary and incentives and Company matching contributions.

The total reflects the cumulative value of these deferrals, contributions, and investment choices.

Pursuant to our UST Credit Agreement, we cannot pay or accrue any incentive compensation to Named Executive Officers. No awards granted prior to 2009 were vested or paid out in 2009 when vesting or payment dates occurred and none are expected to vest or pay out at any time in the future.

Our Plans

We maintain certain deferred compensation programs and arrangements for executives, including the Named Executive Officers.

BEP — The BEP is a non-qualified plan that allows for the equalization of benefits for certain highly compensated salaried employees under the SRP and the S-SPP when such employees' contribution and benefit levels exceed the maximum limitations on contributions and benefits imposed by Section 2004 of the Employee Retirement Income Security Act of 1974, as amended, and Section 401(a)(17) and 415 of the IRC, as amended. The plan is maintained as an unfunded plan, and we bear all expenses for administration of the plan and payment of amounts to participants. Our contributions to employee accounts are currently invested in one or more of six investment options. Company contributions to the BEP were suspended on October 22, 2009 for Messrs. Young, Cole, and Henderson and on December 11, 2009 for Messrs. Stephens and Lutz.

Salary Stock Plan — Pursuant to plan terms and upon approval of the Special Master, Named Executive Officers receive a portion of their total annual compensation in the form of SSUs. SSUs are granted on each salary payment date to Named Executive Officers based on the most current valuation of the Company as determined by an independent third party. SSUs are non-forfeitable and will be paid in three equal installments at each of the second, third, and fourth anniversary of the quarter in which they were deemed to be granted, and may become payable one year earlier upon certification by our Compensation Committee that repayment of our TARP obligations has commenced.

The table below reflects December 31, 2009 balances and all contributions, earnings, and withdrawals during the year for the BEP, as well as vested but unpaid SSUs for the Named Executive Officers.

Contributions include amounts credited to employee BEP accounts for both pre- and post- bankruptcy periods. We have included them below in column (c) for greater continuity and because we assumed all obligations in respect of the BEP from Old GM in the 363 Sale.

2009 GM Nonqualified Deferred Compensation Plans

Name (a)	Plan	Executive Contributions in the Year Ended December 31, 2009 (b)	Registrant Contributions in the Year Ended December 31, 2009 (7) (c)	Aggregate Earnings in the Year Ended December 31, 2009 (8) (d)	Aggregate Withdrawals and Distributions (e)	Aggregate Balance at December 31, 2009 (9) (f)
T. G. Stephens (1)	SSU	$ 0	$ 945,833			$ 945,833
	BEP	$ 0	$ 9,334	$ 5,362		$ 59,563
						1,005,396
R. A. Lutz (2)	SSU	$ 0	$ 1,070,833			$ 1,070,833
	BEP	$ 0	$ 23,799	$ 23,244		$ 152,543
						1,223,376
R. G. Young (3)	SSU	$ 0	$ 576,668			$ 576,668
	BEP	$ 0	$ 1,650	$ 3,863		$ 39,731
						616,399
K. W. Cole (4)	SSU	$ 0	$ 935,543			$ 935,543
	BEP	$ 0	$ 8,628	$ 7,802		$ 63,860
						999,403
F. A. Henderson (5)	SSU	$ 0	$ 2,421,667			$ 2,421,667
	BEP	$ 0	$ 2,888	$ 9,012	$ 6,987	$ 0
						2,421,667
G. R. Wagoner, Jr. (6)	SSU	$ 0	$ 0			$ 0
	BEP	$ 0	$ 0	$ (7,693)	$ (128,379)	$ 0
						0

As described in the section of this prospectus above entitled "—2009 Grants of Plan Based Awards," each of the grants described below will be treated as having been granted, *nunc pro tunc*, throughout 2009 beginning January 1 and will be paid on the anniversary of the quarter in which it was deemed to have been granted.

(1) The amount shown for Mr. Stephens consists of a grant of 52,566 SSUs on December 31, 2009.

(2) The amount shown for Mr. Lutz consists of a grant of 59,514 SSUs on December 31, 2009.

(3) The amount shown for Mr. Young consists of SSUs grants on each of the following dates: 11,127 on November 13, 2009; 11,127 on November 30, 2009; 11,127 on December 15, 2009; and 8,013 on December 31, 2009.

(4) The amount shown for Mr. Cole consists of SSU grants on each of the following dates: 7,896 on November 13, 2009; 7,896 on November 30, 2009; 7,896 on December 15, 2009; and 34,938 on December 31, 2009.

(5) The amount shown for Mr. Henderson consists of SSU grants on each of the following dates: 46,728 on November 13, 2009; 46,728 on November 30, 2009; 46,728 on December 15, 2009; and 33,648 on December 31, 2009.

At the time of his termination on December 31, 2009, Mr. Henderson had both vested and unvested BEP benefits. Unvested benefits in the amount of $78,249 were forfeited, and his vested benefits in the amount of $6,987 will be paid as a lump sum pursuant to plan provisions that provide for this form of payment when the present value of the benefit is less than the dollar limit under IRC 402(g). Because Mr. Henderson was a specified employee as defined by IRC 409A, he is subject to a six month waiting period before payment of his BEP benefits can commence.

(6) Effective August 1, 2009, Mr. Wagoner retired. Pursuant to Plan provisions, his vested benefits under the BEP were withdrawn and converted to a 5-year monthly annuity form of payment. Because Mr. Wagoner was a specified employee as defined by IRC 409A, he was subject to a six month waiting period before payment of his BEP benefits commenced in February 2010.

(7) For each of the Named Executive Officers, the BEP amount reported here in column (c) is included within the amount reported in column (i) and footnote (9) of the 2009 Summary Compensation Table. The amounts reported in the Summary Compensation Table are larger because they also include our contributions to the S-SPP (tax-qualified plan). The SSU amount reported here in column (c) is included within the amount reported in column (e) and footnote (6) of the Summary Compensation Table.

(8) None of the amounts reported above in column (d) are reported in column (h) of the 2009 Summary Compensation Table because we do not pay guaranteed, above-market earnings on deferred compensation.

(9) All amounts reported in column (f), except earnings at prevailing market rates, have been reported in the Summary Compensation Table in previous years when earned if that officer's compensation was required to be disclosed in the applicable year. Amounts previously reported in such years include previously earned Company matching contributions. The total reflects the cumulative value of these contributions, and investment choices.

Potential Payments upon Termination or Change in Control

Potential Termination Payments—GM

We maintain compensation and benefit plans that will provide payment of compensation in the event of termination of employment due to retirement, death, and mutually-agreed-upon separation. These provisions are generally applicable to all plan participants and are not reserved only for Named Executive Officers. The amount of compensation payable to each Named Executive Officer in these situations is described in the tables that follow. We do not provide a change in control severance plan for executives, and, pursuant to TARP regulations, no severance payments may be made to Named Executive Officers.

Retirement and Pension Benefits. Plan provisions are described in the "2009 Pension Benefits" discussion, along with pension benefits for Named Executive Officers. No other individualized arrangements exist with Named Executive Officers except those disclosed in the "Employment Arrangements" section below.

As of December 31, 2009, Mr. Stephens was eligible to retire pursuant to the provisions of both the qualified SRP and the non-qualified ERP.

As of December 31, 2009, Messrs. Cole and Lutz were eligible to retire pursuant to the provisions of the qualified SRP. Both were also eligible to receive non-qualified ERP benefits pursuant to the Compensation Committee's action in 2001 and 2004, respectively, to grant full vesting rights with five years of service.

As of December 31, 2009, Mr. Young was not eligible to retire under any qualified or non-qualified retirement plan. Upon termination of employment, he could receive a deferred vested benefit from the qualified SRP, reduced for age if received prior to age 65. This benefit is available to any participant in the plan. His non-qualified ERP benefits would have been forfeited.

Mr. Wagoner retired August 1, 2009 and was eligible for benefits under the qualified SRP and the non-qualified ERP.

Mr. Henderson terminated employment on December 31, 2009. At that time, he was not eligible to retire under any qualified or non-qualified retirement plan. He will receive a deferred vested benefit from the qualified SRP, reduced for age if received prior to age 65.

Benefits Payable at Death. Upon death of an active employee, we provide one month salary to certain dependents including surviving spouses, members of employee's family, or other individuals who are to be responsible for payment of funeral expenses. This benefit is provided generally for all salaried employees. In addition, pursuant to SRP plan terms we provide eligible survivors a monthly pension benefit based on a percentage of the monthly retirement benefit payable to the employee where the survivor option has been elected. Under the terms of the ERP, survivor benefits, if applicable, are payable as a lump sum. Supplemental Life Benefits are provided for all executives.

Incentive Plans. Under the provisions of the Salary Stock Plan, awards are vested when earned, and will continue to be paid in accordance with their terms as described in the "Options Exercised and Stock Vested" table upon separation, other than "For Cause."

Vacation Pay. Salaried employees may receive pay in lieu of unused vacation in the calendar year of termination of employment. Totals assume all vacation entitlement has been used as of December 31, 2009.

Health Care Coverage Continuation. Under provisions of the General Motors Salaried Health Care Program covering all U.S. salaried employees, Messrs. Cole, Lutz, and Young could continue health care coverage as provided under applicable federal laws (i.e., COBRA). Based on his eligibility to retire, Mr. Stephens would be eligible to receive financial contributions toward health care coverage in retirement until age 65. Mr. Wagoner retired and is receiving financial contributions toward health care coverage in retirement until age 65. Mr. Henderson terminated employment and is receiving health care coverage under COBRA.

Employment Arrangements

Although we have described the material elements of certain employment arrangements with Executive Officers (including the Named Executive Officers) below, we are currently prohibited by the UST Credit Agreement, as well as by Section 111 of the EESA as implemented by the Interim Final Rule, from paying any severance or bonus and incentive compensation amounts (other than certain TARP compliant bonus and incentive compensation) to any Executive Officer. The Executive Officers have waived their contractual entitlement to any payment that would violate the terms of the UST Loan Agreement.

Daniel F. Akerson. Our employment arrangement with Mr. Akerson provides that Mr. Akerson's annual cash base salary is $1,700,000, and he participates in the benefit plans currently available to executive officers. He also receives a portion of his total annual compensation in the form of salary stock, awarded pursuant to the provisions of the Salary Stock Plan, in the amount of $5,300,000, which will be delivered over three years beginning September 30, 2011, and TARP compliant restricted stock units valued at $2,000,000, under the Company's Long-Term Incentive Plan. This arrangement does not provide for any special post-employment compensation or benefits. Mr. Akerson will not receive additional compensation for his service on our Board of Directors.

Stephen J. Girsky. Our employment arrangement with Mr. Girsky provides that Mr. Girsky's annual cash base salary is $500,000, and he participates in the benefit plans currently available to executive officers. Mr. Girsky will receive the remaining 90% of his total annual compensation in the form of salary stock, awarded pursuant to the provisions of the Salary Stock Plan, in the amount of $3,000,000, which will be delivered ratably over three years beginning in 2011, and will be granted TARP compliant restricted stock units valued at $1,500,000. This arrangement does not provide for any special post-employment compensation or benefits. Mr. Girsky will not receive additional compensation for his service on our Board of Directors.

Christopher P. Liddell. Our employment agreement with Mr. Liddell provides that Mr. Liddell's annual cash base salary is $750,000, and he participates in the benefit plans currently available to executive officers. He also receives a portion of his total annual compensation in the form of salary stock, awarded pursuant to the provisions of the Salary Stock Plan, in the amount of $3,450,000, which will be delivered ratably over three years beginning in 2011, and was granted TARP compliant 111,153 restricted stock units valued at $17.99 each on June 30, 2010. This arrangement does not provide for any special post-employment compensation or benefits.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth as of November 2, 2010 information regarding the beneficial ownership of shares of our common stock for:

- Each person, or group of affiliated persons, who is known to us to be the beneficial owner of more than 5% of our outstanding shares of common stock;
- Each of our named executive officers;
- Each of our directors;
- All of our directors and executive officers as a group; and
- Each selling stockholder.

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. In addition, under these rules, an individual or entity beneficially owns any shares issuable upon the exercise of any options or warrants held by such person or entity that were exercisable on November 2, 2010 or within 60 days after November 2, 2010. In computing the percentage ownership of each individual and entity, the number of outstanding shares of our common stock includes any shares subject to options or warrants held by that individual or entity that were exercisable on or within 60 days after November 2, 2010. These shares are not considered outstanding, however, for the purpose of computing the percentage ownership of any other stockholder.

We have entered into a Stockholders Agreement with the UST, Canada Holdings and the New VEBA, which contains restrictions on how the UST, Canada Holdings and the New VEBA may vote their shares of our common stock. See the section of this prospectus entitled “Certain Stockholder Agreements—Stockholders Agreement” for a discussion of the terms of the Stockholders Agreement. In connection with the 363 Sale and our holding company reorganization, we entered into certain other agreements and engaged in certain transactions with the UST, New VEBA, Canada Holdings and MLC. For additional information on those agreements and transactions, see the section of this prospectus entitled “Certain Relationships and Related Party Transactions” and the various other sections of this prospectus that are cross-referenced in that section.

Name and Address of Beneficial Owner	Shares Beneficially Owned Prior to Offering	Percentage Beneficially Owned Prior to Offering(1)	Shares Being Offered	Shares Subject to Over-Allotment Option	Shares Beneficially Owned After Offering		Percentage Beneficially Owned After Offering (1)	
					Without Over-Allotment Option	With Over-Allotment Option	Without Over-Allotment Option	With Over-Allotment Option
5% Stockholders								
The United States Department of the Treasury (2) 1500 Pennsylvania Avenue, NW Washington, D.C. 20220	912,394,068	60.83%	263,546,795	39,532,019	648,847,273	609,315,254	43.26%	40.62%
Canada GEN Investment Corporation (3) 1235 Bay Street, Suite 400 Toronto, Ontario, Canada M5R 3K4	175,105,932	11.67%	30,453,205	4,567,981	144,652,727	140,084,746	9.64%	9.34%
UAW Retiree Medical Benefits Trust P.O. Box 14309 Detroit, Michigan 48214	307,954,545(4)	19.93%	71,000,000	10,650,000	236,954,545(4)	226,304,545(4)	15.33%	14.64%
Motors Liquidation Company 300 Renaissance Center Detroit, Michigan 48265-3000	422,727,270(5)	23.85%	0	0	422,727,270(5)	422,727,270(5)	23.85%	23.85%
Directors and Executive Officers								
All Directors and Executive Officers of General Motors Company 300 Renaissance Center Detroit, Michigan 48265-3000	0	0%	0	0	0	0	0%	0%

(1) These percentages reflect the maximum potential percentage ownership of our common stock for each beneficial owner. As such, the percentage ownership of the UST and Canada Holdings are calculated based on a total of 1,500,000,000 shares outstanding. The percentage ownership of the New VEBA is calculated based on a potential total of 1,545,454,545 shares outstanding, which includes the 45,454,545 shares of common stock that would be issued to the New VEBA if it exercised its warrant, as described in footnote (4) below. The percentage ownership of MLC is calculated based on a potential total of 1,772,727,270 shares outstanding, which includes the 272,727,270 shares of common stock that would be issued to MLC if it exercised its warrants, as described in footnote (5) below.

(2) The following description of the selling stockholder was provided by the UST. The UST is the executive agency of the U.S. government responsible for promoting economic prosperity and ensuring the financial security of the United States. The UST is responsible for a wide range of activities, such as advising the President of the United States on economic and financial issues, encouraging sustainable economic growth and fostering improved governance in financial institutions. The UST operates and maintains systems that are critical to the nation's financial infrastructure, such as the production of coin and currency, the disbursement of payments to the American public, revenue collection and the borrowing of funds necessary to run the federal government. The UST works with other federal agencies, foreign governments and international financial institutions to encourage global economic growth, raise standards of living and, to the extent possible, predict and prevent economic and financial crises. The UST also performs a critical and far-reaching role in enhancing national security by implementing economic sanctions against foreign threats to the United States, identifying and targeting the financial support networks of national security threats and improving the safeguards of our financial systems. In addition, under EESA, the UST was given certain authority and facilities to restore the liquidity and stability of the financial system. See also the section of this prospectus entitled "Risk Factors—Risks Relating to this Offering and Ownership of Our Common Stock—The UST, a selling stockholder in the common stock offering, is a federal agency, and your ability to bring a claim against it under the U.S. securities laws may be limited."

(3) The following description of the selling stockholder was provided by Canada Holdings. Canada GEN Investment Corporation is a wholly-owned subsidiary of Canada Development Investment Corporation. Canada Development Investment Corporation is a Canadian federal Crown corporation, meaning that it is a business corporation established under the Canada Business Corporations Act, owned by the federal Government of Canada. See also the section of this prospectus entitled "Risk Factors—Risks Relating to this Offering and Ownership of Our Common Stock—Canada Holdings, a selling stockholder in the common stock offering, is a wholly owned subsidiary of Canada Development Investment Corporation, which is owned by the federal Government of Canada, and your ability to bring a claim against Canada Holdings under the U.S. securities laws or otherwise, or to recover on any judgment against it, may be limited."

(4) Includes 45,454,545 shares of our common stock issuable upon the exercise of a warrant we issued to the New VEBA. In connection with the closing of the 363 Sale, we issued a warrant to the New VEBA to acquire 45,454,545 newly issued shares of our common stock, exercisable at any time prior to December 31, 2015, with an exercise price of $42.31 per share. The number of shares of our common stock underlying the warrant and the per share exercise price are subject to adjustment as a result of certain events, including stock splits, reverse stock splits, and stock dividends.

(5) Includes 272,727,270 shares of our common stock issuable upon the exercise of warrants we issued to MLC. In connection with the closing of the 363 Sale, we issued two warrants to MLC, one to acquire 136,363,635 newly issued shares of our common stock, exercisable at any time prior July 10, 2016, with an exercise price of $10.00 per share and the other to acquire 136,363,635 newly issued shares of our common stock, exercisable at any time prior to July 10, 2019, with an exercise price of $18.33 per share. The number of shares of our common stock underlying each of the warrants and the per share exercise price thereof are subject to adjustment as a result of certain events, including stock splits, reverse stock splits, and stock dividends.

CERTAIN STOCKHOLDER AGREEMENTS

Stockholders Agreement

On October 15, 2009, in connection with the holding company merger, we, the UST, the New VEBA, Canada Holdings, and our previous legal entity prior to our October 2009 holding company reorganization (which is now a wholly-owned subsidiary of the Company) entered into a Stockholders Agreement, which replaced and is substantially identical to the prior Stockholders Agreement dated as of July 10, 2009 that we entered into in connection with the 363 Sale. At all times prior to the termination of the Stockholders Agreement, at least two-thirds of the directors shall be required to be determined by our Board of Directors to be independent within the meaning of NYSE rules, whether or not any of our shares of common stock are listed on the NYSE.

So long as the New VEBA holds at least 50% of the shares of our common stock it held at the date of the Stockholders Agreement, the New VEBA shall have the right to designate one nominee to our Board of Directors (which designation shall be subject to the consent of the UAW and, if the designated nominee is not independent within the meaning of NYSE rules, to the consent of the UST, which consent of the UST is not to be unreasonably withheld). Following this offering, subject to our Board of Directors' approval, our Board of Directors shall nominate the New VEBA nominee to be elected a member of our Board of Directors and include the New VEBA nominee in our proxy statement and related materials in respect of the election to which the nomination pertains.

Following this offering, the UST and Canada Holdings will no longer have the right under the Stockholders Agreement to designate nominees for election to our Board of Directors.

The Stockholders Agreement provides that, following this offering and until the respective termination of their obligations under the Stockholders Agreement, the UST and Canada Holdings (Government Holders) will not vote their shares of our common stock at any meeting (whether annual or special) or by written consent, except that each Government Holder may vote its shares:

- As it desires in a vote with respect to any removal of directors;
- In a vote with respect to any election of directors as it desires only with respect to any candidates that are nominated by the Board of Directors, nominated by third parties, or nominated by either Government Holder pursuant to a Joint Slate Procedure, as defined in the Stockholders Agreement (provided that each Government Holder will vote "for" the nominees jointly named pursuant to a Joint Slate Procedure and each Government Holder will vote "for" any nominee designated by the New VEBA as described above that is standing for election);
- As it desires in a vote with respect to any acquisition or purchase of our capital stock or of all or substantially all of our assets or any merger, consolidation, business combination, recapitalization, reorganization or other extraordinary business transaction involving or otherwise relating to the Company, in each case, which would require a stockholder vote under Delaware law or our Certificate of Incorporation;
- As it desires in a vote with respect to any amendment or modification to our Certificate of Incorporation or our Bylaws that would affect any matters relating to the three bullet points above; and
- On each other matter presented to our stockholders, solely to the extent that the vote of the Government Holders is required for the stockholders to take action at a meeting at which a quorum is present and in that instance, in the same proportionate manner as the holders of common stock (other than the UST, Canada Holdings, New VEBA, and its affiliates and the directors and executive officers of the Company) that were present and entitled to vote on such matter voted or consented in connection with each such matter.

The Stockholders Agreement provides that, until the termination of the Stockholders Agreement with respect to the New VEBA, the New VEBA will vote its shares at any meeting (whether annual or special) or by written consent on each matter presented to our stockholders in the same proportionate manner as the holders of our common stock (other than the New VEBA and its affiliates and our directors and executive officers).

The rights, restrictions, and obligations under the Stockholders Agreement shall terminate with respect to a stockholder party to the Stockholders Agreement when such stockholder party beneficially owns less than 2% of the shares of our common stock then issued and outstanding.

Equity Registration Rights Agreement

On October 15, 2009, in connection with the holding company merger, we, the UST, Canada Holdings, the New VEBA, MLC and our previous legal entity prior to our October 2009 holding company reorganization (which is now a wholly-owned subsidiary of the Company) entered into an Equity Registration Rights Agreement, which replaced and is substantially identical to the prior Equity Registration Rights Agreement dated as of July 10, 2009 that we entered into in connection with the 363 Sale. Pursuant to the Equity Registration Rights Agreement, we have granted the UST, Canada Holdings, the New VEBA and MLC registration rights with respect to the shares of common stock, the warrants (including underlying shares of common stock issuable upon exercise of the warrants) and the shares of Series A Preferred Stock of the Company (referred to as "registrable securities") held by them as of October 15, 2009. Each of the UST, Canada Holdings, the New VEBA and MLC, and certain of their transferees that agree to become a party to the Equity Registration Rights Agreement, is referred to as a "holder."

Any particular registrable securities shall cease to be "registrable securities" for purposes of the Equity Registration Rights Agreement on the earliest of the date on which such securities: (1) have been registered under the Securities Act and disposed of in accordance with a registration statement; (2) have been sold pursuant to Rule 144 under the Securities Act; (3) are held by a holder that may sell all such registrable securities held by it in a single day pursuant to, and in accordance with, Rule 144; (4) cease to be outstanding; or (5) are held by any person or entity who is not a "holder." The rights and obligations of a holder under the Equity Registration Rights Agreement shall terminate, subject to limited exceptions, when such holder no longer holds any registrable securities.

Demand Registration Rights

The Equity Registration Rights Agreement provides that, subject to limitations described below, any holder or holders of registrable securities shall have the right to require us to file a registration statement under the Securities Act for a public offering of all or part of its or their registrable securities. This is referred to as a "demand registration." The other holders shall have the right to elect to include in such demand registration such portion of their registrable securities as they may request, subject to underwriter cutback provisions. We may also register in any demand registration any equity securities of the Company, subject to underwriter cutback provisions.

Shelf Registrations and Sales

The Equity Registration Rights Agreement provides that, subject to limitations described below, at any time that we are eligible to use Form S-3 or an automatic shelf registration statement on Form S-3 with respect to the registrable securities, any holder requesting a demand registration may request that we file a shelf registration statement under the Securities Act to effect such demand registration or, if a shelf registration statement covering registrable securities is effective, register additional registrable securities of the requesting holders pursuant to such shelf registration statement to effect such demand registration. Each of these is referred to as a "shelf registration."

The Equity Registration Rights Agreement also provides that, subject to limitations described below, any holder with registrable securities registered pursuant to a shelf registration may effect an underwritten offering of its registrable securities after delivery of advance notice to the Company. The other holders shall have the right to elect to include in such underwritten offering such portion of their registrable securities as they may request, subject to underwriter cutback provisions.

The Equity Registration Rights Agreement also provides that any holder with registrable securities registered pursuant to a shelf registration may effect a non-underwritten sale or transfer of its registrable securities after delivery of advance notice to the Company. Such a non-underwritten sale or transfer will not be deemed to be a demand registration and will not be subject to the limitations described in the following section.

Certain Limitations on Demand Registrations and Underwritten Shelf Sales

The Equity Registration Rights Agreement imposes certain limitations on a holder's ability to exercise its demand registration rights and a holder's ability to effect underwritten offerings of registrable securities registered pursuant to a shelf registration. In particular:

- A holder may not request a demand registration, or submit a transfer notice with respect to a proposed underwritten offering pursuant to a shelf registration, within 180 days after either: (1) the effective date of a previous demand registration (other than a shelf registration); or (2) the completion of any underwritten offering pursuant to a shelf registration.

- A holder may not request a demand registration or submit a transfer notice with respect to a proposed underwritten offering pursuant to a shelf registration unless it is for either: (1) a number of registrable securities having a market value equal to or exceeding a specified threshold in the aggregate; (2) at least a specified number of shares of common stock and/or warrants exercisable for at least a specified number of shares of common stock in the aggregate; or (3) all of the registrable securities then held by the requesting holder.

- We are not required to effect: (1) until (but excluding) July 10, 2012, more than two demand registrations (which shall include for this purpose any underwritten offering pursuant to a shelf registration but shall exclude a shelf registration) in the aggregate during any consecutive 12-month period; and (2) from and including July 10, 2012, more than one demand registration (which shall include for this purpose any underwritten offering pursuant to a shelf registration but shall exclude a shelf registration) in the aggregate during any consecutive 12-month period. However, the New VEBA has the right, from and including July 10, 2012, to request one additional demand registration (which shall include for this purpose any underwritten offering pursuant to a shelf registration but shall exclude a shelf registration) during any consecutive 12-month period.

The above limitations do not apply to any non-underwritten sales or transfers by any holder of registrable securities registered pursuant to a shelf registration.

Piggyback Registration Rights

The Equity Registration Rights Agreement provides that each time we propose to offer any of our equity securities in a registered underwritten offering (other than pursuant to specified excluded registrations) under the Securities Act (whether for our account or the account of any our equity holders other than a holder), we must give each holder under the Equity Registration Rights Agreement the opportunity to include any or all of its registrable securities in such underwritten offering, subject to underwriter cutback provisions.

Deferral of Filing or Suspension of Use of Registration Statement

The Equity Registration Rights Agreement gives us the right to defer the filing (but not the preparation) or the effectiveness, or suspend the use, of any registration statement required by or filed pursuant to the Equity Registration Rights Agreement, at any time if: (1) we determine, in our sole discretion, that such action or use (or proposed action or use) would require us to make specified types of disclosures; or (2) prior to receiving the request for demand registration or the transfer notice with respect to an underwritten offering pursuant to a shelf registration, as applicable, our Board of Directors had determined to effect a registered underwritten public offering of our equity securities or securities convertible into or exchangeable for our equity securities for our account and we have taken substantial steps (such as selecting a managing underwriter for such offering) and are proceeding with reasonable diligence to effect such offering. However, we cannot exercise our rights to deferral or suspension, and cannot so effect any such deferral or suspension, for more than a total of 180 days (which need not be consecutive) in any consecutive 12-month period.

Holdback Agreements

The Equity Registration Rights Agreement provides that we cannot effect any public sale or distribution of our equity securities or any securities convertible into or exchangeable or exercisable for our equity securities, except in each case as part of the underwritten offering, during the 60-day period (or such lesser period as the lead underwriters or managing underwriters may permit) beginning on: (1) the effective date of any registration statement in connection with an underwritten demand registration (other than a shelf registration); or (2) the pricing date for any underwritten offering of registrable securities pursuant to a shelf registration, in each case subject to various exceptions.

The Equity Registration Rights Agreement also provides that, in the event of an underwritten offering of equity securities by us (whether for our account or otherwise), no holder can offer, sell, contract to sell or otherwise dispose of any preferred stock, warrants, common stock or any securities convertible into or exchangeable or exercisable for common stock, including any sale pursuant to Rule 144 under the Securities Act (except as part of such underwritten offering), during the 60-day period (or such lesser period in each case as the lead underwriters or managing underwriters may permit) beginning on the effective date of the registration statement for such underwritten offering (or, in the case of an offering pursuant to an effective shelf registration statement, the pricing date for such underwritten offering). However, the sum of all holdback periods applicable to the holders may not exceed 120 days (which need not be consecutive) in any given 12-month period.

Indemnification and Contribution

The Equity Registration Rights Agreement also contains indemnification and contribution provisions.

This Offering and the Concurrent Offering

The common stock offering and the Series B preferred stock offering are being conducted pursuant to the piggyback registration rights provisions of the Equity Registration Rights Agreement.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Certain Relationships

Our Board of Directors has adopted a written policy governing the approval of related party transactions. Related party transactions are transactions in which our Company is a participant, the amount involved exceeds $120,000 and a related party has or will have a direct or indirect material interest. Related parties of our Company include directors (including nominees for election as directors), executive officers, 5% stockholders of our Company and the immediate family members of these persons. Our Legal Staff, in consultation with management and outside counsel, as appropriate, will review potential related party transactions to determine if they are subject to our Related Party Transactions Policy. If so, the transaction will be referred for approval or ratification to: (i) the CEO and the Vice President and General Counsel (General Counsel), in the case of a transaction involving an executive officer other than the CEO or the General Counsel (and/or such officer's immediate family members); (ii) to the CEO, in the case of a transaction involving the General Counsel (and/or such officer's immediate family members); or (iii) to the Governance Committee, in the case of a transaction involving the CEO, a director or a 5% stockholder (and/or such person's immediate family members). In determining whether to approve a related party transaction, the appropriate approving body will consider, among other factors, the fairness of the proposed transaction, whether there are compelling business reasons to proceed, and whether the transaction would impair the independence of a non-management director or present an improper conflict of interest for a director or executive officer, taking into account the size of the transaction, the overall financial position of the related person, the direct or indirect nature of his or her interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Governance Committee deems relevant. Transactions that are approved by the CEO and the General Counsel will be reported to the Governance Committee at its next meeting. The Governance Committee has authority to oversee our Related Party Transactions Policy and to amend it from time to time. In addition, the Governance Committee is responsible for annually reviewing the independence of each director and the appropriateness of any potential related party transaction and related issues. Our Related Party Transactions Policy is available on our website at http://investor.gm.com, under the heading "Corporate Governance."

Douglas L. Henderson, brother of former President and Chief Executive Officer Frederick A. Henderson, is employed by General Motors LLC. In addition, Juli A. Stephens, sister-in-law of Vice Chairman Thomas G. Stephens, and George T. Stephens, Mr. Stephens's brother, are employed by General Motors LLC. Mr. Douglas Henderson, Ms. Juli Stephens, and Mr. George Stephens each make less than $155,000 per year, and receive salary and benefits comparable to those provided to other GM employees in similar positions.

David Bonderman is a founding partner of TPG, a private investment firm, whose affiliate invests in automobile dealerships in Asia representing various vehicle manufacturers. These investments include dealerships in China that sell Chevrolet and Buick brand vehicles under a distribution agreement with SGM. Under the terms of SGM's joint venture agreement, we do not control SGM's distribution activities.

In 2009, while serving as President of SJG, Stephen J. Girsky received advisory fees of $400,000 and expense reimbursement of approximately $50,000 from Old GM for consulting services related to strategic alternatives for Saturn. The Saturn engagement began in early 2009 and was completed before Mr. Girsky was named to our Board. Under the agreement assumed as part of the 363 Sale, we were required to pay SJG a fee of $1 million. From December 2009 to February 2010, Mr. Girsky served as Senior Advisor to the Office of the Chairman, for which he received salary stock grants valued at $225,000 pursuant to our Salary Stock Plan and reimbursement of his living expenses in Detroit, Michigan and travel expenses to and from Detroit, Michigan.

Robert Hertzberg, husband of director Cynthia A. Telles, is a partner in the global law firm of Mayer Brown LLP, which has provided legal representation to GM and Old GM in connection with various matters for many years. GM anticipates that it will continue to engage Mayer Brown LLP to provide legal counsel from time to time as appropriate. In 2009, GM and Old GM collectively paid Mayer Brown LLP approximately $1.3 million for legal services.

In connection with the 363 Sale and our holding company reorganization, we entered into certain agreements and engaged in certain transactions with the UST, New VEBA, Canada Holdings and MLC. For additional information on those agreements and transactions, see the sections of this prospectus entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Chapter 11 Proceedings and the 363 Sale—363 Sale Transaction," "Management's Discussion and Analysis of Financial Condition and Results of Operations—Specific Management Initiatives," "Business—Significant Transactions—363 Sale Transaction," "Business—Significant Transactions—Issuances of Securities," "Business—Significant Transactions—Agreements with the UST, EDC and New VEBA ," "Certain Stockholder Agreements," "Description of Capital Stock—Description of the Warrants," Note 2 to our audited consolidated financial statements and Note 2 to our unaudited condensed consolidated interim financial statements.

In connection with the closing of the 363 Sale, we and MLC entered into a Transition Services Agreement (TSA). Pursuant to the TSA, we provide MLC with specified transition services and support functions in connection with their operation and ultimate liquidation in bankruptcy, and MLC provides specified transition services and support functions to us. We and MLC are each required to pay to the other the applicable usage fees specified with respect to various types of services and functions under the TSA. The obligation to provide services and functions under the TSA will terminate on the applicable dates specified in the TSA with respect to each such service and function, the latest such date being December 31, 2013. During the six months ended June 30, 2010 and the year ended December 31, 2009, MLC paid $1 million and $2 million to us pursuant to the TSA.

In connection with the closing of the 363 Sale, we and MLC also entered into a Master Lease Agreement (Excluded Manufacturing Assets), dated as of July 10, 2009 (EMA Lease) and a Master Lease Agreement (Subdivision Properties), dated as of July 10, 2009 (Subdivision Lease). Under the EMA Lease, we lease from MLC various manufacturing facilities that were retained by MLC in the 363 Sale. The EMA Lease terminates with respect to each facility in accordance with the EMA Lease, the latest such date for any facility being June 30, 2014. Under the EMA Lease, we pay fixed base rent for each facility. In addition, we pay all operating costs associated with our use of the properties throughout the lease term with respect to each facility. During the six months ended June 30, 2010 and the year ended December 31, 2009, we paid $8 million and $13 million in rent to MLC pursuant to the EMA Lease. The current annual aggregate base rent under the EMA Lease is $15 million.

Under the Subdivision Lease, we lease from MLC certain manufacturing facilities that we acquired from MLC in the 363 Sale (Subdivision Premises) but that could not be conveyed to us until they are subdivided from adjacent property that MLC retained. We pay annual rent of $1 under the Subdivision Lease and are responsible for all operating costs relating to the Subdivision Premises. The term of the Subdivision Lease with respect to each separate Subdivision Premise terminates on the first to occur of July 31, 2029 or the date on which the respective Subdivision Premise is subdivided, at which time MLC will convey such Subdivision Premise to us for $1.

CONCURRENT OFFERING OF SERIES B PREFERRED STOCK

Concurrently with this offering of common stock, we plan to offer 60,000,000 shares of our Series B mandatory convertible junior preferred stock, and we have granted the underwriters of the offering of Series B preferred stock a 30-day option to purchase up to 9,000,000 additional shares of Series B preferred stock to cover over-allotments. There are currently no shares of Series B preferred stock outstanding. We cannot assure you that the offering of Series B preferred stock will be completed or, if completed, on what terms it will be completed. The closing of this offering is not conditioned upon the closing of the offering of Series B preferred stock, but the closing of our offering of Series B preferred stock is conditioned upon the closing of this offering.

The following summary of the terms of the Series B preferred stock is subject to, and qualified in its entirety by reference to, the provisions of the certificate of designations for the Series B preferred stock.

Ranking

The Series B preferred stock, with respect to dividend rights or rights upon our liquidation, winding-up or dissolution, ranks:

- senior to (i) our common stock and (ii) each other class of capital stock or series of preferred stock established after the first original issue date of the Series B preferred stock (which we refer to as the "issue date") the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Series B preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "junior stock");

- on parity with any class of capital stock or series of preferred stock established after the issue date the terms of which expressly provide that such class or series will rank on a parity with the Series B preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "parity stock");

- junior to (i) the Series A Preferred Stock and (ii) each class of capital stock or series of preferred stock established after the issue date the terms of which expressly provide that such class or series will rank senior to the Series B preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "senior stock"); and

- junior to our existing and future indebtedness.

In addition, the Series B preferred stock, with respect to dividend rights or rights upon our liquidation, winding-up or dissolution, will be structurally subordinated to existing and future indebtedness of our subsidiaries as well as the capital stock of our subsidiaries held by third parties.

Dividends

Holders of shares of Series B preferred stock will be entitled to receive, when, as and if declared by our Board of Directors, or an authorized committee of our Board of Directors, out of funds legally available for payment, cumulative dividends at the rate per annum of % on the liquidation preference of $50 per share of Series B preferred stock (equivalent to $ per annum per share), payable in cash, by delivery of shares of our common stock or through any combination of cash and shares of our common stock, as determined by us in our sole discretion (subject to certain limitations). Dividends on the Series B preferred stock will be payable quarterly on , , and of each year to and including the mandatory conversion date (as defined below), commencing , at such annual rate, and shall accumulate from the most recent date as to which dividends shall have been paid or, if no dividends have been paid, from the issue date of the Series B preferred stock, whether or not in any dividend period or periods there have been funds legally available for the payment of such dividends.

Our ability to declare and pay cash dividends and make other distributions with respect to the Series B preferred stock is subject to restrictions in the event we fail to declare and pay (or set aside for payment) full dividends on the Series A Preferred Stock and may be limited by the terms of any indentures or other financing arrangements that we enter into in the future. In addition, our ability to declare and pay dividends may be limited by applicable Delaware law.

Redemption

The Series B preferred stock will not be redeemable.

Liquidation Preference

In the event of our voluntary or involuntary liquidation, winding-up or dissolution, each holder of Series B preferred stock will be entitled to receive a liquidation preference in the amount of $50 per share of the Series B preferred stock (the "liquidation preference"), plus an amount equal to accumulated and unpaid dividends on the shares to (but excluding) the date fixed for liquidation, winding-up or dissolution to be paid out of our assets available for distribution to our shareholders, after satisfaction of liabilities to our creditors and holders of any senior stock and before any payment or distribution is made to holders of junior stock (including our common stock). If, upon our voluntary or involuntary liquidation, winding-up or dissolution, the amounts payable with respect to the liquidation preference plus an amount equal to accumulated and unpaid dividends of the Series B preferred stock and all parity stock are not paid in full, the holders of the Series B preferred stock and any parity stock will share equally and ratably in any distribution of our assets in proportion to the liquidation preference and an amount equal to accumulated and unpaid dividends to which they are entitled. After payment of the full amount of the liquidation preference and an amount equal to accumulated and unpaid dividends to which they are entitled, the holders of the Series B preferred stock will have no right or claim to any of our remaining assets.

Voting Rights

The holders of the Series B preferred stock do not have voting rights other than those described below, except as specifically required by Delaware law.

Whenever dividends on any shares of Series B preferred stock have not been declared and paid for the equivalent of six or more dividend periods, whether or not for consecutive dividend periods, the holders of such shares of Series B preferred stock, voting together as a single class with holders of any and all other series of parity stock then outstanding, will be entitled to vote for the election of a total of two additional members of our Board of Directors, subject to certain limitations.

So long as any shares of Series B preferred stock remain outstanding, we will not, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of Series B preferred stock and all other series of voting preferred stock entitled to vote thereon, voting together as a single class, given in person or by proxy, either in writing or at a meeting:

- amend or alter the provisions of our Certificate of Incorporation or the certificate of designations for the shares of Series B preferred stock so as to authorize or create, or increase the authorized amount of, any specific class or series of stock ranking senior to the Series B preferred stock with respect to payment of dividends or the distribution of our assets upon our liquidation, dissolution or winding up; or

- amend, alter or repeal the provisions of our Certificate of Incorporation or the certificate of designations for the shares of Series B preferred stock so as to materially and adversely affect the special rights, preferences, privileges and voting powers of the shares of Series B preferred stock, taken as a whole; or

- consummate a binding share exchange or reclassification involving the shares of Series B preferred stock or a merger or consolidation of us with another entity, unless in each case (i) shares of Series B preferred stock remain outstanding and are not amended in any respect or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (ii) such shares of Series B preferred stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Series B preferred stock immediately prior to such consummation, taken as a whole.

Mandatory Conversion

Each share of the Series B preferred stock, unless previously converted, will automatically convert on , 2013 (the "mandatory conversion date"), into a number of shares of common stock equal to the conversion rate described below. If prior to the mandatory conversion date we have not declared all or any portion of the accumulated and unpaid dividends on the Series B preferred stock, the conversion rate will be adjusted so that holders receive an additional number of shares of common stock equal to the amount of accumulated and unpaid dividends that have not been declared (the "additional conversion amount") divided by the greater of the floor price and the applicable market value (as defined below). To the extent that the additional conversion amount exceeds the product of the number of additional shares and the applicable market value, we will, if we are legally able to do so, declare and pay such excess amount in cash pro rata to the holders of the Series B preferred stock.

The conversion rate, which is the number of shares of common stock issuable upon conversion of each share of Series B preferred stock on the mandatory conversion date, will, subject to certain anti-dilution adjustments, be as follows:

- if the applicable market value of our common stock is greater than $, which we call the "threshold appreciation price," then the conversion rate will be shares of common stock per share of Series B preferred stock (the "minimum conversion rate"), which is equal to $50 divided by the threshold appreciation price;

- if the applicable market value of our common stock is less than or equal to the threshold appreciation price but equal to or greater than $ (the "initial price," which equals the price at which we initially offered our common stock to the public in this offering of our common stock), then the conversion rate will be equal to $50 divided by the applicable market value of our common stock, which will be between and shares of common stock per share of Series B preferred stock; or

- if the applicable market value of our common stock is less than the initial price, then the conversion rate will be shares of common stock per share of Series B preferred stock (the "maximum conversion rate"), which is equal to $50 divided by the initial price.

"Applicable market value" means the average of the closing prices per share of our common stock over the 40 consecutive trading day period ending on the third trading day immediately preceding the mandatory conversion date.

Conversion at the Option of the Holder

Holders of the Series B preferred stock have the right to convert their shares of Series B preferred stock, in whole or in part (but in no event less than one share of Series B preferred stock), at any time prior to the mandatory conversion date, into shares of our common stock at the minimum conversion rate of shares of common stock per share of Series B preferred stock, subject to certain anti-dilution adjustments.

Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount

If we are the subject of certain cash acquisitions, on or prior to the mandatory conversion date, holders of the Series B preferred stock will have the right to (i) convert their shares of Series B preferred stock, in whole or in part (but in no event less than one share of Series B preferred stock), into shares of common stock at the cash acquisition conversion rate which will be based on the effective date of the cash acquisition and the price paid per share of our common stock in such transaction, (ii) with respect to such converted shares, receive a cash acquisition dividend make-whole amount based on the present value of remaining dividend payments on the Series B preferred stock and (iii) with respect to such converted shares, to the extent that, as of the effective date of the cash acquisition, we have not declared any or all of the accumulated and unpaid dividends on the Series B preferred stock as of such effective date, receive an adjustment in the conversion rate and, under certain circumstances, a cash payment.

Anti-dilution Adjustments

The formula for determining the conversion rate on the mandatory conversion date and the number of shares of our common stock to be delivered upon an early conversion event may be adjusted if certain events occur, including if:

- We issue common stock to all holders of our common stock as a dividend or other distribution.
- We issue to all holders of our common stock rights or warrants (other than rights or warrants issued pursuant to a dividend reinvestment plan or share purchase plan or other similar plans) entitling them, for a period of up to 45 calendar days from the date of issuance of such rights or warrants, to subscribe for or purchase our shares of common stock at less than the current market price of our common stock.
- We subdivide or combine our common stock.
- We distribute to all holders of our common stock evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets, excluding any dividend, distribution, rights or warrants referred to in the bullets above and any spin-off.
- We make a distribution consisting exclusively of cash to all holders of our common stock, subject to limited exceptions.
- We or any of our subsidiaries successfully complete a tender or exchange offer for our common stock (excluding any securities convertible or exchangeable for our common stock), where the cash and the value of any other consideration included in the payment per share of our common stock exceeds the current market price of our common stock.

Transfer Restrictions

Certain transfer restrictions will apply to shares of Series B preferred stock. These restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits. See the section of this prospectus entitled “Description of Capital Stock—Certain Provisions of Our Certificate of Incorporation and Bylaws—Transfer Restrictions” for a more detailed description of these restrictions.

DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock is based upon our Certificate of Incorporation, our Bylaws, the Warrant Agreements, the certificate of designations for the shares of Series A Preferred Stock, and applicable provisions of law, in each case as currently in effect. The following is a description of the material provisions regarding our capital stock contained in our Certificate of Incorporation, our Bylaws, the Warrant Agreements, and the certificate of designations for the Series A Preferred Stock and is qualified in its entirety by reference to the provisions of those documents. A description of the Stockholders Agreement dated as of October 15, 2009 among us, the UST, the New VEBA, Canada Holdings, and our previous legal entity prior to our October 2009 holding company reorganization (which is now a wholly-owned subsidiary of the Company), which includes among other things various voting agreements among the parties thereto, is contained within the section of this prospectus entitled "Certain Stockholder Agreements—Stockholders Agreement."

Certain provisions of the DGCL, our Certificate of Incorporation, and our Bylaws summarized in the following paragraphs may have an anti-takeover effect. This may delay, defer, or prevent a tender offer or takeover attempt that a stockholder might consider in its best interests.

Authorized Capital Stock

Our Certificate of Incorporation currently authorizes us to issue 7,000,000,000 shares of capital stock, consisting of:

- 5,000,000,000 shares of common stock, par value $0.01 per share; and
- 2,000,000,000 shares of preferred stock, par value $0.01 per share.

As of November 2, 2010, the following shares of capital stock and warrants to acquire shares of capital stock were issued and outstanding:

- 1,500,000,000 shares of common stock;
- 360,000,000 shares of Series A Preferred Stock (including 83,898,305 shares of Series A Preferred Stock that we have agreed to purchase from the UST); and
- Warrants for the purchase of up to 318,181,815 shares of common stock.

Certain Provisions of Our Certificate of Incorporation and Bylaws

Amendments to Our Certificate of Incorporation

Under the DGCL, the affirmative vote of a majority of the outstanding shares entitled to vote thereon and a majority of the outstanding stock of each class entitled to vote thereon is required to amend a corporation's certificate of incorporation. Under the DGCL, the holders of the outstanding shares of a class of our capital stock shall be entitled to vote as a class upon a proposed amendment, whether or not entitled to vote thereon by the certificate of incorporation, if the amendment would:

- Increase or decrease the aggregate number of authorized shares of such class;
- Increase or decrease the par value of the shares of such class; or
- Alter or change the powers, preferences, or special rights of the shares of such class so as to affect them adversely.

If any proposed amendment would alter or change the powers, preferences, or special rights of one or more series of any class of our capital stock so as to affect them adversely, but shall not so affect the entire class, then only the shares of the series so affected by the amendment shall be considered a separate class for the purposes of this provision.

Transfer Restrictions

Our Certificate of Incorporation restricts certain transfers of certain shares of our capital stock (referred to as "corporation securities") to reduce the risk that we would experience any "ownership change" (as defined in Section 382 of the IRC) that could limit our ability to utilize our net operating loss carryovers and other tax benefits. "Corporation securities" include, among other things, shares of our common stock and warrants to purchase our common stock and will include shares of our Series B preferred stock issued in the Series B preferred stock offering. These restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits by preventing any direct or indirect transfer of "corporation securities" if the effect of the transfer would be to:

- increase the direct or indirect "percentage stock ownership" (as defined in our Certificate of Incorporation) by any person or group of persons from less than 4.9% of the value of all such securities of the Company to 4.9% or more; or
- increase the direct or indirect "percentage stock ownership" of a person or group of persons having or deemed to have a "percentage stock ownership" of 4.9% or more of the value of all such securities of the Company.

Generally, the above restrictions are imposed only with respect to the number of shares of "corporation securities" purportedly transferred in excess of the threshold. These transfer restrictions will not apply, however, in the case of a transfer that:

- is authorized by our Board of Directors prior to the consummation of the transfer (or, in the case of an involuntary transfer, as soon as practicable after the transaction is consummated);
- is pursuant to any transaction, including a merger or consolidation, in which all holders of "corporation securities" receive, or are offered the same opportunity to receive, cash or other consideration, and as a result of which the acquiror will own at least a majority of the outstanding shares of our common stock;
- is a transfer to an underwriter for distribution in a public offering (provided that transfers by such underwriter to purchasers in such offering remain subject to these transfer restrictions); or
- does not result in an aggregate owner shift of more than 40% for purposes of Section 382 of the IRC.

Further, the restrictions on transfer will not apply to:

- outstanding shares of our Series A Preferred Stock;
- any transfer by MLC (or any trust created pursuant to a bankruptcy plan of reorganization of MLC or any other person distributing "corporation securities" pursuant to such a plan) to or for the benefit of (i) creditors of MLC, (ii) beneficiaries of any trust created pursuant to a bankruptcy plan of reorganization of MLC or (iii) MLC (or any other trust created pursuant to a bankruptcy plan of reorganization of MLC or any other person distributing "corporation securities" pursuant to such a plan);
- any transfer by any person distributing "corporation securities" pursuant to a bankruptcy plan of reorganization of MLC;
- any transfer by any person for distribution in the common stock offering; and
- any acquisition of "corporation securities" directly from us, whether by way of the exercise of a warrant or otherwise.

Our Board of Directors may impose, in connection with authorizing any proposed transaction restricted by our Certificate of Incorporation, any conditions that it deems reasonable and appropriate and may require affidavits, representations or opinions of counsel from the party who requests such authorization. Persons making such requests are generally required to reimburse us for all reasonable out-of-pocket costs and expenses incurred in determining whether to authorize the proposed transfer.

Any attempted transfer that would violate these restrictions will be void as of the date of the purported transfer (*i.e.*, void *ab initio*), and the purported transferee will not be recognized as the owner of the shares purported to have been transferred, including for purposes of voting and receiving dividends or other distributions. The purported transferor will remain the owner of such transferred shares, and the purported transferee will be required to turn over the transferred shares, together with any distributions received by the purported transferee with respect to the transferred shares, to our agent, who will attempt to sell such shares in arm's-length transactions that do not violate the restrictions and then distribute the proceeds in a specified manner.

A legend referring to these restrictions will be placed on each certificate representing shares of "corporation securities" issued prior to the expiration of the restrictions. In the case of uncertificated "corporation securities," a notation referring to these restrictions will appear on all trade confirmations issued prior to the expiration of the restrictions.

These restrictions expire on the earliest of:

- the close of business on December 31, 2013, subject to extension as noted below;
- the repeal of Section 382 of the IRC, or any other change in law, if our Board of Directors determines that the restrictions are no longer necessary for the preservation of our net operating loss carryovers and other tax benefits;
- the beginning of a taxable year for which our Board of Directors determines that none of our net operating loss carryovers and other tax benefits may be carried forward; and
- such earlier date as our Board of Directors determines for the restrictions to terminate.

The December 31, 2013 expiration date may be extended for two additional one-year terms if our Board of Directors determines that the extension of the restrictions is reasonably necessary to preserve our net operating loss carryovers and other tax benefits and is in the best interests of the Company and our stockholders.

Vacancies in the Board of Directors

Our Bylaws provide that, subject to limitations, any vacancy occurring in our Board of Directors for any reason may be filled by a majority of the remaining members of our Board of Directors then in office, even if such majority is less than a quorum. Each director so elected shall hold office until the expiration of the term of the other directors. Each such director shall hold office until his or her successor is elected and qualified or until the earlier of his or her death, resignation, or removal.

Special Meetings of Stockholders

Under our Bylaws, special meetings of stockholders may be called at any time by the chairman of the Board of Directors or by a majority of the members of the Board of Directors. Our Bylaws further provide that the Board of Directors shall call a special meeting upon the written request of the record holders of at least 25% of the voting power of the outstanding shares of all classes of stock entitled to vote at such a meeting, subject to requirements and limitations set forth in our Bylaws.

Under the DGCL, written notice of any special meeting must be given not less than 10 nor more than 60 days before the date of the special meeting to each stockholder entitled to vote at such meeting.

Requirements for Notice of Stockholder Director Nominations and Stockholder Business

Following this offering, nominations for the election of directors may be made by the Board of Directors in accordance with the Stockholders Agreement or by any stockholder entitled to vote for the election of directors who complies with the applicable notice requirements.

Following this offering, if a stockholder wishes to bring any business before an annual or special meeting or nominate a person for election to our Board of Directors, our Bylaws contain certain procedures that must be followed for the advance timing required for delivery of stockholder notice of such business and the information that such notice must contain. The information that may be required in a stockholder notice includes general information regarding the stockholder, a description of the proposed business, and, with respect to nominations for the Board of Directors, certain specified information regarding the nominee(s). In addition to the information required in a stockholder notice described above, our Bylaws require under certain circumstances a representation that the stockholder is a holder of our voting stock and intends to appear in person or by proxy at the meeting to make the nomination or bring up the matter specified in the notice. For the timing of the stockholder notice, our Bylaws require that the notice must be received by our secretary:

- In the case of an annual meeting, not more than 180 days and not less than 120 days in advance of the annual meeting; and
- In the case of a special meeting, not more than 15 days after the day on which notice of the special meeting is first mailed to stockholders.

Stockholder Action by Written Consent without a Meeting

Our Certificate of Incorporation provides that, following this offering, no action that is required or permitted to be taken by our stockholders at any annual or special meeting of stockholders may be effected by written consent of stockholders in lieu of a meeting except where such consent is signed by the holders of all shares of stock of the Company then outstanding and entitled to vote. Our Bylaws also contain notice and procedural requirements applicable to persons seeking to have the stockholders authorize or take corporate action by written consent without a meeting.

Certain Anti-Takeover Effects of Delaware Law

Following this offering, we will be subject to Section 203 of the DGCL. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in various business combination transactions with any interested stockholder for a period of three years following the time that such person became an interested stockholder, unless:

- The business combination or the transaction which resulted in the stockholder becoming an interested stockholder is approved by the Board of Directors prior to the date the interested stockholder obtained such status;
- Upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or
- At or subsequent to such time the business combination is approved by the Board of Directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

A “business combination” is defined to include mergers, asset sales, and other transactions resulting in financial benefit to an “interested stockholder.” In general, an “interested stockholder” is a person who owns (or is an affiliate or associate of the corporation and, within the prior three years, did own) 15% or more of a corporation’s voting stock.

However, the restrictions contained in Section 203 will not apply if the business combination is with an interested stockholder who became an interested stockholder before the time that we have a class of voting stock that is either listed on a national securities exchange or held of record by more than 2,000 stockholders.

Description of Common Stock

Our only class of common stock is our common stock, par value $0.01 per share. There are no redemption or sinking fund provisions applicable to our common stock. All outstanding shares of common stock are fully paid and non-assessable.

Dividends

The DGCL and our Certificate of Incorporation do not require our Board of Directors to declare dividends on our common stock. The declaration of any dividend on our common stock is a matter to be acted upon by our Board of Directors in its sole discretion. We have no current plans to commence payment of a dividend on our common stock. Our payment of dividends on our common stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings and liquidity, and other factors.

The DGCL restricts the power of our Board of Directors to declare and pay dividends on our common stock. The amounts which may be declared and paid by our Board of Directors as dividends on our common stock are subject to the amount legally available for the payment of dividends on our common stock by us under the DGCL. In particular, under the DGCL, we can only pay dividends to the extent that we have surplus—the extent by which the fair market value of our net assets exceeds the amount of our capital—or to the extent of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. In addition, dividends on our common stock are subject to any preferential rights on any outstanding series of preferred stock authorized for issuance by our Board of Directors in accordance with our Certificate of Incorporation.

Voting Rights

Our Certificate of Incorporation provides that, except as may otherwise be provided in a certificate of designations relating to any outstanding series of preferred stock or by applicable law, the holders of shares of common stock shall be entitled to one vote for each such share upon each matter presented to the stockholders and the common stock shall have the exclusive right to vote for the election of directors and for all other purposes. Our common stockholders do not possess cumulative voting rights.

Under our Bylaws in uncontested elections of directors, those nominees receiving a majority of the votes cast by holders of shares entitled to vote with respect to that director’s election at the meeting shall be elected. A majority of votes cast means that the number of votes for a director must exceed 50% of the votes cast with respect to that director. Votes against will count as a vote cast with respect to a director, but abstentions will not count as a vote cast with respect to that director. In certain contested elections, the nominees who receive a plurality of votes cast by holders of shares entitled to vote in the election at a meeting shall be elected. Under our Bylaws, any other corporate action put to a stockholder vote shall be decided by the vote of the holders of a majority of the voting power of the share of stock entitled to vote thereon present in person or by proxy at the meeting, unless otherwise provided by applicable law.

Liquidation Rights

In the event of any liquidation, dissolution, or winding up of the Company, the holders of our common stock would be entitled to receive, after payment or provision for payment of all our debts and liabilities, all of our

assets available for distribution. Holders of our preferred stock, if any such shares are then outstanding, may have a priority over the holders of common stock in the event of any liquidation or dissolution.

Transfer Restrictions

As described in the section of this prospectus entitled "—Certain Provisions of Our Certificate of Incorporation and Bylaws—Transfer Restrictions" above, certain transfer restrictions apply to shares of our common stock. These restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits.

Transfer Agent and Registrar

Computershare Trust Company, N.A. is the transfer agent and registrar for our common stock.

Listing

Our common stock has been approved for listing on the New York Stock Exchange under the symbol "GM". The Toronto Stock Exchange has conditionally approved the listing of our common stock under the symbol "GMM", subject to our fulfilling all of the requirements of the Toronto Stock Exchange.

Description of Preferred Stock

Under our Certificate of Incorporation and the DGCL, our Board of Directors has the authority to issue shares of preferred stock from time to time in one or more series. Any certificate of designations establishing a series of preferred stock will describe the terms of the series of preferred stock, including:

- The designation of the series;
- The number of shares of the series;
- The amounts payable on and the preferences, if any, of shares of the series in respect of dividends and whether such dividends, if any, shall be cumulative or noncumulative;
- Dates at which dividends, if any, shall be payable;
- The redemption rights and price or prices, if any, for shares of the series;
- The terms and amount of any sinking fund provided for the purchase or redemption of shares of the series;
- The amounts payable on and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company;
- Whether the shares of the series shall be convertible into or exchangeable for shares of any other class or series, or any other security, of the Company or any other corporation and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable, and all other terms and conditions upon which such conversion or exchange may be made;
- Restrictions on the issuance of shares of the same series or of any other class or series; and
- The voting rights, if any, of the holders of shares of the series.

Holders of our preferred stock will not be entitled to vote except as may otherwise be provided in the certificate of designations establishing a series of preferred stock and except as may otherwise be provided under applicable law.

Description of Series A Preferred Stock

The certificate of designations for the Series A Preferred Stock authorizes 360,000,000 shares of Series A Preferred Stock, all of which are outstanding as of November 2, 2010 (including 83,898,305 shares of Series A Preferred Stock that we have agreed to purchase from the UST). There are no sinking fund provisions applicable to our Series A Preferred Stock. All outstanding shares of Series A Preferred Stock are fully paid and non-assessable.

Ranking

As described more fully below, the Series A Preferred Stock ranks senior with respect to liquidation preference and dividend rights to any "Junior Stock," which means the common stock, any preferred stock other than the Series A Preferred Stock, and any other class or series of stock that we may issue.

Liquidation Preference

In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Company's affairs, a holder of Series A Preferred Stock will be entitled to be paid, before any distribution or payment may be made to any holders of Junior Stock: (1) the liquidation amount of $25.00 per share; and (2) the amount of any accrued and unpaid dividends, if any, whether or not declared, prior to such distribution or payment date.

Dividends

Holders of the Series A Preferred Stock are entitled to receive, on each share, if, as and when declared by the Board of Directors or any duly authorized committee of the Board of Directors out of assets legally available, cumulative cash dividends with respect to each quarterly dividend period at a rate of 9.0% per annum on: (1) the liquidation amount of $25.00 per share; and (2) the amount of accrued and unpaid dividends for any prior dividend periods on such share, if any. Unless all accrued and unpaid dividends on the Series A Preferred Stock are paid in full, no dividends or distributions may be paid on common stock or any other Junior Stock, and no shares of common stock or any other Junior Stock may be repurchased or redeemed by us (subject to certain exceptions that are specified in the certificate of designations for the Series A Preferred Stock). Dividends, if declared, will be payable on March 15, June 15, September 15 and December 15 of each year.

Redemption

We may not redeem the Series A Preferred Stock prior to December 31, 2014. On or after December 31, 2014, the Series A Preferred Stock may be redeemed, in whole or in part, for cash at a price per share equal to the $25.00 per share liquidation amount, plus any accrued and unpaid dividends.

Series A Preferred Stock Directors

Whenever, at any time or times, dividends payable on the shares of Series A Preferred Stock have not been paid for an aggregate of six quarterly dividend periods or more, whether or not consecutive, the authorized number of our directors will automatically be increased by two, and the holders of the Series A Preferred Stock will have the right, voting as a class, to elect two directors to our Board of Directors to fill the newly created directorships at the next annual meeting of stockholders (or at a special meeting called for that purpose prior to the next annual meeting) and at each subsequent annual meeting of stockholders until all accrued and unpaid dividends for all past dividend periods on all outstanding shares of Series A Preferred Stock have been declared and paid in full, at which time such right shall terminate with respect to the Series A Preferred Stock subject to revesting in the event of each and every subsequent payment failure of the character mentioned above. Upon any termination of the rights of the holders of shares of the Series A Preferred Stock as a class to vote for directors as described above, the preferred directors so elected to our Board of Directors shall cease to be qualified as directors and the term of their office shall terminate immediately.

Class Voting Rights on Certain Matters

The vote or consent of the holders of at least 66 2/3% of the shares of the Series A Preferred Stock at the time outstanding, voting as a separate class, shall be necessary for effecting:

- Any amendment or alteration of the certificate of designations for the Series A Preferred Stock or our Certificate of Incorporation to authorize or create or increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of our capital stock ranking senior to or pari passu with the Series A Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution, or winding up of the Company;

- Any amendment, alteration or repeal of any provision of the certificate of designations for the Series A Preferred Stock or our Certificate of Incorporation (subject to certain exceptions) so as to adversely affect the rights, preferences, privileges or voting powers of the Series A Preferred Stock; provided, however, that the vote of 100% of the shares of the Series A Preferred Stock at the time outstanding shall be necessary to: (1) reduce the $25.00 per share liquidation amount; (2) reduce the applicable 9.0% dividend rate; (3) provide for the payment of dividends on the Series A Preferred Stock to be made in other than U.S. Dollars; (4) change any dividend payment date or the December 31, 2014 first optional redemption date; or (5) make dividends on the Series A Preferred Stock non-cumulative; or

- Any consummation of a binding share exchange or reclassification involving the Series A Preferred Stock, or of a merger or consolidation of us with or into another corporation or other entity, unless in each case: (1) the shares of the Series A Preferred Stock remain outstanding and are not amended in any respect or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent; and (2) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges, and voting powers, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges, and voting powers, and limitations and restrictions thereof, of the Series A Preferred Stock immediately prior to such consummation, taken as a whole; provided, however, that any increase in the amount of our authorized preferred stock, or the creation and issuance, or an increase in the authorized or issued amount of any other series of our preferred stock, or any securities convertible into or exchangeable or exercisable for any other series of our preferred stock, ranking junior to the Series A Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution, or winding up of the Company will not be deemed to adversely affect the rights, preferences, privileges, or voting powers, and shall not require the affirmative vote or consent of the holders of, outstanding shares of the Series A Preferred Stock.

Transfer Agent and Registrar

Computershare Trust Company, N.A. is the transfer agent and registrar for our Series A Preferred Stock.

Description of the Warrants

Pursuant to the Warrant Agreements, we issued two warrants, each to acquire 136,363,635 shares of common stock, to MLC and one warrant to acquire 45,454,545 shares of common stock to the New VEBA. The first of the MLC Warrants is exercisable at any time prior to July 10, 2016 at an exercise price of $10.00 per share, and the second of the MLC Warrants is exercisable at any time prior to July 10, 2019 at an exercise price of $18.33 per share. The New VEBA Warrant is exercisable at any time prior to December 31, 2015 at an exercise price of $42.31 per share. The number of shares of common stock underlying each of the warrants and the per share exercise price thereof are subject to adjustment as a result of certain events specified in the Warrant Agreements, including stock splits, reverse stock splits, and stock dividends. U.S. Bank National Association is the warrant agent under each of the Warrant Agreements.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock. Future sales of shares of our common stock in the public market, or the perception that such sales may occur, could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through the sale of our equity or equity-related securities in the future.

Upon the completion of this offering, we will have outstanding an aggregate of 1,500,000,000 shares of common stock. Of these shares, the 365,000,000 shares of common stock to be sold by the selling stockholders in the offering of common stock (419,750,000 shares if the underwriters in the offering of common stock exercise their over-allotment option in full) will be freely tradable without restriction or further registration under the Securities Act, except that any shares held by any of our "affiliates," as that term is defined in Rule 144 under the Securities Act, generally may be sold in the public market only in compliance with Rule 144 as described below.

The remaining 1,135,000,000 outstanding shares of our common stock held by the UST, Canada Holdings, the New VEBA and MLC upon completion of this offering (1,080,250,000 shares if the underwriters in the offering of common stock exercise their over-allotment option in full) will be subject to lock-up arrangements, as described below. After the expiration of the applicable lock-up restrictions, these securities may be sold in the public market only if they are registered under the Securities Act or they qualify for an exemption from registration under the Securities Act, including an exemption pursuant to Rule 144. In addition, as of November 2, 2010, MLC holds a warrant to acquire 136,363,636 shares of our common stock at an exercise price of $10.00 per share, MLC holds another warrant to acquire 136,363,636 shares of our common stock at an exercise price of $18.33 per share, and the New VEBA holds a warrant to acquire 45,454,545 shares of our common stock at an exercise price of $42.31 per share. Our existing stockholders, including the UST, Canada Holdings, the New VEBA and MLC, may be interested in selling after this offering a large number of shares of our common stock and warrants to acquire our common stock, or exercising their warrants and then selling the underlying shares of our common stock. In addition to open market and other transactions, a sale by MLC could occur through a distribution by MLC to its numerous creditors and other stakeholders pursuant to a plan of reorganization confirmed by the Bankruptcy Court in the Chapter 11 Proceedings, who might then resell those shares and warrants.

Additional shares of common stock will be issuable upon conversion of the shares of Series B preferred stock issued in our offering of Series B preferred stock. All of such shares of common stock will be available for immediate resale in the public market upon conversion, except for any such shares issued to persons who are subject to the lock-up arrangements described below, which shares will be subject to the terms of such lock-up arrangements.

Lock-up Arrangements

Holdback Provisions in the Equity Registration Rights Agreement

Under the terms of the Equity Registration Rights Agreement, each of the UST, Canada Holdings, the New VEBA and MLC are prohibited from selling any shares of common stock or securities convertible into or exchangeable or exercisable for common stock, including any sale pursuant to Rule 144, during the 60 day period beginning on the effective date of the registration statement for this offering. See the section of this prospectus entitled "Certain Stockholder Agreements—Equity Registration Rights Agreement" for further information about the Equity Registration Rights Agreement.

Other Lock-up Agreements

Refer to the section of this prospectus entitled "Underwriting" for a description of other lock-up agreements in connection with this offering.

Rule 144

In general, under Rule 144 as in effect on the date of this prospectus, a person who is not one of our "affiliates" (as that term is defined in Rule 144) at any time during the three months preceding a sale, and who has owned the shares of our common stock proposed to be sold for at least six months, would be entitled to sell an unlimited number of such shares of our common stock provided current public information about us is available. Such non-affiliate, after owning the shares proposed to be sold for at least one year, would be entitled to sell an unlimited number of such shares of our common stock regardless of whether current public information about us is available.

In general, under Rule 144 as in effect on the date of this prospectus, our affiliates who have owned the shares of our common stock proposed to be sold for at least six months are entitled to sell within any three-month period a number of shares that does not exceed the greater of:

- 1% of the number of shares of common stock then outstanding, which will equal approximately 15,000,000 shares immediately after this offering; and
- The average weekly trading volume of the common stock on the New York Stock Exchange during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

However, sales under Rule 144 by our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Registration Rights

Following the consummation of this offering, each of the UST, Canada Holdings, the New VEBA and MLC will have the right, subject to certain exceptions and conditions, to require us to register their shares of our common stock, warrants and Series A Preferred Stock under the Securities Act pursuant to the Equity Registration Rights Agreement, and they will have the right to participate in certain future registrations of securities by us. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of registration. See the section of this prospectus entitled "Certain Stockholder Agreements—Equity Registration Rights Agreement" for further information about the Equity Registration Rights Agreement.

Proposed Pension Plan Contribution

We expect to contribute $2.0 billion of our common stock to our U.S. hourly and salaried pension plans after the completion of the common stock offering and the Series B preferred stock offering. This contribution is contingent on Department of Labor approval, which we expect to receive in the near-term. Based on the number of shares determined using an assumed public offering price per share of our common stock in the common stock offering of $27.50, the midpoint of the range set forth on the cover of this prospectus, this anticipated contribution would consist of 72.7 million shares of our common stock. Although we reserve the right to modify the amount or timing of the contribution, or to not make the contribution at all, we currently expect to complete the contribution to the pension plans in the near-term. In connection with any such contribution, we expect to grant the pension plans the right to require us in certain circumstances to file registration statements under the Securities Act covering additional resales of those shares of our common stock held by them and the right to participate in other registered offerings in certain circumstances. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of registration.

MATERIAL U.S. FEDERAL TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following discussion describes material U.S. federal income and estate tax consequences associated with the purchase, ownership, and disposition of our common stock as of the date of this prospectus by Non-U.S. Holders (as defined below). It is assumed in this discussion that a Non-U.S. Holder holds shares of our common stock as capital assets within the meaning of Section 1221 of the IRC (generally, property held for investment). This discussion does not address all aspects of U.S. federal income or estate taxation. Furthermore, the discussion below is based upon the provisions of the IRC, the existing and proposed Treasury Regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as of the date of this prospectus, and all of which are subject to change or differing interpretation, possibly with retroactive effect. This discussion does not address any state, local, or foreign tax consequences, nor any federal tax consequences, other than federal income and estate tax consequences. Persons considering the purchase, ownership, or disposition of our common stock should consult their tax advisors concerning U.S. federal, state, local, foreign or other tax consequences in light of their particular situations.

A "U.S. Holder" of our common stock means a holder that is for U.S. federal income tax purposes:

- An individual citizen or resident of the United States;
- A corporation (or other entity taxable as a corporation) created or organized in or under the laws of the United States or any state thereof or the District of Columbia;
- An estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- A trust if it: (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust; or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

A "Non-U.S. Holder" is a beneficial owner of our common stock (other than an entity or arrangement classified as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder. If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership purchasing common stock, we urge you to consult your tax advisor. Special rules may also apply to certain Non-U.S. Holders, such as:

- U.S. expatriates;
- "controlled foreign corporations";
- "passive foreign investment companies"; and
- investors in pass-through entities that are subject to special treatment under the IRC.

Non-U.S. Holders are urged to consult their tax advisors to determine the U.S. federal, state, local, and other tax consequences that may be relevant to them.

THIS SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES FOR NON-U.S. HOLDERS RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK AND IS NOT TAX OR LEGAL ADVICE. PROSPECTIVE HOLDERS OF OUR COMMON STOCK SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL, FOREIGN INCOME AND OTHER TAX LAWS) OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK.

Dividends

In general, any distribution we make to a Non-U.S. Holder with respect to its shares of our common stock that constitutes a dividend for U.S. federal tax purposes will be subject to U.S. withholding tax at a rate of 30% of the gross amount, unless the Non-U.S. Holder is eligible for a reduced rate of withholding tax under an applicable treaty and the Non-U.S. Holder provides proper certification of its eligibility for such reduced rate. A distribution will constitute a dividend for U.S. federal tax purposes to the extent of our current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Any distribution not constituting a dividend will be treated first as reducing the adjusted basis in the Non-U.S. Holder's shares of our common stock and, to the extent it exceeds the adjusted basis in the Non-U.S. Holder's shares of our common stock, as gain from the sale or exchange of such stock.

If you wish to claim the benefit of an applicable treaty for dividends, you will be required to complete Internal Revenue Service Form W-8BEN (or other applicable form) and certify under penalties of perjury that you are not a U.S. person and that you are entitled to the benefits of the applicable treaty.

Dividends we pay that are effectively connected with your conduct of a trade or business within the United States or, if certain tax treaties apply, are attributable to your U.S. permanent establishment, are not subject to the withholding tax, but instead are subject to U.S. federal income tax on a net income basis in the same manner as if you were a U.S. resident, subject to other treatment under an applicable income tax treaty. Special certification and disclosure requirements, including the completion of Internal Revenue Service Form W-8ECI (or any successor form), must be satisfied for effectively connected income to be exempt from withholding. If you are a foreign corporation, any such effectively connected dividends received by you may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

Special certification and other requirements apply to certain Non-U.S. Holders that are entities rather than individuals.

If you are eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty, you may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the Internal Revenue Service.

Sale or Exchange of Common Stock

You generally will not be subject to U.S. federal income tax with respect to gain recognized on a sale or other disposition of shares of our common stock unless:

- The gain is effectively connected with your conduct of a trade or business in the United States and, if certain tax treaties apply, is attributable to your U.S. permanent establishment;
- If you are an individual and hold shares of our common stock as a capital asset, you are present in the United States for 183 days or more in the taxable year of the sale or other disposition, and certain other conditions are met; or
- We are or have been a "U.S. real property holding corporation" for U.S. federal income tax purposes and you held, directly or indirectly, at any time during the five-year period ending on the date of disposition, more than 5% of our common stock and you are not eligible for any treaty exemption.

If you are an individual and are described in the first bullet above, you will be subject to tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates in the same manner as if you were a U.S. resident. If you are an individual and are described in the second bullet above, you will be subject to a flat 30% tax on the gain derived from the sale, which may be offset by U.S. source capital losses (even though you

are not considered a resident of the United States). If you are a foreign corporation and are described in the first bullet above, you will be subject to tax on your gain under regular graduated U.S. federal income tax rates in the same manner as if you were a U.S. Holder and, in addition, may be subject to the branch profits tax on your effectively connected earnings and profits at a rate of 30% or at such lower rate as may be specified by an applicable income tax treaty.

We believe we are not and do not anticipate becoming a "U.S. real property holding corporation" for U.S. federal income tax purposes.

U.S. Federal Estate Tax

Shares of our common stock owned or treated as owned by an individual who is not a citizen or resident (as specially defined for U.S. federal estate tax purposes) of the United States at the time of death will be includible in the individual's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise, and therefore may be subject to U.S. federal estate tax.

Information Reporting and Backup Withholding

Under certain circumstances, Treasury Regulations require information reporting and backup withholding on certain payments on common stock.

U.S. backup withholding (currently at a rate of 28%) is imposed on certain payments to persons that fail to furnish the information required under the U.S. information reporting requirements. Dividends on common stock paid to a Non-U.S. Holder will generally be exempt from backup withholding, provided the Non-U.S. Holder meets applicable certification requirements, including providing a correct and properly executed Internal Revenue Service Form W-8BEN or otherwise establishes an exemption. We must report annually to the Internal Revenue Service and to each Non-U.S. Holder the amount of dividends paid to that holder and the U.S. federal withholding tax withheld with respect to those dividends, regardless of whether withholding is reduced or eliminated by an applicable tax treaty. Copies of these information reports may also be made available under the provisions of an applicable treaty or other agreement to the tax authorities of the country in which the Non-U.S. Holder is a resident.

Under Treasury Regulations, payments of proceeds from the sale of our common stock effected through a foreign office of a broker to its customer generally are not subject to information reporting or backup withholding. However, if the broker is a U.S. person, a controlled foreign corporation for U.S. federal income tax purposes, a foreign person 50% or more of whose gross income is effectively connected with a United States trade or business for a specified three-year period, or a foreign partnership with significant United States ownership or engaged in a United States trade or business, then information reporting (but not backup withholding) will be required, unless the broker has in its records documentary evidence that the beneficial owner of the payment is a Non-U.S. Holder or is otherwise entitled to an exemption (and the broker has no knowledge or reason to know to the contrary), and other applicable certification requirements are met. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a United States person. Information reporting and backup withholding generally will apply to payments of proceeds from the sale of our common stock effected through a United States office of any United States or foreign broker, unless the beneficial owner, under penalties of perjury, certifies, among other things, its status as a Non-U.S. Holder, or otherwise establishes an exemption. The certification procedures required to claim a reduced rate of withholding under a treaty will satisfy the certification requirements necessary to avoid backup withholding as well.

Backup withholding does not represent an additional tax. Any amounts withheld from a payment to a holder under the backup withholding rules will be allowed as a credit against the holder's United States federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the Internal Revenue Service.

New Withholding Legislation

Newly enacted legislation imposes withholding taxes on certain types of payments made to certain non-U.S. entities. The legislation generally applies to payments made after December 31, 2012. Under this legislation, the failure to comply with certification, information reporting and other specified requirements (that are different from, and in addition to, the beneficial owner certification requirements described above) could result in a 30% withholding tax being imposed on payments of dividends on, and sales proceeds of, U.S. common stock to certain Non-U.S. Holders. Under certain circumstances, a Non-U.S. Holder of our common stock may be eligible for a refund or credit of such taxes. Investors are encouraged to consult with their tax advisors regarding the possible implications of this legislation on their investment in our common stock.

UNDERWRITING

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC are acting as representatives, have severally agreed to purchase, and the selling stockholders have agreed to sell to them, severally, the number of shares of common stock indicated below:

Name	Number of Shares
Morgan Stanley & Co. Incorporated	
J.P. Morgan Securities LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Citigroup Global Markets Inc.	
Barclays Capital Inc.	
Credit Suisse Securities (USA) LLC	
Deutsche Bank Securities Inc.	
Goldman, Sachs & Co.	
RBC Capital Markets Corporation	
Banco Bradesco BBI S.A.	
CIBC World Markets Corp.	
Commerz Markets LLC	
BNY Mellon Capital Markets, LLC	
ICBC International Securities Limited	
Itau BBA USA Securities, Inc.	
Lloyds TSB Bank plc	
China International Capital Corporation Hong Kong Securities Limited	
Loop Capital Markets LLC	
The Williams Capital Group, L.P.	
Soleil Securities Corporation	
Scotia Capital (USA) Inc.	
Piper Jaffray & Co.	
SMBC Nikko Capital Markets Limited	
Sanford C. Bernstein & Co., LLC	
Cabrera Capital Markets, LLC	
CastleOak Securities, L.P.	
CF Global Trading LLC	
C.L. King & Associates, Inc.	
CRT Investment Banking LLC	
FBR Capital Markets & Co.	
Gardner Rich, LLC	
Lebenthal & Co., LLC	
M. R. Beal & Company	
Muriel Siebert & Co., Inc.	
Samuel A. Ramirez & Company, Inc.	
Total	365,000,000

We may add additional underwriters to the table above. Any such underwriters would be selected by us taking into account various criteria, including among other things their marketing and distribution capability, ownership and management diversity, and automotive industry expertise.

The underwriters are offering the shares of common stock subject to their receipt and acceptance of the shares from the selling stockholders, subject to prior sale and subject to their right to reject any order in whole or

in part. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' over-allotment option described below. The underwriting agreement also provides that if one or more underwriters default, the purchase commitments of the non-defaulting underwriters may be increased or the offering may be terminated.

The underwriters initially propose to offer part of the shares of common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of $ a share under the public offering price. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representatives. Sales of shares of common stock outside of the United States may be made by affiliates of the underwriters.

The selling stockholders have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 54,750,000 additional shares of common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of common stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of common stock listed next to the names of all underwriters in the preceding table. If the underwriters purchase any additional shares of common stock, they will offer the additional shares on the same terms as the other shares of common stock that are the subject of this offering.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to the selling stockholders. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional 54,750,000 shares of common stock.

		Total	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions to be paid by the selling stockholders	$	$	$
Proceeds, before expenses, to selling stockholders	$	$	$

We estimate that the total offering expenses payable by us for this offering and the offering of Series B preferred stock, exclusive of the underwriting discounts and commissions payable by us in the offering of Series B preferred stock, are approximately $22.9 million. The underwriters have agreed to reimburse us for a portion of our legal and road show costs and expenses incurred in connection with the common stock offering and Series B preferred stock offering, up to a maximum aggregate amount of $3.0 million.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of common stock offered by them.

Our common stock has been approved for listing on the New York Stock Exchange under the symbol "GM". The Toronto Stock Exchange has conditionally approved the listing of our common stock under the symbol "GMM", subject to our fulfilling all of the requirements of the Toronto Stock Exchange.

We and each of our executive officers and directors have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, we and they will not, during the period ending 180 days after the date of this prospectus (the restricted period):

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of,

directly or indirectly, any shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock (including, with respect to our executive officers and directors, without limitation, shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock which may be deemed to be beneficially owned by the executive officer or director in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant), or, in the case of our executive officers and directors, publicly disclose the intention to make any offer, sale, pledge or disposition; or

- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of common stock or Series B preferred stock or such other securities,

whether any such transaction described above is to be settled by delivery of shares of common stock or Series B preferred stock or such other securities, in cash or otherwise.

In addition, we have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, we will not, during the restricted period, file with the SEC a registration statement under the Securities Act (or with any Canadian securities commission a prospectus under Canadian securities laws) relating to any shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock. Furthermore, each of our executive officers and directors has agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, such person will not, during the restricted period, make any demand for or exercise any right with respect to the registration of any shares of common stock or Series B preferred stock or any security convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock.

Each of the selling stockholders has agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, it will not, during the restricted period:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock (including without limitation, shares of common stock or any securities convertible into or exercisable or exchangeable for common stock which may be deemed to be beneficially owned by the selling stockholder in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant); or

- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of common stock or such other securities convertible into or exercisable or exchangeable for shares of common stock,

whether any such transaction described above is to be settled by delivery of shares of common stock or such other securities, in cash or otherwise.

In addition, the selling stockholders have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, the selling stockholders will not, during the period ending 90 days after the date of this prospectus, make any demand for or exercise any right with respect to the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for shares of common stock.

The restrictions on us and the selling stockholders described above are subject to certain limited exceptions and do not apply to the sale of shares of common stock or Series B preferred stock to the underwriters.

With respect to us, the restrictions above also do not apply to:

- the issuance and/or sale of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock or the grant of equity-based awards (including options, restricted stock awards, restricted stock units and/or salary stock units) pursuant to the terms of any agreement or pursuant to any employee stock option plan, employee stock incentive plan or employee stock ownership plan existing as of the date of this prospectus or described herein;

- the issuance of shares of common stock or Series B preferred stock upon the conversion, exercise, exchange or settlement of any securities that are convertible into, exercisable or exchangeable for, or which may be settled for shares of common stock or Series B preferred stock (including warrants, options, restricted stock awards, restricted stock units and salary stock units) and that are outstanding as of the date of this prospectus or are described herein;

- the issuance of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for common stock or Series B preferred stock in connection with transfers to dividend reinvestment plans or to employee benefit plans in effect as of the date of this prospectus;

- the issuance of shares of common stock or Series B preferred stock to existing holders of such stock for purposes of effecting a stock dividend or stock split;

- the issuance of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for common stock or Series B preferred stock as consideration or partial consideration for any bona fide merger, acquisition, business combination or other strategic or commercial transaction or relationship; provided that the shares of common stock or Series B preferred stock, options, warrants or other convertible or exchangeable securities relating to common stock or Series B preferred stock so issued shall not have a fair market value (as reasonably determined by us after consultation with Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC) in an amount greater than $5.0 billion and provided that the recipient of any securities so issued shall execute a lock-up agreement containing substantially the same lock-up restrictions described above for the balance of the restricted period;

- the filing of a registration statement on Form S-4 and/or Form S-8 (or any successor form) or of a prospectus under Canadian securities laws in connection with any of the foregoing exceptions; or

- the filing of any registration statement (or prospectus under Canadian securities laws) to the extent required by the exercise of a demand registration right by MLC pursuant to the Equity Registration Rights Agreement.

With respect to our executive officers and directors, the restrictions described above also do not apply to:

- sales, transfers or other dispositions of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock pursuant to a sales plan pursuant to Rule 10b5-1 under the Exchange Act existing as of the date of this prospectus in the form existing at such time;

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock to any beneficiary of such executive officer or director pursuant to a will or other testamentary document or applicable laws of descent;

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock as a bona fide gift or gifts;

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock to any trust, partnership or limited liability company for the direct or indirect benefit of such executive officer or director or their immediate family;

- distributions of shares of common stock or Series B preferred stock to their members, limited partners, stockholders or creditors; or

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock to a corporation, partnership, limited liability company or other business entity that is a controlled or managed affiliate,

provided that, in the case of any transfer or distribution pursuant to the second, third, fourth, fifth and sixth bullets above, each transferee shall sign and deliver a lock-up letter containing substantially the same lock-up restrictions described above for the balance of the restricted period.

In addition, if (1) during the last 17 days of the restricted period, we issue an earnings release or material news or a material event relating to us occurs; or (2) prior to the expiration of the restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the restricted period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

In order to facilitate the offering of the common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the over-allotment option. The underwriters may also sell shares in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of common stock in the open market to stabilize the price of the common stock. The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions. The activities described above may raise or maintain the market price of the common stock above independent market levels or prevent or retard a decline in the market price of the common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time if they are commenced.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to

allocate a number of shares of common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

Prior to this offering, there has been no public market for our common stock. The public offering price was determined by negotiations between us, the selling stockholders, and the representatives. Among the factors considered in determining the public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours. We cannot assure you, however, that the price at which the shares of common stock will sell in the public market after this offering will not be lower than the public offering price or that an active trading market in the shares of our common stock will develop and continue after this offering.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking and other services for us for which they received or will receive compensatory fees and expense reimbursements.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Certain of the underwriters are not U.S.-registered broker-dealers and, therefore, to the extent that they intend to effect any sales of the securities in the United States, they will do so through one or more U.S. registered broker-dealers, which may be affiliates of such underwriters, in accordance with the applicable U.S. securities laws and regulations, and as permitted by FINRA regulations. One or more of the underwriters may be unable to make offers or sales in the United States other than through Rule 15a-6 under the Exchange Act.

Directed Share Program

At our request, the underwriters have reserved up to five percent of the shares of common stock to be sold by the selling stockholders and offered by this prospectus for sale, at the public offering price, to certain individuals residing in the United States and Canada at the time of this offering through a directed share program, including directors, hourly and salaried employees and retirees, and dealers of the Company and GMCL and U.S. ACDelco distributors. The number of shares of common stock available for sale to the general public will be reduced by the number of reserved shares sold to these individuals. Any reserved shares not purchased by these individuals will be offered by the underwriters to the general public on the same basis as the other shares of common stock offered by this prospectus.

Conflicts of Interest

As of September 30, 2010, the UST owned approximately 3.6 billion shares of the common stock of Citigroup Inc., representing 12.4% ownership of the outstanding common stock of Citigroup Inc. As a result, Citigroup Global Markets, Inc. is an affiliate of the UST under Rule 2720 of the Conduct Rules of FINRA, and a “conflict of interest” is deemed to exist under Rule 2720. Accordingly, this offering will be made in compliance with the applicable provisions of Rule 2720 of the FINRA Conduct Rules. In addition, in accordance with Rule 2720, Citigroup Global Markets, Inc. will not make sales to discretionary accounts without the prior written consent of the customer.

UST's Guidance on Distribution of Shares

The UST has informed us that mindful of its duty to maximize the return to taxpayers, its shareholder principles, and the complexity of the transaction, it requires us and the underwriters to use commercial best efforts to provide potential investors with the opportunity to purchase shares in accordance with the following guidelines:

- Maximize taxpayer returns—The UST expects that this offering will be executed in a manner that will use sound commercial practices to balance maximizing the price per share and the total proceeds to taxpayers while achieving a stable shareholder base, an active, liquid aftermarket, and broad interest in follow-on offerings to the extent practicable.

- Access to all investors—The UST expects that potential investors will be sought across multiple geographies with a focus on North American investors, in line with what is typical in similar transactions.

- Broad distribution—The UST expects that a large and diverse group of institutional investors will be offered an opportunity to participate, with no single investor or group of investors receiving a disproportionate share or unusual treatment.

- Retail investors—The UST expects that interested retail purchasers will be given ample opportunity to participate, consistent with appropriate commercial practices aimed at maximizing the UST's return and creating a stable trading market for the shares.

- U.S. Government involvement—Consistent with its articulated principles and prior practice, the UST will satisfy itself that the above principles are being adhered to but will not involve itself in decisions regarding allocation of shares to specific buyers.

SELLING RESTRICTIONS

Australia

This document has not been lodged with the Australian Securities & Investments Commission and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

(a) you confirm and warrant that you are either:

(i) a "sophisticated investor" under section 708(8)(a) or (b) of the Corporations Act 2001 (Cth) of Australia (Corporations Act);

(ii) a "sophisticated investor" under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant's certificate to the Company which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made; or

(iii) a "professional investor" within the meaning of section 708(11)(a) or (b) of the Corporations Act,

and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor or professional investor under the Corporations Act any offer made to you under this document is void and incapable of acceptance.

(b) you warrant and agree that you will not offer any of the shares issued to you pursuant to this document for resale in Australia within 12 months of those shares being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Austria

This document serves marketing purposes and constitutes neither an offer to sell nor a solicitation to buy any securities. There is no intention to make a public offer in Austria. Should a public offer be made in Austria, a prospectus prepared in accordance with the Austrian Capital Market Act (Capital Market Act) will be published.

The shares may only be offered in the Republic of Austria in compliance with the provisions of the Capital Market Act and any other laws applicable in the Republic of Austria governing the offer and sale of the shares in the Republic of Austria. The shares are not registered or otherwise authorized for public offer under the Capital Market Act or any other relevant securities legislation in Austria. The recipients of this prospectus and other selling materials in respect to the shares have been individually selected and identified before the offer being made and are targeted exclusively on the basis of a private placement. Accordingly, the shares may not be, and are not being, offered or advertised publicly or offered similarly under either the Capital Market Act or any other relevant securities legislation Austria. This offer may not be made to any other persons than the recipients to whom this document is personally addressed. This prospectus and other selling materials in respect to the shares may not be issued, circulated or passed on in Austria to any person except under circumstances neither constituting a public offer of, nor a public invitation to subscribe for, the shares. This prospectus has been issued to each prospective investor for its personal use only. Accordingly, recipients of this prospectus are advised that this prospectus and any other selling materials in respect to the shares shall not be passed on by them to any other person in Austria.

Bahrain

THIS OFFER IS A PRIVATE PLACEMENT. IT IS NOT SUBJECT TO REGULATIONS OF THE CENTRAL BANK OF BAHRAIN THAT APPLY TO PUBLIC OFFERINGS OF SECURITIES, AND THE

EXTENSIVE DISCLOSURE REQUIREMENTS AND OTHER PROTECTIONS THAT SUCH REGULATIONS CONTAIN. THIS PROSPECTUS IS THEREFORE INTENDED ONLY FOR "ACCREDITED INVESTORS."

THE STOCK OF GENERAL MOTORS COMPANY OFFERED BY WAY OF THIS PRIVATE PLACEMENT MAY ONLY BE OFFERED IN MINIMUM SUBSCRIPTIONS OF US$100,000 (OR THE EQUIVALENT IN OTHER CURRENCIES).

THE CENTRAL BANK OF BAHRAIN ASSUMES NO RESPONSIBILITY FOR THE ACCURACY AND COMPLETENESS OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS PROSPECTUS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS OR DAMAGE HOWSOEVER ARISING FROM RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THE BOARD OF DIRECTORS AND THE MANAGEMENT OF GENERAL MOTORS COMPANY ACCEPT RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS, TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE BOARD OF DIRECTORS AND THE MANAGEMENT, WHO HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE, THE INFORMATION CONTAINED IN THIS PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE RELIABILITY OF SUCH INFORMATION.

Belgium

No action has been taken in Belgium to permit a public offer of the shares in accordance with the Belgian act of 16 June 2006 on the public offer of securities and admission of securities to trading on a regulated market (Belgian Prospectus Act) and no securities may be offered or sold to persons in Belgium which are not qualified investors within the meaning of article 10 of the Belgian Prospectus Act or pursuant to another exemption available pursuant to article 3 of the Belgian Prospectus Act.

Bermuda

NOTICE TO RESIDENTS OF BERMUDA

This prospectus and the securities offered hereby have not been, and will not be, registered under the laws and regulations of Bermuda, nor has any regulatory authority in Bermuda passed comment upon or approved the accuracy or adequacy of this prospectus.

Brazil

For purposes of Brazilian law, this offer of securities is addressed to you personally, upon your request and for your sole benefit, and is not to be transmitted to anyone else, to be relied upon elsewhere or for any other purpose either quoted or referred to in any other public or private document or to be filed with anyone without our prior, express and written consent.

Therefore, as this prospectus does not constitute or form part of any public offering to sell or solicitation of a public offering to buy any shares or assets, the offering and THE SHARES OFFERED HEREBY HAVE NOT BEEN, AND WILL NOT BE, AND MAY NOT BE OFFERED FOR SALE OR SOLD IN BRAZIL EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OR DISTRIBUTION UNDER BRAZILIAN LAWS AND REGULATIONS. DOCUMENTS RELATING TO THE SHARES, AS WELL AS THE INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC, AS A PUBLIC OFFERING IN BRAZIL OR BE USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF THE SHARES TO THE PUBLIC IN BRAZIL.

Brunei

Notice to Residents of Brunei Darussalam

This document and the shares described herein is not an offer to sell or a solicitation of an offer to buy and/or to subscribe for any shares to the public or any member of the public in Brunei Darussalam but for information purposes only and directed solely to such persons as the law in Brunei Darussalam would regard as a person whose ordinary business or part thereof it is to buy or sell shares, whether as principal or agent. As such, this document and any other document, circular, notice or other material issued in connection therewith may not be distributed or redistributed to and may not be relied upon or used by the public or any member of the public in Brunei Darussalam. All offers, acceptances subscription, sales, and allotments of the shares or any part thereof shall be made outside Brunei Darussalam. This document has not been registered as a prospectus with the Registrar of Companies under the Companies Act, Cap. 39 of Brunei Darussalam and the shares have not been approved by Registrar of Companies or by any other government agency in Brunei Darussalam.

Cayman Islands

THIS IS NOT AN OFFER TO THE MEMBERS OF THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR SHARES, AND APPLICATIONS ORIGINATING FROM THE CAYMAN ISLANDS WILL ONLY BE ACCEPTED FROM SOPHISTICATED PERSONS OR HIGH NET WORTH PERSONS, IN EACH CASE WITHIN THE MEANING OF THE CAYMAN ISLANDS SECURITIES INVESTMENT BUSINESS LAW (AS AMENDED).

Chile

The shares are not registered in the Securities Registry (*Registro de Valores*) or subject to the control of the Chilean Securities and Exchange Commission (*Superintendencia de Valores y Seguros de Chile*). This prospectus and other offering materials relating to the offer of the shares do not constitute a public offer of, or an invitation to subscribe for or purchase, the shares in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (*Ley de Mercado de Valores*) (an offer that is not “addressed to the public at large or to a certain sector or specific group of the public”).

China

This prospectus may not be circulated or distributed in the People’s Republic of China (China) and the shares may not be offered or sold, and will not offer or sell to any person for re-offering or resale directly or indirectly to any resident of China except pursuant to applicable laws and regulations of China. For the purpose of this paragraph, China does not include Taiwan and the special administrative regions of Hong Kong and Macau.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State it has not made and will not make an offer of shares to the public in that Member State, except that it may, with effect from and including such date, make an offer of shares to the public in that Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer;

(d) in any other circumstances which do not require the publication by us of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of the above, the expression an "offer of shares to the public" in relation to any shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in that Member State.

Finland

This prospectus does not constitute a public offer or an advertisement of securities to the public in the Republic of Finland. The shares will not and may not be offered, sold, advertised or otherwise marketed in Finland under circumstances which would constitute a public offering of securities under Finnish law. Any offer or sale of the shares in Finland shall be made pursuant to a private placement exemption as defined under European Council Directive 2003/71/EC, Article 3(2) and the Finnish Securities Market Act (1989/495, as amended) and any regulation there under. This prospectus has not been approved by or notified to the Finnish Financial Supervisory Authority.

France

This offering document has not been prepared in the context of a public offering of securities in France (offre au public) within the meaning of Article L.411-1 of the French Code monétaire et financier and Articles 211-1 and seq. of the *Autorité des marchés financiers* (AMF) regulations and has therefore not been submitted to the AMF for prior approval or otherwise.

The securities have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France and neither this offering document nor any other offering material relating to the securities has been distributed or caused to be distributed or will be distributed or caused to be distributed to the public in France, except only to persons licensed to provide the investment service of portfolio management for the account of third parties and/or to "qualified investors" (as defined in Article L.411-2, D.411-1 and D.411-2 of the French *Code monétaire et financier*) and/or to a limited circle of investors (as defined in Article L.411-2, D.411-4 of the French *Code monétaire et financier*) on the condition that no such offering document nor any other offering material relating to the securities shall be delivered by them to any person nor reproduced (in whole or in part). Such "qualified investors" are notified that they must act in that connection for their own account in accordance with the terms set out by Article L.411-2 of the French *Code monétaire et financier* and by Article 211-4 of the AMF Regulations and may not re-transfer, directly or indirectly, the securities in France, other than in compliance with applicable laws and regulations and in particular those relating to a public offering (which are, in particular, embodied in Articles L.411-1, L.412-1 and L.621-8 and seq. of the *French Code monétaire et financier*).

You are hereby notified that in connection with the purchase of these securities, you must act for your own account in accordance with the terms set out by Article L.411-2 of the French *Code monétaire et financier* and by Article 211-4 of the AMF Regulations and may not re-transfer, directly or indirectly, the securities in France, other than in compliance with applicable laws and regulations and in particular those relating to a public offering (which are, in particular, embodied in Articles L.411-1, L.411-2, L.412-1 and L.621-8 and seq. of the French *Code monétaire et financier*).

Germany

Any offer or solicitation of shares within Germany must be in full compliance with the German Securities Prospectus Act (*Wertpapierprospektgesetz – WpPG*). The offer and solicitation of securities to the public in German requires the approval of the prospectus by the German Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*). This prospectus has not been and will not be submitted for approval to the BaFin. This prospectus does not constitute a public offer under the WpPG. This prospectus and any other document relating to the shares, as well as any information contained therein, must not be supplied to the public in Germany or used in connection with any offer for subscription of the shares to the public in Germany, any public marketing of the shares or any public solicitation for offers to subscribe for or otherwise acquire the shares. The prospectus and other offering materials relating to the offer of shares are strictly confidential and may not be distributed to any person or entity other than the designated recipients hereof.

Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance.

No advertisement, invitation or document, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been issued or will be issued in Hong Kong or elsewhere other than with respect to the shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance.

WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Hungary

PURSUANT TO SECTION 18 OF ACT CXX OF 2001 ON THE CAPITAL MARKETS, THIS DOCUMENT WAS PREPARED IN CONNECTION WITH A PRIVATE PLACEMENT IN HUNGARY.

Israel

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus is being distributed only to, and is directed only at, investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters purchasing for their own account, venture capital funds, and entities with shareholders' equity in excess of NIS 250 million, each as defined in the Addendum (as it may be amended from time to time, collectively referred to as institutional investors). Institutional investors may be required to submit written confirmation that they fall within the scope of the Addendum. In addition, we may distribute and direct this document in Israel, at our sole discretion, to certain other exempt investors or to investors who do not qualify as institutional or exempt investors, provided that the number of such non-qualified investors in Israel shall be no greater than 35 in any 12-month period.

Italy

The offering of the shares has not been registered with the *Commissione Nazionale per le Società e la Borsa* (CONSOB), in accordance with Italian securities legislation. Accordingly, the shares may not be offered or sold, and copies of this offering document or any other document relating to the shares may not be distributed in Italy except to Qualified Investors, as defined in Article 34-*ter*, subsection 1, paragraph b) of CONSOB Regulation no. 11971 of May 14, 1999, as amended (the Issuers' Regulation), or in any other circumstance where an express exemption to comply with public offering restrictions provided by Legislative Decree no. 58 of February 24, 1998 (the Consolidated Financial Act) or Issuers' Regulation applies, including those provided for under Article 100 of the Finance Law and Article 34-*ter* of the Issuers' Regulation, and provided, however, that any such offer or sale of the shares or distribution of copies of this offering document or any other document relating to the shares in Italy must (i) be made in accordance with all applicable Italian laws and regulations, (ii) be conducted in accordance with any relevant limitations or procedural requirements that CONSOB may impose upon the offer or sale of the shares, and (iii) be made only by (a) banks, investment firms or financial companies enrolled in the special register provided for in Article 107 of Legislative Decree no. 385 of September 1, 1993, to the extent duly authorized to engage in the placement and/or underwriting of financial instruments in Italy in accordance with the Consolidated Financial Act and the relevant implementing regulations; or (b) foreign banks or financial institutions (the controlling shareholding of which is owned by one or more banks located in the same EU Member State) authorised to place and distribute securities in the Republic of Italy pursuant to Articles 15, 16 and 18 of the Banking Act, in each case acting in compliance with all applicable laws and regulations.

India

This document has not been and will not be registered as a prospectus or a statement in lieu of prospectus with any registrar of companies in India. This document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, any registrar of companies in India or any stock exchange in India. This document and this offering of shares are not and should not be construed as an invitation, offer or sale of any securities to the public in India. Other than in compliance with the private placement exemptions under applicable laws and regulations in India, including the Companies Act, 1956, as amended, the shares have not been, and will not be, offered or sold to the public or any member of the public in India. This document is strictly personal to the recipient and neither this document nor the offering of the shares is calculated to result, directly or indirectly, in the shares becoming available for subscription or purchase by persons other than those receiving the invitation or offer.

Ireland

Notice to prospective investors in Ireland

This document does not comprise a prospectus for the purposes of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland, the Prospectus (Directive 2003\71\EC) Regulations 2005 of Ireland or the Prospectus Rules issued by the Financial Regulator of Ireland in March 2006. This document is only being made available to certain prospective investors in Ireland (Prospective Irish Investors) on the understanding that any written or oral information contained herein or otherwise made available to them will be kept strictly confidential. The opportunity described in this document is personal to the addressees in Ireland. This document must not be copied, reproduced, distributed or passed by any Prospective Irish Investor to any other person without the consent of underwriters**.** By accepting this document, Prospective Irish Investors are deemed to undertake and warrant to the underwriters and General Motors Company that they will keep this prospectus confidential.

Prospective Irish Investors are recommended to seek their own independent financial advice in relation to the opportunity described in this document from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser who is duly authorized or exempted under the Investments Intermediaries Act 1995 of Ireland or the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland.

Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law). Accordingly, no resident of Japan may participate in the offering of the shares and each underwriter has agreed that it will not offer or sell any shares, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Kuwait

The shares have not been licensed for offering in Kuwait by the Ministry of Commerce and Industry or the Central Bank of Kuwait or any other relevant Kuwaiti government agency. The offering of the shares in Kuwait on the basis a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990, as amended, and Ministerial Order No. 113 of 1992, as amended. No private or public offering of the shares are being made in Kuwait, and no agreement relating to the sale of the shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the shares in Kuwait.

Luxembourg

The shares may not be offered or sold in the Grand Duchy of Luxembourg, except for shares which are offered in circumstances that do not require the approval of a prospectus by the Luxembourg financial regulatory authority and the publication of such prospectus pursuant to the law of July 10, 2005 on prospectuses for securities. The shares are offered to a limited number of high net worth individual investors or to institutional investors, in all cases under circumstances designed to preclude a distribution that would be other than a private placement. This document may not be reproduced or used for any purposes, or furnished to any persons other than those to whom copies have been sent.

Mexico

No actions, applications nor filings have been undertaken in Mexico, whether before the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores or CNBV*) nor the Mexican Stock Exchange (*Bolsa Mexicana de Valores, or BMV*), in order to make a public offering in said territory, with or without price, through mass media and to indeterminate subjects to subscribe, acquire, sell or otherwise assign the shares, in any form or manner.

This document is not intended to be distributed through mass media to indeterminate subjects, nor to serve as an application for the registration of the shares before any securities registry or exchange in Mexico, nor as a prospectus for their public offering in said jurisdiction. No financial authority nor securities exchange in Mexico have reviewed or assessed the particulars of the shares or their offering, and in no case will they assert the goodness of the shares, the solvency of the issuer, nor the exactitude or veracity of the information contained herein, and will not validate acts.

You are solely responsible if you have procured this copy of this document yourself or came by it through your own means out of your own accord, regardless of the source. If you have received one such copy from either the issuer or the underwriter the shares are being offered to you under the private offering exceptions in the Securities Market Law (SML), for which you must be in one of the following situations:

(a) You are either an institutional investor within the meaning of Article 2, Roman numeral XVII, of the SML and regarded as such pursuant to the laws of Mexico, or a qualified investor because pursuant to

Article 2, Roman numeral XVI, of said statute you have the income, assets or qualitative characteristics provided for under Article 1, Roman numeral XIII of the General Provisions Applicable to Issuers of Securities and other Participants in the Securities Market, which require that you have maintained, in average over the past year, investments in securities (within the meaning of the SML) for an amount equal or greater than 1,500,000 Investment Units (*Unidades de Inversión, UDIs*), or in each of the last 2 years had a gross annual income equal to or greater than 500,000 such Investment Units;

(b) You are a member of a group of less than 100 individually identified people to whom the shares are being offered directly and personally; or

(c) You are an employee of the issuer and a beneficiary of a generally-applicable employee benefit plan or program of said issuer.

You may be further required to expressly reiterate that you fall into either of said exceptions, that you further understand that the private offering of shares has less documentary and information requirements than public offerings do, and to waive the right to claim on any lacking thereof.

Netherlands

The shares may not, directly or indirectly, be offered or acquired in the Netherlands and this offering memorandum may not be circulated in the Netherlands, as part of an initial distribution or any time thereafter, other than to individuals or (legal) entities who or which qualify as qualified investors within the meaning of Article 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*) as amended from time to time.

Norway

This offering document has not been approved or disapproved by, or registered with, the Norwegian Financial Supervisory Authority (Finanstilsynet) nor the Norwegian Registry of Business Enterprises, and the shares are marketed and sold in Norway on a private placement basis and under other applicable exceptions from the offering prospectus requirements as provided for pursuant to the Norwegian Securities Trading Act and the Norwegian Securities Trading Regulation.

Oman

The information contained in this prospectus neither constitutes a public offer of securities in the Sultanate of Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of the Capital Market Law (issued by Decision No.1/2009). Additionally, this prospectus is not intended to lead to the conclusion of a contract for the sale or purchase of securities in Oman.

The recipient of this prospectus in Oman represents that it is a financial institution and is a sophisticated investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that its officers/employees have such experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

This prospectus has been sent at the request of the investor in Oman, and by receiving this prospectus, the person or entity to whom it has been issued and sent understands, acknowledges and agrees that this prospectus has not been approved by the CMA or any other regulatory body or authority in Oman, nor has any authorization, license or approval been received from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the shares within Oman.

No marketing, offering, selling or distribution of any financial or investment products or services has been or will be made from within Oman and no subscription to any securities, products or financial services may or will be consummated within Oman. The distributor of the prospectus is neither a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. The distributor of the prospectus does not advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

Nothing contained in this prospectus is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This prospectus is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Any recipient of this prospectus and any purchaser of the shares pursuant to this prospectus shall not market, distribute, resell, or offer to resell the shares within Oman without complying with the requirements of applicable Omani law, nor copy or otherwise distribute this prospectus to others.

Portugal

This document does not constitute an offer or an invitation by or on behalf of General Motors Company to subscribe or purchase any shares. It may not be used for or in connection with any offer to, or solicitation by, anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this presentation/marketing material and the marketing of the shares in certain jurisdictions may be restricted by law. Persons into whose possession this presentation/marketing material comes are required to inform themselves about and to observe any such restrictions.

No action has been taken or will be taken by General Motors Company that would permit a public offering of shares or the circulation or distribution of this presentation/marketing material or any material in relation to the Company or the shares, in any country or jurisdiction where action for that purpose is required.

Prospective investors should understand the risks of investing in the shares before they make their investment decision. They should make their own independent decision to invest in the shares and as to whether an investment in such shares are appropriate or proper for them based upon their own judgment and upon advice from such advisors as they consider necessary.

Russia

Not for release, distribution or publication, directly or indirectly, into or in the Russian Federation. Information contained herein is not an offer, or an invitation to make offers, sell, purchase, exchange or transfer any securities in Russia or to or for the benefit of any Russian person or any person in the Russian Federation, and does not constitute an advertisement or offering of any securities in Russia within the meaning of Russian securities laws to any person other than a “qualified investor” (as defined in Russian securities laws). This information must not be passed on to third parties or otherwise be made publicly available in Russia. The shares have not been and will not be registered in Russia or admitted to public placement and/or public circulation in Russia. The shares are not intended for “offering”, “placement” or “circulation” in Russia, except as permitted by Russian law (each as defined in Russian securities laws).

Singapore

The offer or invitation which is the subject of this document is only allowed to be made to the persons set out herein. Moreover, this document is not a prospectus as defined in the Securities and Futures Act (Chapter 289) of Singapore (SFA) and accordingly, statutory liability under the SFA in relation to the content of the document will not apply.

As this document has not been and will not be lodged with or registered as a document by the Monetary Authority of Singapore, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than: (i) to an institutional investor under Section 274 of the SFA; (ii) to a relevant person, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person who is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 of the SFA except:

(1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets;

(2) where no consideration is given for the transfer; or

(3) by operation of law.

By accepting this document, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth above and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

South Korea

The shares may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to the applicable laws and regulations of South Korea, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The shares have not been registered with the Financial Services Commission of South Korea for public offering in South Korea. Furthermore, the shares may not be re-sold to South Korean residents unless the purchaser of the shares complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with their purchase.

Spain

This offer of shares of General Motors Company has not been and will not be registered with the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores or CNMV*) and, therefore, no shares of General Motors Company may be offered, sold or distributed in any manner, nor may any resale of

the shares be carried out in Spain except in circumstances which do not constitute a public offer of securities in Spain or are exempted from the obligation to publish a prospectus, as set forth in Spanish Securities Market Act (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) and Royal Decree 1310/2005, of 4 November, and other applicable regulations, as amended from time to time, or otherwise without complying with all legal and regulatory requirements in relation thereto. Neither the prospectus nor any offering or advertising materials relating to the shares of General Motors Company have been or will be registered with the CNMV and therefore they are not intended for the public offer of the shares of General Motors Company in Spain.

Sweden

THIS OFFERING DOCUMENT IS NOT A PROSPECTUS AND HAS NOT BEEN PREPARED IN ACCORDANCE WITH THE PROSPECTUS REQUIREMENTS LAID DOWN IN THE SWEDISH FINANCIAL INSTRUMENTS TRADING ACT (*LAG (1991:980) OM HANDEL MED FINANSIELLA INSTRUMENT*) NOR ANY OTHER SWEDISH ENACTMENT. NEITHER THE SWEDISH FINANCIAL SUPERVISORY AUTHORITY NOR ANY OTHER SWEDISH REGULATORY BODY HAS EXAMINED, APPROVED OR REGISTERED THIS OFFERING DOCUMENT.

NO SHARES WILL BE OFFERED OR SOLD TO ANY INVESTOR IN SWEDEN EXCEPT IN CIRCUMSTANCES THAT WILL NOT RESULT IN A REQUIREMENT TO PREPARE A PROSPECTUS PURSUANT TO THE PROVISIONS OF THE SWEDISH FINANCIAL INSTRUMENTS TRADING ACT.

Switzerland

This document does not constitute a prospectus within the meaning of Article 652a of the Swiss Code of Obligations. The shares of General Motors Company may not be sold directly or indirectly in or into Switzerland except in a manner which will not result in a public offering within the meaning of the Swiss Code of Obligations. Neither this document nor any other offering materials relating to the shares may be disturbed, published or otherwise made available in Switzerland except in a manner which will not constitute a public offer of the shares of General Motors Company in Switzerland.

United Arab Emirates

The Global Offering has not been approved or licensed by the Central Bank of the United Arab Emirates (UAE), Securities and Commodities Authority of the UAE and/or any other relevant licensing authority in the UAE including any licensing authority incorporated under the laws and regulations of any of the free zones established and operating in the territory of the UAE, in particular the Dubai Financial Services Authority (DFSA), a regulatory authority of the Dubai International Financial Centre (DIFC). The Global Offering does not constitute a public offer of securities in the UAE, DIFC and/or any other free zone in accordance with the Commercial Companies Law, Federal Law No 8 of 1984 (as amended), DFSA Offered Securities Rules and NASDAQ Dubai Listing Rules, accordingly, or otherwise. The shares may not be offered to the public in the UAE and/or any of the free zones.

The shares may be offered and issued only to a limited number of investors in the UAE or any of its free zones who qualify as sophisticated investors under the relevant laws and regulations of the UAE or the free zone concerned.

United Kingdom

Each underwriter has represented and agreed that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of the shares in circumstances in which Section 21(1) of such Act does not apply to us and it has complied and will comply with all applicable provisions of such Act with respect to anything done by it in relation to any shares in, from or otherwise involving the United Kingdom.

LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for us by Robert C. Shrosbree, Esq., Attorney, GM Legal Staff, and certain other legal matters related to the securities will be passed upon for us by Jenner & Block LLP. Certain legal matters will be passed upon for the underwriters by Davis Polk & Wardwell LLP.

Davis Polk & Wardwell LLP acts as counsel to the Executive Compensation Committee of our Board of Directors and has acted as our counsel, and as counsel for certain of our subsidiaries, in various matters.

EXPERTS

The consolidated financial statements of General Motors Company as of December 31, 2009 (Successor) and for the period July 10, 2009 through December 31, 2009 (Successor), and of General Motors Corporation as of December 31, 2008 (Predecessor), the period January 1, 2009 through July 9, 2009 (Predecessor) and each of the two years in the period ended December 31, 2008 (Predecessor), included in this Prospectus and the related financial statement schedule of General Motors Company included elsewhere in the registration statement, and the effectiveness of General Motors Company's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports appearing herein and elsewhere in the registration statement which reports (1) express an unqualified opinion on the financial statements and financial statement schedule and include explanatory paragraphs relating to: (a) the Successor's acquisition of substantially all of the assets and assumption of certain of the liabilities of the Predecessor in accordance with the Amended and Restated Master Sale and Purchase Agreement pursuant to Section 363(b) of the Bankruptcy Code and the Bankruptcy Court sale order dated July 5, 2009 and the resulting application of fresh-start reporting, which resulted in a lack of comparability between the financial statements of the Successor and the Predecessor; (b) the Predecessor's adoption of new or revised accounting standards, and (c) a retrospective change in the Successor's reportable segments, and (2) express an adverse opinion on the effectiveness of General Motors Company's internal control over financial reporting because of a material weakness. Such financial statements and financial statement schedule have been so included in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Ally Financial Inc. (formerly GMAC Inc.) as of December 31, 2009 and 2008, and for each of the three years in the period ended December 31, 2009, included in the registration statement at Exhibit 99.1, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing in the registration statement at Exhibit 99.1. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the securities offered in this prospectus. This prospectus is a part of the registration statement and does not contain all of the information set forth in the registration statement. For further information about us and our securities, you should refer to the registration statement. Statements made in this prospectus as to the content of any contract, agreement, or other document filed as an exhibit to the registration statement are not necessarily complete. With respect to those statements, you should refer to the corresponding exhibit for a more complete description of the matter involved and read all statements in this prospectus in light of that exhibit. We have included or incorporated by reference copies of these documents as exhibits to our registration statement.

We file annual, quarterly, and current reports and other information with the SEC. Our filings with the SEC are available to the public on the SEC's website at www.sec.gov. Those filings are also available to the public on our corporate website at www.gm.com. The information we file with the SEC or contained on, or linked to through, our corporate website or any other website that we may maintain is not part of this prospectus or the registration statement of which this prospectus is a part. You may also read and copy, at the SEC's prescribed rates, any document we file with the SEC, including the registration statement (and its exhibits) of which this prospectus is a part, at the SEC's Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

AUDITED CONSOLIDATED FINANCIAL STATEMENTS:

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS:

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

General Motors Company, its Directors, and Stockholders:

We have audited the accompanying Consolidated Balance Sheets of General Motors Company and subsidiaries as of December 31, 2009 (Successor) and General Motors Corporation and subsidiaries as of December 31, 2008 (Predecessor), and the related Consolidated Statements of Operations, Cash Flows and Equity (Deficit) for the period July 10, 2009 through December 31, 2009 (Successor), the period January 1, 2009 through July 9, 2009 (Predecessor) and each of the two years in the period ended December 31, 2008 (Predecessor) (Successor and Predecessor collectively, the Company). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of General Motors Company and subsidiaries at December 31, 2009 (Successor) and General Motors Corporation and subsidiaries at December 31, 2008 (Predecessor), and the results of their operations and their cash flows for the period July 10, 2009 through December 31, 2009 (Successor), the period January 1, 2009 through July 9, 2009 (Predecessor) and each of the two years in the period ended December 31, 2008 (Predecessor), in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the consolidated financial statements, on July 10, 2009 the Successor completed the acquisition of substantially all of the assets and assumed certain of the liabilities of the Predecessor in accordance with the Amended and Restated Master Sale and Purchase Agreement pursuant to Section 363(b) of the Bankruptcy Code and the Bankruptcy Court sale order dated July 5, 2009. Accordingly, the accompanying consolidated financial statements have been prepared in accordance with Accounting Standards Codification (ASC) Topic 852, *Reorganizations*. The Successor applied fresh-start reporting and recognized the acquired net assets at fair value, resulting in a lack of comparability with the prior period financial statements of the Predecessor.

As discussed in Note 4 to the consolidated financial statements, the Predecessor adopted ASC Topic 820-10, *Fair Value Measurements and Disclosures*, effective January 1, 2008 and adopted amendments to ASC Topic 805, *Business Combinations*, effective January 1, 2009. In addition, on January 1, 2009, the Predecessor retrospectively adjusted the consolidated financial statements for all prior periods presented for the adoption of amendments to ASC Topic 810-10, *Consolidation*, which affect the reporting of noncontrolling interests in partially-owned consolidated subsidiaries, and for the adoption of ASC Topic 470-20, *Debt with Conversion and Other Options*.

As discussed in Notes 3 and 33 to the consolidated financial statements, the consolidated financial statements have been retrospectively adjusted to reflect a change in the Successor's reportable segments pursuant to ASC Topic 280, *Segment Reporting*.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Successor's internal control over financial reporting as of December 31, 2009, based on the criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated April 7, 2010 expressed an adverse opinion on the Successor's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP
Detroit, Michigan
April 7, 2010 (August 18, 2010 as to the effects of the retrospective adjustment of reportable segments described in Notes 3 and 33 and November 1, 2010 as to the effects of the stock split described in Note 3)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

General Motors Company, its Directors, and Stockholders:

We have audited the internal control over financial reporting of General Motors Company and subsidiaries (the Company) as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing in this Prospectus. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on that risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. A material weakness related to ineffective controls over the period-end financial reporting process has been identified and included in management's assessment. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the Consolidated Balance Sheet of General Motors Company and subsidiaries as of December 31, 2009 (Successor) and the related Consolidated Statements of Operations, Cash Flows and Equity (Deficit) for the period July 10, 2009 through December 31, 2009 (Successor) and the period January 1, 2009 through July 9, 2009 (Predecessor). This report does not affect our report on such financial statements.

In our opinion, because of the effect of the material weakness identified above on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2009, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the accompanying Consolidated Balance Sheet of General Motors Company and subsidiaries as of December 31, 2009 (Successor) and the related Consolidated Statements of Operations, Cash Flows and Equity (Deficit) for the period July 10, 2009 through

December 31, 2009 (Successor) and the period January 1, 2009 through July 9, 2009 (Predecessor). Our report dated April 7, 2010 (August 18, 2010 as to the effect of the restropective adjustment of reportable segments described in Notes 3 and 33) expressed an unqualified opinion on those financial statements and included explanatory paragraphs relating to (a) the Successor's acquisition of substantially all of the assets and assumption of certain of the liabilities of the Predecessor in accordance with the Amended and Restated Master Sale and Purchase Agreement pursuant to Section 363(b) of the Bankruptcy Code and the Bankruptcy Court sale order dated July 5, 2009 and the resulting application of fresh-start reporting, which resulted in a lack of comparability between the financial statements of the Successor and Predecessor; (b) the Predecessor's adoption of new or revised accounting standards and (c) a retrospective change in the Successor's reportable segments.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP
Detroit, Michigan
April 7, 2010

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Net sales and revenue				
Sales	$ 57,329	$ 46,787	$ 147,732	$ 177,594
Other revenue	145	328	1,247	2,390
Total net sales and revenue	57,474	47,115	148,979	179,984
Costs and expenses				
Cost of sales	56,381	55,814	149,257	165,573
Selling, general and administrative expense	6,006	6,161	14,253	14,412
Other expenses, net	15	1,235	6,699	4,308
Total costs and expenses	62,402	63,210	170,209	184,293
Operating loss	(4,928)	(16,095)	(21,230)	(4,309)
Equity in income (loss) of and disposition of interest in GMAC	—	1,380	(6,183)	(1,245)
Interest expense	(694)	(5,428)	(2,525)	(3,076)
Interest income and other non-operating income, net	440	852	424	2,284
Gain (loss) on extinguishment of debt	(101)	(1,088)	43	—
Reorganization gains, net (Note 2)	—	128,155	—	—
Income (loss) from continuing operations before income taxes and equity income	(5,283)	107,776	(29,471)	(6,346)
Income tax expense (benefit)	(1,000)	(1,166)	1,766	36,863
Equity income, net of tax	497	61	186	524
Income (loss) from continuing operations	(3,786)	109,003	(31,051)	(42,685)
Discontinued operations (Note 5)				
Income from discontinued operations, net of tax	—	—	—	256
Gain on sale of discontinued operations, net of tax	—	—	—	4,293
Income from discontinued operations	—	—	—	4,549
Net income (loss)	(3,786)	109,003	(31,051)	(38,136)
Less: Net (income) loss attributable to noncontrolling interests	(511)	115	108	(406)
Net income (loss) attributable to stockholders	(4,297)	109,118	(30,943)	(38,542)
Less: Cumulative dividends on preferred stock	131	—	—	—
Net income (loss) attributable to common stockholders	$ (4,428)	$ 109,118	$ (30,943)	$ (38,542)
Earnings (loss) per share (Note 28)				
Basic				
Income (loss) from continuing operations attributable to common stockholders	$ (3.58)	$ 178.63	$ (53.47)	$ (76.16)
Income from discontinued operations attributable to common stockholders	—	—	—	8.04
Net income (loss) attributable to common stockholders	$ (3.58)	$ 178.63	$ (53.47)	$ (68.12)
Weighted-average common shares outstanding	1,238	611	579	566
Diluted				
Income (loss) from continuing operations attributable to common stockholders	$ (3.58)	$ 178.55	$ (53.47)	$ (76.16)
Income from discontinued operations attributable to common stockholders	—	—	—	8.04
Net income (loss) attributable to common stockholders	$ (3.58)	$ 178.55	$ (53.47)	$ (68.12)
Weighted-average common shares outstanding	1,238	611	579	566
Cash dividends per common share	$ —	$ —	$ 0.50	$ 1.00
Amounts attributable to common stockholders:				
Income (loss) from continuing operations, net of tax	$ (4,428)	$ 109,118	$ (30,943)	$ (43,091)
Income from discontinued operations, net of tax	—	—	—	4,549
Net income (loss)	$ (4,428)	$ 109,118	$ (30,943)	$ (38,542)

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In millions, except share amounts)

	Successor December 31, 2009	Predecessor December 31, 2008
ASSETS		
Current Assets		
Cash and cash equivalents	$ 22,679	$ 14,053
Marketable securities	134	141
Total cash, cash equivalents and marketable securities	22,813	14,194
Restricted cash and marketable securities	13,917	672
Accounts and notes receivable (net of allowance of $250 and $422)	7,518	7,918
Inventories	10,107	13,195
Assets held for sale	388	—
Equipment on operating leases, net	2,727	5,142
Other current assets and deferred income taxes	1,777	3,146
Total current assets	59,247	44,267
Non-Current Assets		
Restricted cash and marketable securities	1,489	1,917
Equity in net assets of nonconsolidated affiliates	7,936	2,146
Assets held for sale	530	—
Equipment on operating leases, net	3	442
Property, net	18,687	39,665
Goodwill	30,672	—
Intangible assets, net	14,547	265
Deferred income taxes	564	98
Prepaid pension	98	109
Other assets (Note 15)	2,522	2,130
Total non-current assets	77,048	46,772
Total Assets	$ 136,295	$ 91,039
LIABILITIES AND EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable (principally trade)	$ 18,725	$ 22,259
Short-term debt and current portion of long-term debt	10,221	16,920
Liabilities held for sale	355	—
Postretirement benefits other than pensions	846	4,002
Accrued expenses	22,288	32,427
Total current liabilities	52,435	75,608
Non-Current Liabilities		
Long-term debt	5,562	29,018
Liabilities held for sale	270	—
Postretirement benefits other than pensions	8,708	28,919
Pensions	27,086	25,178
Other liabilities and deferred income taxes	13,279	17,392
Total non-current liabilities	54,905	100,507
Total liabilities	107,340	176,115
Commitments and contingencies (Note 21)		
Preferred stock, $0.01 par value (2,000,000,000 shares authorized and 360,000,000 shares issued and outstanding at December 31, 2009) (Notes 2 and 19)	6,998	—
Equity (Deficit)		
Old GM		
Preferred stock, no par value (6,000,000 shares authorized, no shares issued and outstanding)	—	—
Preference stock, $0.10 par value (100,000,000 shares authorized, no shares issued and outstanding)	—	—
Common stock, $1 2/3 par value common stock (2,000,000,000 shares authorized, 800,937,541 shares issued and 610,483,231 shares outstanding at December 31, 2008)	—	1,017
General Motors Company		
Common stock, $0.01 par value (5,000,000,000 shares authorized and 1,500,000,000 shares issued and outstanding at December 31, 2009) (Notes 2 and 19)	15	—
Capital surplus (principally additional paid-in capital)	24,040	16,489
Accumulated deficit	(4,394)	(70,727)
Accumulated other comprehensive income (loss)	1,588	(32,339)
Total stockholders' equity (deficit)	21,249	(85,560)
Noncontrolling interests	708	484
Total equity (deficit)	21,957	(85,076)
Total Liabilities and Equity (Deficit)	$ 136,295	$ 91,039

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Cash flows from operating activities				
Net income (loss)	$ (3,786)	$ 109,003	$ (31,051)	$ (38,136)
Income (loss) income from discontinued operations	—	—	—	4,549
Income (loss) from continuing operations	(3,786)	109,003	(31,051)	(42,685)
Adjustments to reconcile income (loss) from continuing operations to net cash provided by (used in) continuing operating activities				
Depreciation, impairment charges and amortization expense	4,241	6,873	10,014	9,513
Goodwill impairment charges	—	—	610	—
Delphi charges	—	—	4,797	1,547
Foreign currency translation and transaction (gain) loss	755	1,077	(1,705)	661
Impairment charges related to investments in GMAC	270	—	8,100	—
Amortization of discount and issuance costs on debt issues	140	3,897	189	177
(Gain) loss related to Saab deconsolidation and bankruptcy filing	(59)	478	—	—
Undistributed earnings of nonconsolidated affiliates	(497)	1,036	(727)	293
OPEB expense	3,206	193	(2,115)	2,362
OPEB payments	(1,514)	(1,886)	(3,831)	(3,751)
VEBA withdrawals	—	9	1,355	1,694
Contributions to New VEBA	(252)	—	—	—
Pension expense	364	3,041	4,862	1,799
Pension contributions	(4,318)	(586)	(1,067)	(937)
Gain on extinguishment of U.S. term loan	—	(906)	—	—
Loss on extinguishment of UST GMAC Loan	—	1,994	—	—
Loss on extinguishment of other debt	101	—	—	—
Gain on disposition of GMAC Common Membership Interests	—	(2,477)	—	—
Cash payments related to reorganizations gains, net	—	(408)	—	—
Reorganization gains, net	—	(128,155)	—	—
Provisions for deferred taxes	(1,427)	(600)	1,163	36,717
Change in other investments and miscellaneous assets	292	596	(395)	651
Change in other operating assets and liabilities, net of acquisitions and disposals	3,372	(10,229)	94	(3,412)
Other	176	(1,253)	(2,358)	2,878
Net cash provided by (used in) continuing operating activities	1,064	(18,303)	(12,065)	7,507
Cash provided by discontinued operating activities	—	—	—	224
Net cash provided by (used in) operating activities	1,064	(18,303)	(12,065)	7,731

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)
(In millions)

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Cash flows from investing activities				
Expenditures for property	(1,862)	(3,517)	(7,530)	(7,542)
Investments in marketable securities, acquisitions	(158)	(202)	(3,771)	(10,155)
Investments in marketable securities, liquidations	171	185	5,866	8,119
Investment in GMAC	—	(884)	—	(1,022)
Investment in stock warrants	(25)	—	—	—
Acquisition of companies, net of cash acquired	(2,127)	—	(1)	(46)
Increase in cash due to consolidation of CAMI	—	46	—	—
Decrease in cash due to deconsolidation of Saab in February 2009	—	(41)	—	—
Increase in cash due to consolidation of Saab in August 2009	222	—	—	—
Distributions from GMAC received on GMAC common stock	72	—	—	—
Operating leases, liquidations	564	1,307	3,610	3,165
Proceeds from sale of discontinued operations	—	—	—	5,354
Proceeds from sale of business units/equity investments	—	—	232	—
Proceeds from sale of real estate, plants, and equipment	67	38	347	332
Change in notes receivable	61	(23)	(430)	34
Change in restricted cash and marketable securities	5,171	(18,043)	(87)	23
Net cash provided by (used in) continuing investing activities	2,156	(21,134)	(1,764)	(1,738)
Cash used in discontinued investing activities	—	—	—	(22)
Net cash provided by (used in) investing activities	2,156	(21,134)	(1,764)	(1,760)
Cash flows from financing activities				
Net decrease in short-term debt	(352)	(2,364)	(4,100)	(5,749)
Proceeds from UST Loan Facility and UST GMAC Loan	—	16,645	4,000	—
Proceeds from funding by EDC	4,042	—	—	—
Proceeds from the Receivables Program	30	260	—	—
Proceeds from DIP Facility	—	33,300	—	—
Proceeds from EDC Loan Facility	—	2,407	—	—
Proceeds from issuance of other debt	1,365	345	5,928	2,131
Proceeds from German Facility	716	992	—	—
Payments on the UST Loans	(1,361)	—	—	—
Payments on Canadian Loan	(192)	—	—	—
Payments on Receivables Program	(140)	—	—	—
Payments on German Facility	(1,779)	—	—	—
Payments on other debt	(1,787)	(6,072)	(1,702)	(1,403)
Cash, cash equivalents and restricted cash retained by MLC	—	(1,216)	—	—
Payments to acquire noncontrolling interest	(100)	(5)	—	—
Fees paid for debt modification	—	(63)	—	—
Cash dividends paid to GM preferred stockholders	(97)	—	—	—
Cash dividends paid to Old GM common stockholders	—	—	(283)	(567)
Net cash provided by (used in) continuing financing activities	345	44,229	3,843	(5,588)
Cash provided by (used in) discontinued financing activities	—	—	—	(5)
Net cash provided by (used in) financing activities	345	44,229	3,843	(5,593)
Effect of exchange rate changes on cash and cash equivalents	492	168	(778)	316
Net increase (decrease) in cash and cash equivalents	4,057	4,960	(10,764)	694
Cash and cash equivalents reclassified as assets held for sale	(391)	—	—	—
Cash and cash equivalents at beginning of the year	19,013	14,053	24,817	24,123
Cash and cash equivalents at end of the year	$ 22,679	$ 19,013	$ 14,053	$ 24,817

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT)
(In millions)

	Common Stockholders'						
	Common Stock	Capital Surplus	Accumulated Equity (Deficit)	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Comprehensive Income (Loss)	Total Equity (Deficit)
Balance at December 31, 2006, Predecessor	$ 943	$ 15,946	$ (29)	$ (22,126)	$ 1,190		$ (4,076)
Net income (loss)	—	—	(38,542)	—	406	$ (38,136)	(38,136)
Other comprehensive income (loss)							
Foreign currency translation adjustments	—	—	—	998	29	1,027	
Cash flow hedging losses, net	—	—	—	(38)	(272)	(310)	
Unrealized loss on securities	—	—	—	(17)	—	(17)	
Defined benefit plans, net (Note 27)	—	—	—	6,043	—	6,043	
Other comprehensive income (loss)	—	—	—	6,986	(243)	6,743	6,743
Comprehensive income (loss)						$ (31,393)	
Effects of accounting change regarding pension plans and OPEB plans measurement dates pursuant to ASC 715-20, net of tax	—	—	(425)	1,153	—		728
Cumulative effect of a change in accounting principle — adoption of ASC 740-10, net of tax	—	—	137	—	—		137
Stock options	—	55	—	—	—		55
Conversion of GMAC Preferred Membership Interests	—	27	—	—	—		27
Cash dividends paid to Old GM common stockholders	—	—	(567)	—	—		(567)
Cash dividends paid to noncontrolling interests	—	—	—	—	(88)		(88)
Dealership investments	—	—	—	—	(51)		(51)
Purchase of capped call option on Old GM common stock	—	(99)	—	—	—		(99)
Issuance of Series D debentures	—	171	—	—	—		171
Other	—	—	—	—	4		4
Balance at December 31, 2007, Predecessor	943	16,100	(39,426)	(13,987)	1,218		(35,152)
Net income (loss)	—	—	(30,943)	—	(108)	$ (31,051)	(31,051)
Other comprehensive income (loss)							
Foreign currency translation adjustments	—	—	—	(1,155)	(161)	(1,316)	
Cash flow hedging losses, net	—	—	—	(811)	(420)	(1,231)	
Unrealized loss on securities	—	—	—	(298)	—	(298)	
Defined benefit plans, net (Note 27)	—	—	—	(16,088)	—	(16,088)	
Other comprehensive income (loss)	—	—	—	(18,352)	(581)	(18,933)	(18,933)
Comprehensive income (loss)						$ (49,984)	
Effects of GMAC adoption of ASC 820-10 and ASC 825-10	—	—	(76)	—	—		(76)
Stock options	—	32	1	—	—		33
Common stock issued for settlement of Series D debentures	74	357	—	—	—		431
Cash dividends paid to Old GM common stockholders	—	—	(283)	—	—		(283)
Cash dividends paid to noncontrolling interests	—	—	—	—	(46)		(46)
Other	—	—	—	—	1		1
Balance December 31, 2008, Predecessor	1,017	16,489	(70,727)	(32,339)	484		(85,076)
Net income (loss)	—	—	109,118	—	(115)	$ 109,003	109,003
Other comprehensive income (loss)							
Foreign currency translation adjustments	—	—	—	232	(85)	147	
Cash flow hedging gains, net	—	—	—	99	177	276	
Unrealized gain on securities	—	—	—	46	—	46	
Defined benefit plans, net (Note 27)	—	—	—	(3,408)	—	(3,408)	
Other comprehensive income (loss)	—	—	—	(3,031)	92	(2,939)	(2,939)
Comprehensive income (loss)						$ 106,064	
Cash dividends paid to noncontrolling interests	—	—	—	—	(26)		(26)
Other	1	5	(1)	—	(27)		(22)
Balance July 9, 2009, Predecessor	1,018	16,494	38,390	(35,370)	408		20,940

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT)
(In millions)

	Common Stockholders'						
	Common Stock(a)	Capital Surplus(a)	Accumulated Equity (Deficit)	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Comprehensive Income (Loss)	Total Equity (Deficit)
Balance July 9, 2009, Predecessor	1,018	16,494	38,390	(35,370)	408		20,940
Fresh-start reporting adjustments:							
Elimination of predecessor common stock, capital surplus and accumulated deficit	(1,018)	(16,494)	(38,390)	—	—		(55,902)
Elimination of accumulated other comprehensive loss	—	—	—	35,370	—		35,370
Issuance of GM common stock	12	18,779	—	—	—		18,791
Balance July 10, 2009 Successor	12	18,779	—	—	408		19,199
Net income (loss)	—	—	(4,297)	—	511	$ (3,786)	(3,786)
Other comprehensive income (loss)							
Foreign currency translation adjustments	—	—	—	157	(33)	124	
Unrealized gain on derivatives	—	—	—	(1)	—	(1)	
Unrealized gain on securities	—	—	—	2	—	2	
Defined benefit plans, net (Note 27)	—	—	—	1,430	—	1,430	
Other comprehensive income (loss)	—	—	—	1,588	(33)	1,555	1,555
Comprehensive income (loss)						$ (2,231)	
Common stock related to settlement of UAW hourly retiree medical plan	3	4,933	—	—	—		4,936
Common stock warrants related to settlement of UAW hourly retiree medical plan	—	220	—	—	—		220
Participation in GM Daewoo equity rights offering	—	108	—	—	(108)		—
Purchase of noncontrolling interest in CAMI	—	—	—	—	(100)		(100)
Cash dividends paid to GM preferred stockholders	—	—	(97)	—	—		(97)
Other	—	—	—	—	30		30
Balance December 31, 2009, Successor	$ 15	$ 24,040	$ (4,394)	$ 1,588	$ 708		$ 21,957

(a) Common stock and Capital surplus as of July 10, 2009 and December 31, 2009 are restated to reflect a three-for-one stock split effected on November 1, 2010.

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Nature of Operations

General Motors Company was formed by the United States Department of the Treasury (UST) in 2009 originally as a Delaware limited liability company, Vehicle Acquisition Holdings LLC, and subsequently converted to a Delaware corporation, NGMCO, Inc. This company, which on July 10, 2009 acquired substantially all of the assets and assumed certain liabilities of General Motors Corporation (363 Sale) and changed its name to General Motors Company, is sometimes referred to in these consolidated financial statements for the periods on or subsequent to July 10, 2009 as “we,” “our,” “us,” “ourselves,” the “Company,” “General Motors,” or “GM,” and is the successor entity solely for accounting and financial reporting purposes (Successor). General Motors Corporation is sometimes referred to in these consolidated financial statements, for the periods on or before July 9, 2009, as “Old GM.” Prior to July 10, 2009 Old GM operated the business of the Company, and pursuant to the agreement with the SEC Staff, as described in a no-action letter issued to Old GM by the SEC Staff on July 9, 2009 regarding GM filing requirements and those of MLC as subsequently defined, the accompanying consolidated financial statements include the financial statements and related information of Old GM as it is our predecessor entity solely for accounting and financial reporting purposes (Predecessor). On July 10, 2009 in connection with the 363 Sale, General Motors Corporation changed its name to Motors Liquidation Company, which is sometimes referred to in these consolidated financial statements for the periods on or after July 10, 2009 as “MLC.” MLC continues to exist as a distinct legal entity for the sole purpose of liquidating its remaining assets and liabilities.

We develop, produce and market cars, trucks and parts worldwide. We analyze the results of our business through our three segments, which are GM North America (GMNA), GM Europe (GME), and General Motors International Operations (GMIO). Nonsegment operations are classified as Corporate. Corporate includes investments in GMAC, certain centrally recorded income and costs, such as interest, income taxes and corporate expenditures, certain nonsegment specific revenues and expenses, including costs related to the Delphi Benefit Guarantee Agreements (as subsequently defined in Note 19) and a portfolio of automotive retail leases.

We also own a 16.6% equity interest in GMAC Inc. (GMAC), which is accounted for as a cost method investment because we cannot exercise significant influence over GMAC. GMAC provides a broad range of financial services, including consumer vehicle financing, automotive dealership and other commercial financing, residential mortgage services, and automobile service contracts. On May 10, 2010 GMAC changed its name to Ally Financial, Inc.

Note 2. Chapter 11 Proceedings and the 363 Sale

Background

Over time as Old GM’s market share declined in North America, Old GM needed to continually restructure its business operations to reduce cost and excess capacity. In addition, legacy labor costs and obligations and capacity in its dealer network made Old GM less competitive than new entrants into the U.S. market. These factors continued to strain Old GM’s liquidity. In 2005 Old GM incurred significant losses from operations and from restructuring activities such as providing support to Delphi Corporation (Delphi) and other efforts intended to reduce operating costs. Old GM managed its liquidity during this time through a series of cost reduction initiatives, capital markets transactions and sales of assets. However, the global credit market crisis had a dramatic effect on Old GM and the automotive industry. In the second half of 2008, the increased turmoil in the mortgage and overall credit markets (particularly the lack of financing for buyers or lessees of vehicles), the continued reductions in U.S. housing values, the volatility in the price of oil, recessions in the United States and Western Europe and the slowdown of economic growth in the rest of the world created a substantially more difficult business environment. The ability to execute capital markets transactions or sales of assets was extremely limited, vehicle sales in North America and Western Europe contracted severely, and the pace of vehicle sales in the rest of the world slowed. Old GM’s liquidity position, as well as its operating performance, were negatively affected by these economic and industry conditions and by other financial and business factors, many of which were beyond its control.

As a result of these economic conditions and the rapid decline in sales in the three months ended December 31, 2008 Old GM determined that, despite the actions it had then taken to restructure its U.S. business, it would be unable to pay its obligations in the normal course of business in 2009 or service its debt in a timely fashion, which required the development of a new plan that depended on financial assistance from the U.S. government.

In December 2008 Old GM requested and received financial assistance from the U.S. government and entered into a loan and security agreement with the UST, which was subsequently amended (UST Loan Agreement). In early 2009 Old GM's business results and liquidity continued to deteriorate, and, as a result, Old GM obtained additional funding from the UST under the UST Loan Agreement. Old GM also received funding from Export Development Canada (EDC), a corporation wholly-owned by the government of Canada, under a loan and security agreement entered into in April 2009 (EDC Loan Facility).

As a condition to obtaining the loans under the UST Loan Agreement, Old GM was required to submit a Viability Plan in February 2009 that included specific actions intended to result in the following:

- Repayment of all loans, interest and expenses under the UST Loan Agreement, and all other funding provided by the U.S. government;
- Compliance with federal fuel efficiency and emissions requirements and commencement of domestic manufacturing of advanced technology vehicles;
- Achievement of a positive net present value, using reasonable assumptions and taking into account all existing and projected future costs;
- Rationalization of costs, capitalization and capacity with respect to its manufacturing workforce, suppliers and dealerships; and
- A product mix and cost structure that is competitive in the U.S. marketplace.

The UST Loan Agreement also required Old GM to, among other things, use its best efforts to achieve the following restructuring targets:

Debt Reduction

- Reduction of its outstanding unsecured public debt by not less than two-thirds through conversion of existing unsecured public debt into equity, debt and/or cash or by other appropriate means.

Labor Modifications

- Reduction of the total amount of compensation paid to its U.S. employees so that, by no later than December 31, 2009, the average of such total amount is competitive with the average total amount of such compensation paid to U.S. employees of certain foreign-owned, U.S. domiciled automakers (transplant automakers);
- Elimination of the payment of any compensation or benefits to U.S. employees who have been fired, laid-off, furloughed or idled, other than customary severance pay; and
- Application of work rules for U.S. employees in a manner that is competitive with the work rules for employees of transplant automakers.

VEBA Modifications

- Modification of its retiree healthcare obligations arising under the 2008 UAW Settlement Agreement under which responsibility for providing healthcare for International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) retirees, their spouses and dependents would permanently shift from Old GM to the New Plan funded by the UAW Retiree Medical Benefits Trust (New VEBA), such that payment or contribution of not less than one-half of the value of each future payment was to be made in the form of Old GM common stock, subject to certain limitations.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The UST Loan Agreement provided that if, by March 31, 2009 or a later date (not to exceed 30 days after March 31, 2009) as determined by the President's Designee (Certification Deadline), the President's Designee had not certified that Old GM had taken all steps necessary to achieve and sustain its long-term viability, international competitiveness and energy efficiency in accordance with the Viability Plan, then the loans and other obligations under the UST Loan Agreement were to become due and payable on the thirtieth day after the Certification Deadline.

On March 30, 2009 the President's Designee determined that the plan was not viable and required substantial revisions. In conjunction with the March 30, 2009 announcement, the administration announced that it would offer Old GM adequate working capital financing for a period of 60 days while it worked with Old GM to develop and implement a more accelerated and aggressive restructuring that would provide a sound long-term foundation. On March 31, 2009 Old GM and the UST agreed to postpone the Certification Deadline to June 1, 2009.

Old GM made further modifications to its Viability Plan in an attempt to satisfy the President's Designee's requirement that it undertake a substantially more accelerated and aggressive restructuring plan (Revised Viability Plan). The following is a summary of significant cost reduction and restructuring actions contemplated by the Revised Viability Plan, the most significant of which included reducing Old GM's indebtedness and VEBA obligations.

Indebtedness and VEBA obligations

In April 2009 Old GM commenced exchange offers for certain unsecured notes to reduce its unsecured debt in order to comply with the debt reduction condition of the UST Loan Agreement.

Old GM also commenced discussions with the UST regarding the terms of a potential restructuring of its debt obligations under the UST Loan Agreement, the UST GMAC Loan Agreement (as subsequently defined), and any other debt issued or owed to the UST in connection with those loan agreements pursuant to which the UST would exchange at least 50% of the total outstanding debt Old GM owed to it at June 1, 2009 for Old GM common stock.

In addition, Old GM commenced discussions with the UAW and the VEBA-settlement class representative regarding the terms of potential VEBA modifications.

Other cost reduction and restructuring actions

In addition to the efforts to reduce debt and modify the VEBA obligations, the Revised Viability Plan also contemplated the following cost reduction efforts:

- Extended shutdowns of certain North American manufacturing facilities in order to reduce dealer inventory;
- Refocus its resources on four core U.S. brands: Chevrolet, Cadillac, Buick and GMC;
- Acceleration of the resolution for Saab Automobile AB (Saab), HUMMER and Saturn and no planned future investment for Pontiac, which was to be phased out by the end of 2010;
- Acceleration of the reduction in U.S. nameplates to 34 by 2010;
- A reduction in the number of U.S. dealers from 6,246 in 2008 to 3,605 in 2010;
- A reduction in the total number of plants in the U.S. to 34 by the end of 2010 and 31 by 2012; and
- A reduction in the U.S. hourly employment levels from 61,000 in 2008 to 40,000 in 2010 as a result of the nameplate reductions, operational efficiencies and plant capacity reductions.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Old GM had previously announced that it would reduce salaried employment levels on a global basis by 10,000 during 2009 and had instituted several programs to effect reductions in salaried employment levels. Old GM had also negotiated a revised labor agreement with the Canadian Auto Workers Union (CAW) to reduce its hourly labor costs to approximately the level paid to the transplant automakers; however, such agreement was contingent upon receiving longer term financial support for its Canadian operations from the Canadian federal and Ontario provincial governments.

Chapter 11 Proceedings

Old GM was not able to complete the cost reduction and restructuring actions in its Revised Viability Plan, including the debt reductions and VEBA modifications, which resulted in extreme liquidity constraints. As a result, on June 1, 2009 Old GM and certain of its direct and indirect subsidiaries filed voluntary petitions for relief under Chapter 11 (Chapter 11 Proceedings) of the U.S. Bankruptcy Code (Bankruptcy Code) in the U.S. Bankruptcy Court for the Southern District of New York (Bankruptcy Court).

In connection with the Chapter 11 Proceedings, Old GM entered into a secured superpriority debtor-in-possession credit agreement with the UST and EDC (DIP Facility) and received additional funding commitments from EDC to support Old GM's Canadian operations.

The following table summarizes the total funding and funding commitments Old GM received from the U.S. and Canadian governments and the additional notes Old GM issued related thereto in the period December 31, 2008 through July 9, 2009 (dollars in millions):

Description of Funding Commitment	Funding and Funding Commitments	Additional Notes Issued(a)	Total Obligation
UST Loan Agreement (b)	$ 19,761	$ 1,172	$ 20,933
EDC funding (c)	6,294	161	6,455
DIP Facility	33,300	2,221	35,521
Total	$ 59,355	$ 3,554	$ 62,909

(a) Old GM did not receive any proceeds from the issuance of these promissory notes, which were issued as additional compensation to the UST and EDC.

(b) Includes debt of $361 million, which the UST loaned to Old GM under the warranty program.

(c) Includes approximately $2.4 billion from the EDC Loan Facility received in the period January 1, 2009 through July 9, 2009 and funding commitments of CAD $4.5 billion (equivalent to $3.9 billion when entered into) that were immediately converted into our equity. This funding was received on July 15, 2009.

363 Sale

On July 10, 2009 we completed the acquisition of substantially all of the assets and assumed certain liabilities of Old GM and certain of its direct and indirect subsidiaries (collectively, the Sellers). The 363 Sale was consummated in accordance with the Amended and Restated Master Sale and Purchase Agreement, dated June 26, 2009, as amended, (Purchase Agreement) between us and the Sellers, and pursuant to the Bankruptcy Court's sale order dated July 5, 2009.

In connection with the 363 Sale, the purchase price paid to Old GM was comprised of:

- A credit bid in an amount equal to the total of: (1) debt of $19.8 billion under Old GM's UST Loan Agreement, plus notes of $1.2 billion issued as additional compensation for the UST Loan Agreement, plus interest on such debt Old GM owed as of the closing date of the 363 Sale; and (2) debt of $33.3 billion under Old GM's DIP Facility, plus notes of $2.2 billion issued as additional compensation for the DIP Facility, plus interest Old GM owed as of the closing date, less debt of $8.2 billion owed under the DIP Facility;

- The UST's return of the warrants Old GM previously issued to it;
- The issuance to MLC of 150 million shares (or 10%) of our common stock and warrants to acquire newly issued shares of our common stock initially exercisable for a total of 273 million shares of our common stock (or 15% on a fully diluted basis); and
- Our assumption of certain specified liabilities of Old GM (including debt of $7.1 billion owed under the DIP Facility).

Under the Purchase Agreement, we are obligated to issue additional shares of our common stock to MLC (Adjustment Shares) in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions). The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum number of Adjustment Shares issued if estimated general unsecured claims total $42.0 billion or more. We determined that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In that circumstance, we would be required to issue 8.6 million Adjustment Shares to MLC as an adjustment to the purchase price. At July 10, 2009 we accrued $113 million in Other liabilities and deferred income taxes related to this contingent obligation.

Agreements with the UST, UAW Retiree Medical Benefits Trust and Export Development Canada

On July 10, 2009 we entered into the UST Credit Agreement and assumed debt of $7.1 billion that Old GM incurred under its DIP Facility (UST Loans). Immediately after entering into the UST Credit Agreement, we made a partial prepayment, reducing the UST Loans principal balance to $6.7 billion. We also entered into the VEBA Note Agreement and issued a note in the principal amount of $2.5 billion (VEBA Notes) to the New VEBA. Through our wholly-owned subsidiary General Motors of Canada Limited (GMCL), we also entered into the amended and restated Canadian Loan Agreement with EDC, as a result of which GMCL has a CAD $1.5 billion (equivalent to $1.3 billion when entered into) term loan (Canadian Loan).

Refer to Note 18 for additional information on the UST Loans, VEBA Notes and the Canadian Loan.

Issuance of Common Stock, Preferred Stock and Warrants

On July 10, 2009 we issued the following securities to the UST, Canada GEN Investment Corporation (formerly 7176384 Canada Inc.), a corporation organized under the laws of Canada (Canada Holdings), the New VEBA and MLC:

UST

- 912.4 million shares of our common stock;
- 83.9 million shares of our Series A Fixed Rate Cumulative Perpetual Preferred Stock (Series A Preferred Stock);

Canada Holdings

- 175.1 million shares of our common stock;
- 16.1 million shares of Series A Preferred Stock;

New VEBA

- 262.5 million shares of our common stock;
- 260.0 million shares of Series A Preferred Stock;
- Warrant to acquire 45.5 million shares of our common stock;

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

MLC

- 150.0 million shares of our common stock; and
- Two warrants, each to acquire 136.4 million shares of our common stock.

Preferred Stock

The shares of Series A Preferred Stock have a liquidation preference of $25.00 per share and accrue cumulative dividends at 9.0% per annum (payable quarterly on March 15, June 15, September 15 and December 15) that are payable if, as and when declared by our Board of Directors. So long as any share of the Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on the Series A Preferred Stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. On or after December 31, 2014 we may redeem, in whole or in part, the shares of Series A Preferred Stock outstanding, at a redemption price per share equal to $25.00 per share plus any accrued and unpaid dividends, subject to limited exceptions.

The Series A Preferred Stock is classified as temporary equity because one of the holders, the UST, owns a significant percentage of our common stock and therefore has, and may continue to have, the ability to exert control, through its power to vote for the election of our directors, over various matters, which could include compelling us to redeem the Series A Preferred Stock in 2014 or later. We believe that it is not probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect our directors at December 31, 2014 considering the government's stated intent with respect to its equity holdings in our company to dispose of its ownership interest as soon as practicable and considering provisions in the Stockholders Agreement we entered into with certain of our stockholders that provide a timeline under which the UST would use its reasonable best efforts to cause an initial public offering of our common stock to occur by July 10, 2010 unless we were already taking steps and proceeding with reasonable diligence to effect an initial public offering.

The Series A Preferred Stock will remain classified as temporary equity until the holders of the Series A Preferred Stock no longer own a majority of our common stock and therefore no longer have the ability to exert control, through the power to vote for the election of our directors, over various matters, including compelling us to redeem the Series A Preferred Stock when it becomes callable by us on and after December 31, 2014. The reclassification of the Series A Preferred Stock to permanent equity would occur upon the earlier of: (1) the holders of Series A Preferred Stock no longer owning a majority (greater than 50%) of our common stock; or (2) the UST no longer holding any Series A Preferred Stock, which would result in the remaining holders of Series A Preferred Stock, as a class, owning less than 50% of our common stock. Upon the occurrence of either of these two events, the existing carrying amount of the Series A Preferred Stock would be reclassified to permanent equity.

Our Series A Preferred Stock is recorded at a discount of $2.0 billion. We are not accreting the Preferred Stock to its redemption amount of $9.0 billion because we believe it is not probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect a majority of our directors in 2014. If it becomes probable that the UST or the holders of the Series A Preferred Stock, as a class, will continue to have this ability to elect a majority of our directors in 2014, then we would begin accreting to the redemption value from the date this condition becomes probable to December 31, 2014.

Regardless of whether we accrete the Series A Preferred Stock, upon a redemption or purchase of any or all Series A Preferred Stock, the difference, if any, between the recorded amount of the Series A Preferred Stock being redeemed or purchased and the consideration paid would be recorded as a charge to Net income attributable to common shareholders. If all of the Series A Preferred Stock were to be redeemed or purchased at its par value, the amount of the charge would be $2.0 billion.

Warrants

The first tranche of warrants issued to MLC is exercisable at any time prior to July 10, 2016, with an exercise price of $10.00 per share. The second tranche of warrants issued to MLC is exercisable at any time prior to July 10, 2019, with an exercise price of

$18.33 per share. The warrant issued to the New VEBA is exercisable at any time prior to December 31, 2015, with an exercise price of $42.31 per share. The number of shares of our common stock underlying each of the warrants issued to MLC and the New VEBA and the per share exercise price are subject to adjustment as a result of certain events, including stock splits, reverse stock splits and stock dividends.

Additional Modifications to Pension and Other Postretirement Plans Contingent upon the Emergence from Bankruptcy

We modified the U.S. hourly pension plan, the U.S. executive retirement plan, the U.S. salaried life plan, the non-UAW hourly retiree medical plan and the U.S. hourly life plan. These modifications became effective upon the completion of the 363 Sale. The key modifications were:

- Elimination of the post 65 benefits and capping the pre 65 benefits in the non-UAW hourly retiree medical plan;
- Capping the life benefit for non-UAW retirees and future retirees at $10,000 in the U.S. hourly life plan;
- Capping the life benefit for existing salaried retirees at $10,000, reduced the retiree benefit for future salaried retirees and eliminated the executive benefit for the U.S. salaried life plan;
- Elimination of a portion of nonqualified benefits in the U.S. executive retirement plan; and
- Elimination of the flat monthly special lifetime benefit of $66.70 that was to commence on January 1, 2010 for the U.S. hourly pension plan.

Accounting for the Effects of the Chapter 11 Proceedings and the 363 Sale

Chapter 11 Proceedings

Accounting Standards Codification (ASC) 852, “Reorganizations,” (ASC 852) is applicable to entities operating under Chapter 11 of the Bankruptcy Code. ASC 852 generally does not affect the application of U.S. GAAP that we and Old GM followed to prepare the consolidated financial statements, but it does require specific disclosures for transactions and events that were directly related to the Chapter 11 Proceedings and transactions and events that resulted from ongoing operations.

Old GM prepared its consolidated financial statements in accordance with the guidance in ASC 852 in the period June 1, 2009 through July 9, 2009. Revenues, expenses, realized gains and losses, and provisions for losses directly related to the Chapter 11 Proceedings were recorded in Reorganization gains, net. Reorganization gains, net do not constitute an element of operating loss due to their nature and due to the requirement of ASC 852 that they be reported separately. Old GM’s balance sheet prior to the 363 Sale distinguished prepetition liabilities subject to compromise from prepetition liabilities not subject to compromise and from postpetition liabilities. Cash amounts provided by or used in the Chapter 11 Proceedings are separately disclosed in the statement of cash flows.

Application of Fresh-Start Reporting

The Bankruptcy Court did not determine a reorganization value in connection with the 363 Sale. Reorganization value is defined as the value of our assets without liabilities. In order to apply fresh-start reporting, ASC 852 requires that total postpetition liabilities and allowed claims be in excess of reorganization value and prepetition stockholders receive less than 50.0% of our common stock. Based on our estimated reorganization value, we determined that on July 10, 2009 both the criteria of ASC 852 were met and, as a result, we applied fresh-start reporting.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Our reorganization value was determined using the sum of:

- Our discounted forecast of expected future cash flows from our business subsequent to the 363 Sale, discounted at rates reflecting perceived business and financial risks;
- The fair value of operating liabilities;
- The fair value of our non-operating assets, primarily our investments in nonconsolidated affiliates and cost method investments; and
- The amount of cash we maintained at July 10, 2009 that we determined to be in excess of the amount necessary to conduct our normal business activities.

The sum of the first, third and fourth bullet items equals our Enterprise value.

Our discounted forecast of expected future cash flows included:

- Forecasted cash flows for the six months ended December 31, 2009 and the years ending 2010 through 2014, for each of Old GM's former segments (refer to Note 3 for a discussion of our change in segments) and for certain subsidiaries that incorporated:
    - Industry seasonally adjusted annual rate (SAAR) of vehicle sales and our related market share as follows:
        - Worldwide — 59.1 million vehicles and market share of 11.9% based on vehicle sales volume in 2010 increasing to 81.0 million vehicles and market share of 12.2% in 2014;
        - North America — 14.2 million vehicles and market share of 17.8% based on vehicle sales volume in 2010 increasing to 19.8 million vehicles and decreasing market share of 17.6% in 2014;
        - Europe — 16.8 million vehicles and market share of 9.5% based on vehicle sales volume in 2010 increasing to 22.5 million vehicles and market share of 10.3% in 2014;
        - LAAM — 6.1 million vehicles and market share of 18.0% based on vehicle sales volume in 2010 increasing to 7.8 million vehicles and market share of 18.4% in 2014;
        - AP — 22.0 million vehicles and market share of 8.4% based on vehicle sales volume in 2010 increasing to 30.8 million vehicles and market share of 8.6% in 2014;
    - Projected product mix, which incorporates the 2010 introductions of the Chevrolet Volt, Chevrolet/Holden Cruze, Cadillac CTS Coupe, Opel/Vauxhall Meriva and Opel/Vauxhall Astra Station Wagon;
    - Projected changes in our cost structure due to restructuring initiatives that encompass reduction of hourly and salaried employment levels by approximately 18,000;
    - The terms of the 2009 Revised UAW Settlement Agreement, which released us from UAW retiree healthcare claims incurred after December 31, 2009;

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

- Projected capital spending to support existing and future products, which range from $4.9 billion in 2010 to $6.0 billion in 2014; and
- Anticipated changes in global market conditions.

- A terminal value, which was determined using a growth model that applied long-term growth rates ranging from 0.5% to 6.0% and a weighted average long-term growth rate of 2.6% to our projected cash flows beyond 2014. The long-term growth rates were based on our internal projections as well as industry growth prospects; and
- Discount rates that considered various factors including bond yields, risk premiums, and tax rates to determine a weighted-average cost of capital (WACC), which measures a company's cost of debt and equity weighted by the percentage of debt and equity in a company's target capital structure. We used discount rates ranging from 16.5% to 23.5% and a weighted-average rate of 22.8%.

To estimate the value of our investment in nonconsolidated affiliates we used multiple valuation techniques, but we primarily used discounted cash flow analyses. Our excess cash of $33.8 billion, including Restricted cash and marketable securities of $21.2 billion, represents cash in excess of the amount necessary to conduct our ongoing day-to-day business activities and to keep them running as a going concern. Refer to Note 14 for additional discussion of Restricted cash and marketable securities.

Our estimate of reorganization value assumes the achievement of the future financial results contemplated in our forecasted cash flows, and there can be no assurance that we will realize that value. The estimates and assumptions used are subject to significant uncertainties, many of which are beyond our control, and there is no assurance that anticipated financial results will be achieved. Assumptions used in our discounted cash flow analysis that have the most significant effect on our estimated reorganization value include:

- Our estimated WACC;
- Our estimated long-term growth rates; and
- Our estimate of industry sales and our market share in each of Old GM's former segments.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table reconciles our enterprise value to our estimated reorganization value and the estimated fair value of our Equity (in millions except per share amounts):

	Successor July 10, 2009
Enterprise value	$ 36,747
Plus: Fair value of operating liabilities (a)	80,832
Estimated reorganization value (fair value of assets) (b)	117,579
Adjustments to tax and employee benefit-related assets (c)	(6,074)
Goodwill (c)	30,464
Carrying amount of assets	$ 141,969
Enterprise value	$ 36,747
Less: Fair value of debt	(15,694)
Less: Fair value of warrants issued to MLC (additional paid-in-capital)	(2,405)
Less: Fair value of liability for Adjustment Shares	(113)
Less: Fair value of noncontrolling interests	(408)
Less: Fair value of Series A Preferred Stock (d)	(1,741)
Fair value of common equity (common stock and additional paid-in capital)	$ 16,386
Common shares outstanding (d)	1,238
Per share value	$ 13.24

(a) Operating liabilities are our total liabilities excluding the liabilities listed in the reconciliation above of our enterprise value to the fair value of our common equity.

(b) Reorganization value does not include assets with a carrying amount of $1.8 billion and a fair value of $2.0 billion at July 9, 2009 that MLC retained.

(c) The application of fresh-start reporting resulted in the recognition of goodwill. When applying fresh-start reporting, certain accounts, primarily employee benefit and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than at fair value and the difference between the U.S. GAAP and fair value amounts gives rise to goodwill, which is a residual. Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in goodwill. Our employee related obligations were recorded in accordance with ASC 712 and ASC 715, and deferred income taxes were recorded in accordance with ASC 740.

(d) The 260 million shares of Series A Preferred Stock, 263 million shares of our common stock, and warrant to acquire 45.5 million shares of our common stock issued to the New VEBA on July 10, 2009 were not considered outstanding until the UAW retiree medical plan was settled on December 31, 2009. The fair value of these instruments was included in the liability recognized at July 10, 2009 for this plan. The common shares issued to the New VEBA are excluded from common shares outstanding at July 10, 2009. Refer to Note 19 for a discussion of the termination of our UAW hourly retiree medical plan and Mitigation Plan and the resulting payment terms to the New VEBA.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Effect of 363 Sale Transaction and Application of Fresh-Start Reporting

The following table summarizes the adjustments to Old GM's consolidated balance sheet as a result of the 363 Sale and the application of fresh-start reporting and presents our consolidated balance sheet at July 10, 2009 (dollars in millions):

	Predecessor July 9, 2009	Reorganization via 363 Sale Adjustments	Fresh-Start Reporting Adjustments	Successor after Reorganization via 363 Sale and Fresh-Start Reporting Adjustments July 10, 2009
ASSETS				
Current Assets				
Cash and cash equivalents	$ 19,054	$ (41)	$ —	$ 19,013
Marketable securities	139	—	—	139
Total cash and marketable securities	19,193	(41)	—	19,152
Restricted cash and marketable securities	20,290	(1,175)	—	19,115
Accounts and notes receivable, net	8,396	3,859	(79)	12,176
Inventories	9,802	(140)	(66)	9,596
Equipment on operating leases, net	3,754	2	90	3,846
Other current assets and deferred income taxes	1,874	75	69	2,018
Total current assets	63,309	2,580	14	65,903
Non-Current Assets				
Restricted cash and marketable securities	1,401	(144)	—	1,257
Equity in net assets of nonconsolidated affiliates	1,972	4	3,822	5,798
Equipment on operating leases, net	23	—	3	26
Property, net	36,216	(137)	(17,579)	18,500
Goodwill	—	—	30,464	30,464
Intangible assets, net	210	—	15,864	16,074
Deferred income taxes	79	550	43	672
Prepaid pension	121	—	(24)	97
Other assets	1,244	(12)	1,946	3,178
Total non-current assets	41,266	261	34,539	76,066
Total Assets	$ 104,575	$ 2,841	$ 34,553	$ 141,969
LIABILITIES AND EQUITY (DEFICIT)				
Current Liabilities				
Accounts payable (principally trade)	$ 13,067	$ (42)	$ 42	$ 13,067
Short-term debt and current portion of long-term debt	43,412	(30,179)	(56)	13,177
Postretirement benefits other than pensions	187	1,645	124	1,956
Accrued expenses	25,607	(81)	(1,132)	24,394
Total current liabilities	82,273	(28,657)	(1,022)	52,594
Non-Current Liabilities				
Long-term debt	4,982	(977)	(1,488)	2,517
Postretirement benefits other than pensions	3,954	14,137	310	18,401
Pensions	15,434	14,432	2,113	31,979
Liabilities subject to compromise	92,611	(92,611)	—	—
Other liabilities and deferred income taxes	14,449	278	811	15,538
Total non-current liabilities	131,430	(64,741)	1,746	68,435
Total Liabilities	213,703	(93,398)	724	121,029
Preferred stock	—	1,741	—	1,741
Equity (Deficit)				
Old GM				
Preferred stock	—	—	—	—
Preference stock	—	—	—	—
Common stock	1,018	—	(1,018)	—
Capital surplus (principally additional paid-in capital)	16,494	—	(16,494)	—
General Motors Company				
Common stock	—	12	—	12
Capital surplus (principally additional paid-in capital)	—	18,779	—	18,779
Retained earnings (Accumulated deficit)	(91,602)	63,492	28,110	—
Accumulated other comprehensive income (loss)	(35,370)	12,295	23,075	—
Total stockholders' equity (deficit)	(109,460)	94,578	33,673	18,791
Noncontrolling interests	332	(80)	156	408
Total equity (deficit)	(109,128)	94,498	33,829	19,199
Total Liabilities and Equity (Deficit)	$ 104,575	$ 2,841	$ 34,553	$ 141,969

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Reorganization Via 363 Sale Adjustments

The following table summarizes the reorganization adjustments previously discussed including the liabilities that were extinguished or reclassified from Liabilities subject to compromise as part of the 363 Sale (dollars in millions):

	UST(a)	Canada Holdings(b)	New VEBA(c)	Pension and OPEB(d)	MLC(e)	Other(f)	Total
Assets MLC retained, net	$ —	$ —	$ —	$ —	$ 1,797	$ —	$ 1,797
Accounts payable (principally trade)	—	—	—	—	(42)	—	(42)
Short-term debt and current portion of long-term debt extinguished	(31,294)	(5,972)	—	—	(1,278)	—	(38,544)
Short-term debt and current portion of long-term debt assumed	7,073	1,292	—	—	—	—	8,365
Net reduction to short-term debt and current portion of long-term debt	(24,221)	(4,680)	—	—	(1,278)	—	(30,179)
Postretirement benefits other than pensions, current	—	—	1,409	236	—	—	1,645
Accrued expenses	(54)	—	—	219	(310)	64	(81)
Total current liabilities	(24,275)	(4,680)	1,409	455	(1,630)	64	(28,657)
Long-term debt extinguished	—	—	—	—	(977)	—	(977)
Postretirement benefits other than pensions, non-current	—	—	10,547	3,590	—	—	14,137
Pensions	—	—	—	14,432	—	—	14,432
Liabilities subject to compromise	(20,824)	—	(19,687)	(23,453)	(28,553)	(94)	(92,611)
Other liabilities and deferred income taxes	—	—	—	391	(184)	71	278
Total liabilities	(45,099)	(4,680)	(7,731)	(4,585)	(31,344)	41	(93,398)
Accumulated other comprehensive income balances relating to entities MLC retained	—	—	—	—	(21)	—	(21)
Additional EDC funding	—	(3,887)	—	—	—	—	(3,887)
Fair value of preferred stock issued	1,462	279	—	—	—	—	1,741
Fair value of common stock issued	12,076	2,324	—	—	1,986	—	16,386
Fair value of warrants	—	—	—	—	2,405	—	2,405
Release of valuation allowances and other tax adjustments	—	—	—	—	—	(751)	(751)
Reorganization gain	(31,561)	(5,964)	(7,731)	(4,585)	(25,177)	(710)	(75,728)
Amounts attributable to noncontrolling interests	—	—	—	—	(80)	—	(80)
Amounts recorded in Accumulated other comprehensive income as part of Reorganization via 363 Sale adjustments	—	—	7,731	4,585	—	—	12,316
Total retained earnings adjustment	$(31,561)	$ (5,964)	$ —	$ —	$(25,257)	$ (710)	$(63,492)

(a) Liabilities owed to the UST under the UST Loan Agreement of $20.6 billion, with accrued interest of $251 million, and under the DIP Facility of $30.9 billion with accrued interest of $54 million and borrowings related to the warranty program of $361 million were extinguished in connection with the 363 Sale through the assumption of the UST Loans of $7.1 billion and the issuance of 912 million shares of our common stock with a fair value of $12.1 billion and 84 million shares of Series A Preferred Stock with a fair value of $1.5 billion.

(b) Liabilities owed to Canada Holdings under the EDC Loan Facility of $2.6 billion and under the DIP Facility of $3.4 billion were extinguished in connection with the 363 Sale through the assumption of the Canadian Loan of CAD $1.5 billion (equivalent of $1.3 billion when entered into) and the issuance of 175 million shares of our common stock with a fair value of $2.3 billion and

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

16 million shares of Series A Preferred Stock with a fair value of $279 million. In addition, we recorded an increase in Accounts and notes receivable, net of $3.9 billion at July 10, 2010 for amounts to be received from the EDC in exchange for the equity Canada Holdings received in connection with the 363 Sale.

(c) As a result of modifications to the UAW hourly retiree medical plan that became effective upon the 363 Sale, we recorded a reorganization gain of $7.7 billion that represented the difference between the carrying amount of our $19.7 billion plan obligation at July 9, 2009 and the July 10, 2009 actuarially determined value of $12.0 billion for our modified plan based on the revised terms of the 2009 Revised UAW Settlement Agreement. Our obligation to the UAW hourly retiree medical plan was settled on December 31, 2009. Prior to the December 31, 2009 settlement, the VEBA Notes, Series A Preferred Stock, common stock and warrants contributed to the New VEBA were not considered outstanding. Refer to Note 19 for additional information on the 2009 Revised UAW Settlement Agreement.

(d) As a result of modifications to benefit plans that became effective upon the 363 Sale, we recorded a reorganization gain of $4.6 billion, which represented the difference between the carrying amount of our obligations under certain plans at July 9, 2009, and our new actuarially determined obligations at July 10, 2009. Major changes include:

- For the non-UAW hourly retiree health care plan, we recorded a $2.7 billion gain resulting from elimination of post 65 benefits and placing a cap on pre 65 benefits;
- For retiree life insurance we recorded a $923 million gain, resulting from capping benefits at $10,000 for non-UAW hourly retirees and future retirees, capping benefits at $10,000 for existing salaried retirees, reducing benefits for future salaried retirees, and elimination of executive benefits;
- For the U.S. supplemental executive retirement plan, we recorded a $221 million gain from the elimination of a portion of nonqualified benefits; and
- For the U.S. hourly defined benefit pension plan, we recorded a $675 million gain, representing the net of a $3.3 billion obligation decrease resulting from the elimination of the flat monthly special lifetime benefit that was to commence on January 1, 2010, offset by an obligation increase of $2.6 billion from a discount rate decrease from 6.25% to 5.83% and other assumption changes.

(e) Represents the net liabilities MLC retained in connection with the 363 Sale, primarily consisting of Old GM's unsecured debt and amounts owed to the UST under the DIP Facility of $1.2 billion. These net liabilities were settled in exchange for assets retained by MLC with a carrying amount of $1.8 billion and a fair value of $2.0 billion, 150 million shares of our common stock with a fair value of $2.0 billion, warrants to acquire an additional 273 million shares of our common stock with a fair value of $2.4 billion and the right to contingently receive the Adjustment Shares. We increased Other liabilities and deferred income taxes to reflect the estimated fair value of $113 million for our obligation to issue the Adjustment Shares to MLC.

The following table summarizes the carrying amount of the assets MLC retained (dollars in millions):

	Predecessor Carrying amount at July 9, 2009
Cash and cash equivalents	$ 41
Restricted cash and marketable securities, current	1,175
Accounts and notes receivable, net	28
Inventories	140
Equipment on operating leases, net	(2)
Other current assets and deferred income taxes	46
Restricted cash and marketable securities, non-current	144
Equity in net assets of nonconsolidated affiliates	(4)
Property, net	137
Deferred income taxes	80
Other assets, non-current	12
Total assets	$ 1,797

(f) We assumed $94 million of certain employee benefit obligations that were included in Liabilities subject to compromise that are now included in Accrued expenses ($64 million) and Other liabilities ($30 million). These primarily relate to postemployment benefits not modified as a part of the 363 Sale. In addition, in connection with the 363 Sale, we concluded that it was more likely than not that certain net deferred tax assets, primarily in Brazil, will be realized. Therefore, we reversed the existing valuation allowances related to such deferred tax assets resulting in an increase of $121 million in Other current assets and an increase of $630 million in Deferred income taxes, non-current. To record other tax effects of the 363 Sale, we recorded an increase to Other liabilities of $41 million. We recorded a net reorganization gain of $710 million in Income tax expense (benefit) as a result of these adjustments.

Fresh-Start Reporting Adjustments

In applying fresh-start reporting at July 10, 2009, which generally follows the provisions of ASC 805, "Business Combinations" (ASC 805), we recorded the assets acquired and the liabilities assumed from Old GM at fair value except for deferred income taxes and certain liabilities associated with employee benefits. These adjustments are final and no determinations of fair value are considered provisional. The significant assumptions related to the valuations of our assets and liabilities recorded in connection with fresh-start reporting are subsequently discussed.

Accounts and notes receivable

We recorded Accounts and notes receivable at their fair value of $12.2 billion, which resulted in a decrease of $79 million.

Inventory

We recorded Inventory at its fair value of $9.6 billion, which was determined as follows:

- Finished goods were determined based on the estimated selling price of finished goods on hand less costs to sell including disposal and holding period costs, and a reasonable profit margin on the selling and disposal effort for each specific category of finished goods being evaluated. Finished goods primarily include new vehicles, off-lease and company vehicles and service parts and accessories;
- Work in process was determined based on the estimated selling price once completed less total costs to complete the manufacturing process, costs to sell including disposal and holding period costs, a reasonable profit margin on the remaining manufacturing, selling and disposal effort; and
- Raw materials were determined based on current replacement cost.

Compared to amounts recorded by Old GM, finished goods increased by $622 million, including elimination of Old GM's LIFO reserve of $1.1 billion, work in process decreased by $555 million, raw materials decreased by $39 million and sundry items with nominal individual value decreased by $94 million.

Equipment on Operating Leases, current and non-current

We recorded Equipment on operating leases, current and non-current at its fair value of $3.9 billion, which was determined as follows: (1) automotive leases to daily rental car companies were determined based on the market value of comparable vehicles; and (2) automotive retail leases were determined by discounting the expected future cash flows generated by the automotive retail leases including the estimated residual value of the vehicles when sold. Equipment on operating leases, current and non-current increased from that recorded by Old GM by $93 million as a result of our determination of fair value.

Other Current Assets and Deferred Income Taxes

We recorded Other current assets which included prepaid assets and other current assets at their fair value of $1.5 billion and deferred income taxes of $487 million. These amounts are $69 million higher than the amounts recorded by Old GM.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Equity in Net Assets of Nonconsolidated Affiliates

We recorded Equity in net assets of nonconsolidated affiliates at its fair value of $5.8 billion. Fair value of these investments was determined using discounted cash flow analyses, which included the following assumptions and estimates:

- Forecasted cash flows for the seven months ended December 31, 2009 and the years ending 2010 through 2013, which incorporated projected sales volumes, product mixes, projected capital spending to support existing and future products, research and development of new products and technologies and anticipated changes in local market conditions;

- A terminal value, which was calculated by assuming a maintainable level of after-tax debt-free cash flow and multiplying it by a capitalization factor that reflected the investor's WACC adjusted for the estimated long-term perpetual growth rate;

- A discount rate of 13.4% that considered various factors including risk premiums and tax rates to determine the investor's WACC given the assumed capital structure of comparable companies; and

- The fair value of investment property and investments in affiliates was determined using market comparables.

Equity in net assets of nonconsolidated affiliates was higher than Old GM's by $3.8 billion as a result of our determination of fair value.

Property

We recorded Property, which includes land, buildings and land improvements, machinery and equipment, construction in progress and special tools, at its fair value of $18.5 billion. Fair value was based on the highest and best use of specific properties. To determine fair value we considered and applied three approaches:

- The market or sales comparison approach which relies upon recent sales or offerings of similar assets on the market to arrive at a probable selling price. Certain adjustments were made to reconcile differences in attributes between the comparable sales and the appraised assets. This method was utilized for certain assets related to land, buildings and land improvements and information technology.

- The cost approach which considers the amount required to construct or purchase a new asset of equal utility at current prices, with adjustments in value for physical deterioration, functional obsolescence and economic obsolescence. This method was primarily utilized for certain assets related to land, buildings and land improvements, leasehold interests, and the majority of our machinery and equipment and tooling. Economic obsolescence represents a loss in value due to unfavorable external conditions such as the economics of our industry and was a factor in establishing fair value. Our machinery, equipment and special tools amounts, determined under the cost approach, were adjusted for economic obsolescence. Due to the downturn in the automotive industry, significant excess capacity exists and the application of the cost approach generally requires the replacement cost of an asset to be adjusted for physical deterioration, and functional and economic obsolescence. We estimated economic obsolescence as the difference between the discounted cash flows expected to be realized from our utilization of the assets as a group, compared to the initial estimate of value from the cost approach method. We did not reduce any fixed asset below its liquidation in place value as a result of economic obsolescence; however the effects of economic obsolescence caused some of our fixed assets to be recorded at their liquidation in place values.

- The income approach which considers value in relation to the present worth of future benefits derived from ownership, usually measured through the capitalization of a specific level of income which can be derived from the subject asset. This method assumed fair value could not exceed the present value of the cash flows the assets generate discounted at a risk related rate of return commensurate with the level of risk inherent in the subject asset. This method was used to value certain assets related to buildings and improvements, leasehold interest, machinery and equipment and tooling.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the components of Property as a result of the application of fresh-start reporting at July 10, 2009 and Property, net at July 9, 2009:

	Successor July 10, 2009	Predecessor July 9, 2009
Land	$ 2,524	$ 1,040
Buildings and land improvements, net	3,731	8,490
Machinery and equipment, net	5,915	13,597
Construction in progress	1,838	2,307
Real estate, plants, and equipment, net	14,008	25,434
Special tools, net	4,492	10,782
Total property, net	$18,500	$ 36,216

Goodwill

We recorded Goodwill of $30.5 billion upon application of fresh-start reporting. When applying fresh-start reporting, certain accounts, primarily employee benefit and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than fair value and the difference between the U.S. GAAP and fair value amounts gives rise to goodwill, which is a residual. Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in goodwill. Our employee benefit related accounts were recorded in accordance with ASC 712 and ASC 715 and deferred income taxes were recorded in accordance with ASC 740. There was no goodwill on an economic basis based on the fair value of our equity, liabilities and identifiable assets. None of the goodwill from this transaction is deductible for tax purposes.

Intangible assets

We recorded Intangible assets of $16.1 billion at their fair values. The following is a summary of the approaches used to determine the fair value of our significant intangible assets:

- We recorded $7.9 billion for the fair value of technology. The relief from royalty method was used to calculate the $7.7 billion fair value of developed technology. The significant assumptions used included:
  - Forecasted revenue for each technology category by Old GM’s former segments;
  - Royalty rates based on licensing arrangements for similar technologies and obsolescence factors by technology category;
  - Discount rates ranging from 24.0% to 26.0% based on our WACC and adjusted for perceived business risks related to these developed technologies; and
  - Estimated economic lives, which ranged from 7 to twenty years.
- The excess earnings method was used to determine the fair value of in-process research and development of $175 million. The significant assumptions used in this approach included:
  - Forecasted revenue for certain technologies not yet proven to be commercially feasible;
  - The probability and cost of obtaining commercial feasibility;
  - Discount rates ranging from 4.2% (when the probability of obtaining commercial feasibility was considered elsewhere in the model) to 36.0%; and
  - Estimated economic lives ranging from approximately 10 to 20 years.

- The relief from royalty method was also used to calculate the fair value of brand names of $5.5 billion. The significant assumptions used in this method included:
  - Forecasted revenue for each brand name by Old GM's former segments;
  - Royalty rates based on licensing arrangements for the use of brands and trademarks in the automotive industry and related industries;
  - Discount rates ranging from 22.8% to 27.0% based on our WACC and adjusted for perceived business risks related to these intangible assets; and
  - Indefinite economic lives for our ongoing brands.
- Our most significant brands included Buick, Cadillac, Chevrolet, GMC, Opel/Vauxhall and OnStar. We also recorded defensive intangible assets associated with brands we eliminated, which included Pontiac, Saturn and Oldsmobile.
- A cost approach was used to calculate the fair value of our dealer networks and customer relationships of $2.1 billion. The estimated fair value of our dealer networks of $1.6 billion was determined by multiplying our estimated costs to recreate our dealer networks by our estimate of an optimal number of dealers. An income approach was used to calculate the fair value of our customer relationships of $508 million. The significant assumptions used in this approach included:
  - Forecasted revenue;
  - Customer retention rates;
  - Profit margins; and
  - A discount rate of 20.8% based on an appropriate WACC and adjusted for perceived business risks related to these customer relationships.
- We recorded other intangible assets of $560 million primarily related to existing contracts, including leasehold improvements, that were favorable relative to available market terms.

The following table summarizes the components of our intangible assets and their weighted-average amortization periods.

	Weighted-Average Amortization Period (years)	Recorded Value
Technology and related intellectual property	5	$ 7,889
Brands	38	5,476
Dealer network and customer relationships	21	2,149
Favorable contracts	28	543
Other intangible assets	3	17
Total intangible assets		$ 16,074

Deferred Income Taxes, non-current

We recorded Deferred income taxes, non-current of $672 million which was an increase of $43 million compared to that recorded by Old GM.

Other Assets, non-current

We recorded Other assets, non-current of $3.2 billion. Other assets, non-current differed from Old GM's primarily related to: (1) an increase of $1.3 billion and $629 million in the value of our investments in GMAC common stock and preferred stock; (2) an increase of $175 million in the value of our investment in Saab; partially offset by (3) an elimination of $191 million for certain prepaid rent balances and other adjustments.

We calculated the fair value of our investment in GMAC common stock of $1.3 billion using a market multiple sum-of-the-parts methodology, a market approach. This approach considered the average price/tangible book value multiples of companies deemed comparable to each of GMAC's Auto Finance, Commercial Finance and Insurance operations in determining the fair value of each of these operations, which were then aggregated to determine GMAC's overall fair value. The significant inputs used in our fair value analysis were as follows:

- GMAC's June 30, 2009 financial statements, as well as the financial statements of comparable companies in the Auto Finance, Commercial Finance and Insurance industries;
- Expected performance of GMAC, as well as our view on its ability to access capital markets; and
- The value of GMAC's mortgage operations, taking into consideration the continuing challenges in the housing markets and mortgage industry, and its need for additional liquidity to maintain business operations.

We calculated the fair value of our investment in GMAC preferred stock of $665 million using a discounted cash flow approach. The present value of the cash flows was determined using assumptions regarding the expected receipt of dividends on GMAC preferred stock and the expected call date. The discount rate of 16.9% was determined based on yields of similar GMAC securities.

Accounts Payable

We recorded Accounts payable at its fair value of $13.1 billion.

Debt

We recorded short-term debt, current portion of long-term debt and long-term debt at their total fair value of $15.7 billion, which was calculated using a discounted cash flow methodology using our implied credit rating of CCC for most of our debt instruments (our credit rating was not observable as a result of the Chapter 11 Proceedings), adjusted where appropriate for any security interests. For the UST Loans and the Canadian Loan, carrying amount was determined to approximate fair value because these loans were fully collateralized by the restricted cash placed in escrow and were entered into on July 10, 2009 at market terms. Short-term debt, current portion of long-term debt and long-term debt decreased $1.5 billion as a result of our calculation of fair value. Refer to Note 14 for additional information on the escrow arrangement.

Pensions, Postretirement Benefits Other than Pensions, current and non-current, and Prepaid Pensions

We recorded Pensions of $32.0 billion and Prepaid pensions of $97 million, which includes the actuarial measurement of those benefit plans that were not modified in connection with the 363 Sale. As a result of these actuarial measurements, our recorded value was $2.1 billion higher than Old GM's for Pensions and Prepaid pensions for those plans not modified in connection with the 363 Sale. When the pension plans were measured at July 10, 2009, the weighted-average return on assets was 8.5% and 8.0% for U.S. and Non-U.S. plans. The weighted-average discount rate utilized to measure the plans at July 10, 2009 was 5.9% and 5.8% for U.S. and Non-U.S. plans.

We also recorded Postretirement benefits other than pensions, current and non-current of $20.4 billion, which is an increase of $434 million compared to the amounts recorded by Old GM for those plans not modified in connection with the 363 Sale. When the other non-UAW postretirement benefit plans were measured at July 10, 2009, the weighted average discount rate used was 6.0% and 5.5% for the U.S. and Non-U.S. plans. For the U.S. there are no significant uncapped healthcare plans remaining at December 31, 2009, and therefore, the healthcare cost trend rate does not have a significant effect on our U.S. plans. For Non-U.S. plans the initial healthcare cost trend used was 5.4% and the ultimate healthcare cost trend rate was 3.3% with 8 years to the ultimate trend rate.

Accrued Expenses, Other Liabilities, and Deferred Income Taxes, current and non-current

We recorded Accrued expenses of $24.4 billion and Other liabilities and deferred income taxes of $15.5 billion. Accrued expenses and Other liabilities differed from those of Old GM primarily relating to:

- $1.2 billion less in deferred revenue, the fair value of which was determined based on our remaining performance obligations considering future costs associated with these obligations;
- $349 million decrease in warranty liability, the fair value of which was determined by discounting the forecasted future cash flows based on historical claims experience using rates ranging from 1.4% in 2009 to 4.3% in 2017;
- A decrease of $179 million to lease-related obligations;
- A decrease of $162 million related to certain customer deposits;
- $582 million increase in deferred income taxes; and
- $980 million of recorded unfavorable contractual obligations, primarily related to the Delphi-GM Settlement Agreements. The fair value of the unfavorable contractual obligations was determined by discounting forecasted cash flows representing the unfavorable portions of contractual obligations at our implied credit rating. Refer to Note 21 for further information on the Delphi-GM Settlement Agreements.

Equity (Deficit) and Preferred Stock

The changes to Equity (Deficit) reflect our recapitalization, the elimination of Old GM’s historical equity, the issuance of our common stock, preferred stock and warrants to the UST, Canada Holdings and MLC at fair value, and the application of fresh-start reporting.

Noncontrolling Interests

We recorded the fair value of our Noncontrolling interests at $408 million which was $156 million higher than Old GM.

363 Sale and Fresh-Start Reporting Adjustments

The following table summarizes Old GM's Reorganization gains, net, arising from the 363 Sale and fresh-start reporting that primarily resulted from the adjustments previously discussed (dollars in millions):

	Predecessor January 1, 2009 Through July 9, 2009
Change in net assets resulting from the application of fresh-start reporting	$ 33,829
Fair value of New GM's Series A Preferred Stock, common shares and warrants issued in 363 Sale	20,532
Gain from the conversion of debt owed to UST to equity	31,561
Gain from the conversion of debt owed to EDC to equity	5,964
Gain from the modification and measurement of our VEBA obligation	7,731
Gain from the modification and measurement of other employee benefit plans	4,585
Gain from the settlement of net liabilities retained by MLC via the 363 Sale	25,177
Income tax benefit for release of valuation allowances and other tax adjustments	710
Other 363 Sale adjustments	(21)
Total adjustment from 363 Sale Transaction and fresh-start reporting	130,068
Adjustment recorded to Income tax benefit for release of valuation allowances and other tax adjustments	(710)
Other losses, net	(1,203)
Total Reorganization gains, net	$ 128,155

Other losses, net of $1.2 billion primarily relate to costs incurred during our Chapter 11 Proceedings, including:

- Losses of $958 million on extinguishments of debt resulting from Old GM's repayment of its secured revolving credit facility, its U.S. term loan, and its secured credit facility;
- Losses of $398 million on contract rejections, settlements of claims and other lease terminations;
- Professional fees of $38 million; and
- Gain of $247 million related to the release of Accumulated other comprehensive income (loss) associated with previously designated derivative financial instruments.

Note 3. Basis of Presentation

Principles of Consolidation

Our consolidated financial statements include our accounts and those of our subsidiaries that we control due to ownership of a majority voting interest. In addition, we continually evaluate our involvement with variable interest entities (VIEs) to determine whether we have variable interests and are the primary beneficiary of the VIE. When this criteria is met, we are required to consolidate the VIE. Our share of earnings or losses of nonconsolidated affiliates is included in our consolidated operating results using the equity method of accounting when we are able to exercise significant influence over the operating and financial decisions of the affiliate. We use the cost method of accounting if we are not able to exercise significant influence over the operating and financial decisions of the affiliate. All intercompany balances and transactions have been eliminated in consolidation. Old GM utilized the same principles of consolidation in its consolidated financial statements.

Use of Estimates in the Preparation of the Financial Statements

The consolidated financial statements are prepared in conformity with U.S. GAAP, which requires the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the

reported amounts of revenue and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

Discontinued Operations and Assets Held for Sale

Amounts presented as discontinued operations represent the disposal of components of our business that have operations and cash flows that are clearly distinguished, operationally and for financial reporting purposes, from the rest of our businesses and where we do not have significant continuing involvement. In 2007 we sold the commercial and military operations of our Allison business that focused on a market segment separate from our core automotive business. We concluded that the cash flows associated with the Allison business were clearly distinguishable and our continuing involvement with Allison was not significant. Our sale of Saab in February 2010 and the cessation of production of our Pontiac, Saturn and HUMMER brands did not qualify as discontinued operations. We have significant continuing involvement with Saab through ongoing commercial relationships; primarily supply contracts and licensing arrangements. Saab, Pontiac, Saturn and HUMMER were brands that did not have largely independent cash flows separate from our ongoing operations because of the sharing of engineering, product platforms, and production facilities with our other brands.

Upon committing to and commencing of activities to sell a long-lived asset group, the assets and liabilities of the group are presented separately in the consolidated balance sheets as Assets held for sale and Liabilities held for sale once it is determined that the sale is probable and an appropriate level of authorization committing to the sale has been received. We require the receipt of Board approval, along with any other substantive governmental and regulatory approval requirements, prior to classifying assets and liabilities as held for sale.

Correction of Presentation in Consolidated Financial Statements

Subsequent to the filing of our Annual Report on Form 10-K for the year ended December 31, 2009 (2009 Form 10-K) we identified several items that had not been properly classified in the Consolidated Statement of Cash Flows for the period July 10, 2009 through December 31, 2009 (Successor). Although we do not consider the effects of these errors to be material, we have corrected our Consolidated Statement of Cash Flows to properly reflect these items. These errors, which primarily relate to reclassifications within the respective sections of the Consolidated Statement of Cash Flows, had a net effect on Net cash provided by operating activities of $93 million, Net cash provided by investing activities of $144 million, and Net cash provided by financing activities of ($197) million. The originally reported and corrected amounts are summarized in the following table (dollars in millions):

	Originally Reported	Adjustments	As Corrected
Cash flows from operating activities			
Change in other investments and miscellaneous assets	$ 303	$ (11)	$ 292
Change in other operating assets and liabilities, net of acquisitions and disposals	2,605	767	3,372
Other	839	(663)	176
Net cash provided by (used in) operating activities	**971**	**93**	**1,064**
Cash flows from investing activities			
Expenditures for property	(1,914)	52	(1,862)
Change in notes receivable	(31)	92	61
Net cash provided by (used in) investing activities	**2,012**	**144**	**2,156**
Cash flows from financing activities			
Net decrease in short-term debt	(909)	557	(352)
Proceeds from issuance of other debt	873	492	1,365
Payments on other debt	(541)	(1,246)	(1,787)
Net cash provided by (used in) financing activities	**542**	**(197)**	**345**
Effect of exchange rate changes on cash and cash equivalents	532	(40)	492
Cash and cash equivalents at beginning of the year	19,013		19,013
Cash and cash equivalents at end of the year	**$ 22,679**	**$ —**	**$ 22,679**

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In addition, we have corrected certain amounts disclosed in the notes to the consolidated financial statements included in our 2009 Form 10-K. Although we do not consider the effects of these disclosure errors to be material, we have corrected the amounts in the notes to the consolidated financial statements. Originally reported and corrected amounts are included in the affected notes to the consolidated financial statements which follow.

Change in Segments

Old GM's operations included four segments consisting of GMNA, GME, GM Latin America/Africa/Middle-East and GM Asia Pacific. In order to streamline our business and speed our decision making processes, we have revised our operational structure, combining Old GM's Latin America/Africa/Middle East and Asia Pacific segments into one segment, GMIO. We have revised the segment presentation for all periods presented.

In the three months ended June 30, 2010 we changed our managerial reporting structure so that certain entities geographically located within Russia and Uzbekistan were transferred from our GME segment to our GMIO segment. We have revised the segment presentation for all periods presented.

Stock Split

On October 5, 2010 our Board of Directors recommended a three-for-one stock split on shares of our common stock, which was approved by our stockholders on November 1, 2010. The stock split was effected on November 1, 2010.

Each stockholder's percentage ownership in us and proportional voting power remained unchanged after the stock split. All applicable Successor share, per share and related information in the consolidated financial statements and notes has been adjusted retroactively to give effect to the three-for-one stock split.

Increase in Authorized Shares

On October 5, 2010, our Board of Directors recommended that we amend our Certificate of Incorporation to increase the number of shares of common stock that we are authorized to issue from 2,500,000,000 shares to 5,000,000,000 shares and to increase the number of preferred shares that we are authorized to issue from 1,000,000,000 shares to 2,000,000,000 shares. Our stockholders approved these amendments on November 1, 2010, and they were effected on November 1, 2010.

Note 4. Significant Accounting Policies

In connection with our application of fresh-start reporting, we established a set of accounting policies which, unless otherwise indicated, utilized the accounting policies of our predecessor entity, Old GM.

Revenue Recognition

Net sales and revenue are primarily comprised of revenue generated from the sale of vehicles. Vehicle sales are recorded when title and risks and rewards of ownership have passed, which is generally when a vehicle is released to the carrier responsible for transporting it to a dealer and when collectability is reasonably assured. Provisions for recurring dealer and customer sales and leasing incentives, consisting of allowances and rebates, are recorded as reductions to Net sales and revenue at the time of vehicle sales. All other incentives, allowances, and rebates related to vehicles previously sold are recorded as reductions to Net sales and revenue when announced.

Vehicle sales to daily rental car companies with guaranteed repurchase obligations are accounted for as operating leases. Estimated lease revenue is recorded ratably over the term of the lease based on the difference between net sales proceeds and the guaranteed repurchase amount. The difference between the cost of the vehicle and estimated residual value is depreciated on a straight-line basis over the estimated term of the lease agreement.

Sales of parts and accessories to GM dealers are recorded when the goods arrive at the dealership and when collectability is reasonably assured. Sales of aftermarket products and powertrain components are recorded when title and risks and rewards of

ownership have passed, which is generally when the product is released to the carrier responsible for transporting them to the customer and when collectability is reasonably assured.

Revenue from OnStar, comprised of customer subscriptions related to comprehensive in-vehicle security, communications and diagnostic systems in our vehicles, is deferred and recorded on a straight-line basis over the subscription period. A one-year OnStar subscription is offered as part of the sale or lease of a new vehicle. The fair value of the subscription is recorded as deferred revenue when a vehicle is sold, and amortized over the one-year subscription period. Prepaid minutes for the Hands-Free Calling system are deferred and recorded on a straight-line basis over the life of the contract.

Payments received from banks for credit card programs in which there is a redemption liability are recorded on a straight-line basis over the estimated period of time the customer will accumulate and redeem their rebate points. This time period is estimated to be 60 months for the majority of the credit card programs. This redemption period is reviewed periodically to determine if it remains appropriate. The redemption liability anticipated to be paid to the dealer is estimated and accrued at the time specific vehicles are sold to the dealer. The redemption cost is classified as a reduction of Net sales and revenue.

Inventory

Inventories are stated at the lower of cost or market (LCM). In connection with fresh-start reporting, we elected to use the FIFO costing method for all inventories previously accounted for by Old GM using the LIFO costing method. Old GM determined cost using the LIFO costing method for 21% of its inventories at December 31, 2008 and used the FIFO costing method or average cost method for all other inventories.

Inventory is analyzed and the carrying amount is adjusted downward if it is determined to be carried above market. Market, which represents selling price less cost to sell, considers general market and economic conditions, periodic reviews of current profitability of vehicles, and the effect of current incentive offers at the balance sheet date. Off-lease and other vehicles are compared to current auction sales proceeds less disposal and warranty costs. Productive material, work in process, supplies and service parts are reviewed to determine if inventory quantities are in excess of forecasted usage, or if they have become obsolete. If the estimated market value is less than cost, as determined by the inventory costing methodology, the carrying amount of the affected inventory is reduced to market value.

Advertising

Advertising costs of $2.1 billion in the period July 10, 2009 through December 31, 2009, $1.5 billion in the period January 1, 2009 through July 9, 2009, $5.3 billion in the year ended 2008 and $5.5 billion in the year ended 2007 were expensed as incurred.

Research and Development Expenditures

Research and development expenditures of $3.0 billion in the period July 10, 2009 through December 31, 2009, $3.0 billion in the period January 1, 2009 through July 9, 2009, $8.0 billion in the year ended 2008 and $8.1 billion in the year ended 2007 were expensed as incurred.

Property, net

Property, plants and equipment, including internal use software, is recorded at cost. Major improvements that extend the useful life or add functionality of property are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. We depreciate all assets using the straight-line method. Leasehold improvements are amortized over the period of lease or the life of the asset, whichever is shorter. For assets placed in service before January 2001, Old GM used accelerated depreciation methods. For assets placed in service after January 2001, Old GM used the straight-line method. Upon retirement or disposition of property, plants and equipment, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recorded in earnings. Impairment charges related to Property, net are recorded in Cost of sales. Refer to Notes 11 and 25 for additional information on property and impairments.

Special Tools

Special tools represent product-specific powertrain and non-powertrain related tools, dies, molds and other items used in the manufacturing process of vehicles. Expenditures for special tools are capitalized. In connection with our application of fresh-start reporting, we began amortizing all non-powertrain special tools using an accelerated amortization method. Powertrain special tools are amortized over their estimated useful lives using the straight-line method. Old GM amortized all special tools using the straight-line method over their estimated useful lives. Refer to Note 11 for additional information on special tools.

Goodwill

Goodwill arises from the application of fresh-start reporting and other business acquisitions. Goodwill is tested for impairment for all reporting units on an annual basis during the fourth quarter, or more frequently, if events occur or circumstances change that would warrant such a review. An impairment charge is recorded for the amount, if any, by which the carrying amount of goodwill exceeds its implied fair value. Fair values of reporting units are established using a discounted cash flow method. Our reporting units are GMNA, GME, and various reporting units within the GMIO segment. Because of the integrated nature of our manufacturing operations and the sharing of vehicle platforms among brands, assets and other resources are shared extensively within GMNA and GME and financial information by brand or country is not discrete below the operating segment level. Therefore, GMNA and GME do not contain reporting units below the operating segment level. However, GMIO is less integrated given the lack of regional trade pacts and other unique geographical differences and thus contains separate reporting units below the operating segment level. Where available and as appropriate, comparative market multiples are used to corroborate the results of the discounted cash flow method. Refer to Note 25 for additional information on goodwill impairments. Goodwill would be reassigned on a relative-fair-value basis to a portion of a reporting unit to be disposed of or upon the reorganization of the composition of one or more of our reporting units.

Intangible Assets, net

Intangible assets, excluding Goodwill, primarily include brand names (including defensive intangibles associated with discontinued brands), technology and intellectual property, customer relationships, dealer network and favorable contracts.

All intangible assets are amortized on a straight-line or an accelerated method of amortization over their estimated useful lives. An accelerated amortization method reflecting the pattern in which the asset will be consumed is utilized if that pattern can be reliably determined. If that pattern cannot be reliably determined, a straight-line amortization method is used. In selecting a useful life, we consider the period of expected cash flows and underlying data used to measure the fair value of the intangible assets.

Amortization of developed technology and intellectual property is recorded in Cost of sales. Amortization of brand names, customer relationships and our dealer network is recorded in Selling, general and administrative expense. Refer to Notes 2 and 13 for additional information on intangible assets.

Valuation of Long-Lived Assets

When events and circumstances warrant, the carrying amount of long-lived assets and finite-lived intangible assets to be held and used in the business are evaluated for impairment. If the carrying amount of a long-lived asset group is considered impaired, a loss is recorded based on the amount by which the carrying amount exceeds the fair value for the asset group to be held and used. Product-specific long-lived asset groups are tested for impairment at the platform level. Non-product specific long-lived assets are generally tested for impairment on a regional basis in GMNA and GME and tested at our various reporting units within our GMIO segment. Assets classified as held for sale are recorded at the lower of carrying amount or fair value less cost to sell. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. Long-lived assets to be disposed of other than by sale are considered held for use until disposition. Product-specific assets may become impaired as a result of declines in profitability due to changes in volume, pricing or costs.

We tested certain long-lived assets for impairment in the period July 10, 2009 through December 31, 2009 and Old GM tested certain long-lived assets for impairment in the period January 1, 2009 through July 9, 2009 and in the years ended 2008 and 2007. Based on the results of the analyses, long-lived asset impairment charges were recorded. Refer to Note 25 for additional information on impairments.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Valuation of Cost and Equity Method Investments

When events and circumstances warrant, investments accounted for under the cost or equity method of accounting are evaluated for impairment. An impairment charge is recorded whenever a decline in value of an investment below its carrying amount is determined to be other than temporary. In determining if a decline is other than temporary, factors such as the length of time and extent to which the fair value of the investment has been less than the carrying amount of the investment, the near-term and longer-term operating and financial prospects of the affiliate and the intent and ability to hold the investment for a period of time sufficient to allow for any anticipated recovery are considered. Impairment charges related to equity method investments are recorded in Equity income, net of tax. Impairment charges related to cost method investments are recorded in Interest income and other non-operating income, net.

Equipment on Operating Leases, net

Equipment on operating leases, net is reported at cost, less accumulated depreciation and net of origination fees or costs. Estimated income from operating lease assets, which includes lease origination fees, net of lease origination costs, is recorded as operating lease revenue on a straight-line basis over the term of the lease agreement. Depreciation of vehicles is generally provided on a straight-line basis to an estimated residual value over the term of the lease agreement.

We have and Old GM had significant investments in vehicles in operating lease portfolios, which are comprised of vehicle leases to retail customers with lease terms of up to 48 months and vehicles leased to rental car companies with lease terms that average 11 months or less. We are and Old GM was exposed to changes in the residual values of those assets. The residual values represent estimates of the values of the assets at the end of the lease contracts and are determined based on the lower of forecasted or current auction proceeds in the United States and Canada and forecasted auction proceeds outside of the United States and Canada when there is a reliable basis to make such a determination. Realization of the residual values is dependent on the future ability to market the vehicles under the prevailing market conditions. Over the life of the lease, the adequacy of the estimate of the residual value is evaluated and adjustments may be made to the extent the expected value of the vehicle at lease termination changes. Adjustments may be in the form of revisions to the depreciation rate or recognition of an impairment charge. Impairment is determined to exist if the undiscounted expected future cash flows, which include estimated residual values, are lower than the carrying amount of the asset. If the carrying amount is considered impaired, an impairment charge is recorded for the amount by which the carrying amount exceeds the fair value. Fair value is determined primarily using the anticipated cash flows, including estimated residual values.

When a lease vehicle is returned the asset is reclassified from Equipment on operating leases, net to Inventory at the lower of cost or estimated selling price, less costs to sell.

Impairment charges related to Equipment on operating leases, net are recorded in Cost of sales. Refer to Notes 25 and 30 for additional information on impairments and operating lease arrangements with GMAC.

Foreign Currency Transactions and Translation

The assets and liabilities of foreign subsidiaries, using the local currency as their functional currency, are translated to U.S. Dollars based on the current exchange rate prevailing at each balance sheet date and any resulting translation adjustments are included in Other comprehensive income (loss). The assets and liabilities of foreign subsidiaries which do not use the local currency as their functional currency are remeasured from their local currency to their functional currency, and then translated to U.S. Dollars. Revenues and expenses are translated into U.S. Dollars using the average exchange rates prevailing for each period presented.

Gains and losses arising from foreign currency transactions, which include the effects of remeasurements discussed previously, are recorded in Cost of sales. The effects of foreign currency transactions were a loss of $755 million in the period July 10, 2009 through December 31, 2009, a loss of $1.1 billion in the period January 1, 2009 through July 9, 2009, a gain of $1.7 billion in the year ended 2008 and a loss of $661 million in the year ended 2007.

Policy and Warranty

The estimated costs related to policy and product warranties are accrued at the time products are sold. These estimates are established using historical information on the nature, frequency, and average cost of claims of each vehicle line or each model year of the vehicle line. Revisions are made when necessary, based on changes in these factors. Trends of claims are actively studied and actions are taken to improve vehicle quality and minimize claims.

Recall Campaigns

The estimated costs related to product recalls based on a formal campaign soliciting return of that product are accrued when they are deemed to be probable and can be reasonably estimated.

Environmental Costs

A liability for environmental remediation costs is recorded when a loss is probable and can be reasonably estimated. For environmental sites where there are potentially multiple responsible parties, a liability for the allocable share of the costs related to involvement with the site is recorded, as well as an allocable share of costs related to insolvent parties or unidentified shares, neither of which are reduced for possible recoveries from insurance carriers. For environmental sites where we and Old GM are the only potentially responsible parties, a liability is recorded for the total estimated costs of remediation before consideration of recovery from insurers or other third parties. The process of estimating environmental remediation liabilities is complex and dependent primarily on the nature and extent of historical information and physical data relating to a contaminated site, the complexity of the site, the uncertainty as to what remediation and technology will be required, and the outcome of discussions with regulatory agencies and other potentially responsible parties at multi-party sites.

There is an established process to develop environmental liabilities that is used globally. This process consists of a number of phases that begins with visual site inspections and an examination of historical site records. Once a potential problem is identified, physical sampling of the site, which may include analysis of ground water and soil borings, is performed. The evidence obtained is then evaluated and if necessary, a remediation strategy is developed and submitted to the appropriate regulatory body for approval. The final phase of this process involves the commencement of remediation activities according to the approved plan.

When applicable, estimated liabilities for costs relating to ongoing operating, maintenance, and monitoring at environmental sites where remediation has commenced are recorded. Subsequent adjustments to initial estimates are recorded as necessary based upon additional information obtained. In future periods, new laws or regulations, advances in remediation technologies and additional information about the ultimate remediation methodology to be used could significantly change our estimates.

Cash Equivalents

Cash equivalents are defined as short-term, highly-liquid investments with original maturities of 90 days or less.

Fair Value Measurements

A three-level valuation hierarchy is used for fair value measurements. The three-level valuation hierarchy is based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy:

- Level 1 — Quoted prices for *identical* instruments in active markets;
- Level 2 — Quoted prices for *similar* instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose significant inputs are observable; and
- Level 3 — Instruments whose significant inputs are *unobservable*.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Financial instruments are transferred in and/or out of Level 3 in the valuation hierarchy based upon the significance of the unobservable inputs to the overall fair value measurement. Level 3 financial instruments typically include, in addition to the unobservable inputs, observable components that are validated to external sources.

Marketable Securities

We classify marketable securities as available-for-sale or trading. Various factors, including turnover of holdings and investment guidelines, are considered in determining the classification of investments. Available-for-sale securities are recorded at fair value, with unrealized gains and losses reported, net of related income taxes, in Accumulated other comprehensive income (loss) until realized. Trading securities are recorded at fair value. We determine realized gains and losses for all securities using the specific identification method.

Old GM classified marketable securities as available-for-sale, except for certain mortgage-related securities, that were classified as held-to-maturity. Held-to-maturity securities were recorded at amortized cost.

Securities are classified in Level 1 of the valuation hierarchy when quoted prices in an active market for identical securities are available. If quoted market prices are not available, fair values of securities are determined using prices from a pricing vendor, pricing models, quoted prices of securities with similar characteristics or discounted cash flow models and are generally classified in Level 2 of the valuation hierarchy. Our pricing vendor utilizes industry-standard pricing models that consider various inputs, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads and benchmark securities as well as other relevant economic measures. U.S. government and agency securities, certificates of deposit, commercial paper, and corporate debt securities are classified in Level 2 of the valuation hierarchy. Securities are classified in Level 3 of the valuation hierarchy in certain cases where there are unobservable inputs to the valuation in the marketplace.

Annually, we conduct a review of our pricing vendor. This review includes discussion and analysis of the inputs used by the pricing vendor to provide prices for the types of securities we hold.

An evaluation is made monthly to determine if unrealized losses related to non-trading investments in debt and equity securities are other than temporary. Factors considered in determining whether a loss on a debt security is other than temporary include: (1) the length of time and extent to which the fair value has been below cost; (2) the financial condition and near-term prospects of the issuer; and (3) the intent to sell or likelihood to be forced to sell the security before any anticipated recovery. Prior to April 1, 2009 Old GM considered its ability and intent to hold the investment for a sufficient period of time to allow for any anticipated recovery. Factors considered in determining whether a loss on an equity security is other than temporary include the length of time and extent to which the fair value has been below cost, the financial condition and near-term prospects of the issuer and the ability and intent to hold the investment for a period of time sufficient to allow for any anticipated recovery. If losses are determined to be other than temporary, the loss is recorded and the investment carrying amount is adjusted to a revised fair value.

Derivative Instruments

We are party to a variety of foreign currency exchange rate, interest rate and commodity derivative contracts entered into in connection with the management of exposure to fluctuations in foreign currency exchange rates, interest rates and certain commodity prices. These financial exposures are managed in accordance with corporate policies and procedures and a risk management control system is used to assist in monitoring hedging programs, derivative positions and hedging strategies. Hedging documentation includes hedging objectives, practices and procedures and the related accounting treatment. Derivatives that received hedge accounting treatment prior to October 1, 2008 were evaluated for effectiveness at the time they were designated as well as throughout the hedging period. We do not hold derivative financial instruments for speculative purposes.

All derivatives are recorded at fair value in the consolidated balance sheets. Internal models are used to value a majority of derivatives. The models use, as their basis, readily observable market inputs, such as time value, forward interest rates, volatility

factors, and current and forward market prices for commodities and foreign currency exchange rates. In Level 2 of the valuation hierarchy, we include foreign currency derivatives, commodity derivatives, interest rate swaps, cross currency swaps and warrants. Derivative contracts that are valued based upon models with significant unobservable market inputs, primarily estimated forward and prepayment rates, are classified in Level 3 of the valuation hierarchy. In Level 3 of the valuation hierarchy, we include warrants issued to the UST, certain foreign currency derivatives, certain long-dated commodity derivatives and interest rate swaps with notional amounts that fluctuated over time.

The valuation of derivative liabilities takes into account our nonperformance risk. For the periods presented after June 1, 2009, our nonperformance risk was not observable through the credit default swap market, and an analysis of comparable industrial companies was used to determine the appropriate credit spread which would be applied to us by market participants. In these periods, all derivatives whose fair values contained a significant credit adjustment based on our nonperformance risk were classified in Level 3 of the valuation hierarchy.

We recorded the earnings effect resulting from the change in fair value of all derivative instruments not receiving hedge accounting in Interest income and other non-operating income, net.

Prior to October 1, 2008 Old GM recorded effective changes in fair value of derivatives designated as cash flow hedges in net unrealized gains (losses) on derivatives within a separate component of Accumulated other comprehensive income (loss). Amounts were reclassified from Accumulated other comprehensive income (loss) when the underlying hedged item affected earnings. All ineffective changes in fair value were recorded in earnings. Prior to October 1, 2008 changes in fair value of derivatives designated as fair value hedges were recorded in earnings offset by changes in fair value of the hedged item to the extent the derivative was effective as a hedge. Changes in fair value of derivatives not designated as hedging instruments were recorded in earnings. The earnings effect resulting from the change in fair value of derivative instruments was recorded in the same line item in the consolidated statements of operations as the underlying exposure being hedged.

As part of Old GM’s quarterly tests for hedge effectiveness in the three months ended December 31, 2008, Old GM was unable to conclude that its cash flow and fair value hedging relationships continued to be highly effective. Therefore, Old GM discontinued the application of hedge accounting for derivative instruments used in cash flow and fair value hedging relationships. Accordingly, all derivatives were recorded at fair value in the consolidated balance sheets and subsequent changes in fair value of derivatives were recorded in earnings. Certain releases of deferred gains and losses arising from previously designated cash flow and fair value hedges were also recorded in earnings by Old GM. The earnings effect resulting from the change in fair value of derivative instruments was recorded in the same line item in the consolidated statements of operations as the underlying exposure being hedged.

The cash flows from derivative instruments receiving hedge accounting treatment are classified in the same categories as the hedged items in the consolidated statement of cash flows.

Refer to Note 20 for additional information related to derivative transactions.

Income Taxes

The liability method is used in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements, using the statutory tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recorded in the results of operations in the period that includes the enactment date under the law.

Deferred income tax assets are evaluated quarterly to determine if valuation allowances are required or should be adjusted. All available evidence, both positive and negative using a more likely than not standard, is considered to determine if valuation allowances should be established against deferred tax assets. This assessment considers, among other matters, the nature, frequency and severity of recent losses, forecasts of future profitability, the duration of statutory carryforward periods, previous experience with tax attributes expiring unused and tax planning alternatives. In making such judgments, significant weight is given to evidence that can be objectively verified.

The ability to realize deferred tax assets depends on the ability to generate sufficient taxable income in the carryback or carryforward periods provided for in the tax law for each applicable tax jurisdiction. The following possible sources of taxable income have been considered when assessing the realization of deferred tax assets:

- Future reversals of existing taxable temporary differences;
- Future taxable income exclusive of reversing temporary differences and carryforwards;
- Taxable income in prior carryback years; and
- Tax-planning strategies.

Income tax expense (benefit) for the year is allocated between continuing operations and other categories of income such as Discontinued operations or Other comprehensive income (loss). In periods in which there is a pre-tax loss from continuing operations and pre-tax income in another income category, the tax benefit allocated to continuing operations is determined by taking into account the pre-tax income of other categories.

We record interest and penalties on uncertain tax positions in Income tax expense (benefit). Old GM recorded interest income on uncertain tax positions in Interest income and Other non-operating income, net, interest expense in Interest expense and penalties in Selling, general and administrative expense.

Pension and Other Postretirement Plans

Attribution, Methods and Assumptions

The cost of benefits provided by defined benefit pension plans is recorded in the period employees provide service. The cost of pension plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be: (1) the duration of the applicable collective bargaining agreement specific to the plan; (2) expected future working lifetime; or (3) the life expectancy of the plan participants.

The cost of medical, dental, legal service and life insurance benefits provided through postretirement benefit plans is recorded in the period employees provide service. The cost of postretirement plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be the average expected future working lifetime to full eligibility or the average life expectancy of the plan participants.

U.S. salaried retiree medical plan amendments on or after July 2008 are amortized over the period to full eligibility and actuarial gains and losses are amortized over the average remaining years of future service.

Actuarial (gains) losses and new prior service costs (credits) for the U.S. hourly healthcare plans are currently amortized over a time period corresponding with the average life expectancy of the plan participants.

An expected return on plan asset methodology is utilized to calculate future pension expense for certain significant funded benefit plans. A market-related value of plan assets methodology is also utilized that averages gains and losses on the plan assets over a period of years to determine future pension expense. The methodology recognizes 60.0% of the difference between the fair value of assets and the expected calculated value in the first year and 10.0% of that difference over each of the next four years.

The discount rate assumption is established for each of the retirement-related U.S. benefit plans at their respective measurement dates. We use a cash flow matching approach, also called a spot rate yield curve approach, that uses projected cash flows matched to spot rates along a zero coupon yield curve to determine the present value of cash flows to calculate a single equivalent discount rate.

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Old GM established a discount rate assumption to reflect the yield of a hypothetical portfolio of high quality, fixed-income debt instruments that would produce cash flows sufficient in timing and amount to satisfy projected future benefits.

The discount rate assumption is established for each of the retirement-related non-U.S. benefit plans at their respective measurement dates utilizing published indices with adjustments made to reflect the underlying duration of expected benefit payments.

Plan Asset Valuation

Due to the lack of timely available market information for certain investments and the inherent uncertainty of valuation, reported fair values may differ from fair values that would have been used had timely available market information been available.

Cash equivalents and other short-term investments

Money market funds and other similar short-term investment funds are valued using the net asset value ("NAV") per share as provided by the investment sponsor or third party administrator. Prices for short-term debt securities are received from independent pricing services or from dealers who make markets in such securities. Independent pricing services utilize matrix pricing which considers readily available inputs such as the yield or price of bonds of comparable quality, coupon, maturity and type as well as dealer supplied prices. Cash equivalents and other short-term investments are generally categorized as Level 2 in the fair value hierarchy.

Common and preferred stock

Equity securities for which market quotations are readily available are valued at the last reported sale price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the fair value hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are typically categorized as Level 2 in the fair value hierarchy. Level 3 securities are typically thinly traded, delisted, or privately issued securities or other issues that are priced by a dealer or pricing service using inputs such as aged (stale) pricing, and/or other qualitative factors. Additionally, management may consider other security attributes such as liquidity and market activity in assessing the observability of inputs used by pricing services or dealers, which may affect placement in the fair value hierarchy.

Government and agency debt securities and corporate debt securities

U.S. government and government agency obligations, foreign government and government agency obligations, municipal securities, supranational obligations, corporate bonds, bank notes, floating rate notes, and preferred securities, are valued based on quotations received from independent pricing services or from dealers who make markets in such securities. Pricing services utilize matrix pricing which considers readily available inputs such as the yield or price of bonds of comparable quality, coupon, maturity and type as well as dealer supplied prices and are generally categorized as Level 2 in the fair value hierarchy. Securities categorized as Level 3 are typically priced by dealers and pricing services that use proprietary pricing models which incorporate unobservable inputs. These inputs primarily consist of yield and credit spread assumptions. Additionally, management may consider other security attributes such as liquidity, market activity, price level, credit ratings and geo-political risk, in assessing the observability of inputs used by pricing services or dealers, which may affect placement in the fair value hierarchy.

Agency and non-agency mortgage and other asset-backed securities

U.S. and foreign government agency mortgage and asset-backed securities, non-agency collateralized mortgage obligations, commercial mortgage securities, residential mortgage securities and other asset-backed securities are valued based on quotations received from independent pricing services or from dealers who make markets in such securities. Pricing services utilize matrix pricing which considers prepayment speed assumptions, attributes of the collateral, yield or price of bonds of comparable quality,

coupon, maturity and type as well as dealer supplied prices and are generally categorized as Level 2 in the fair value hierarchy. Securities categorized as Level 3 are typically priced by dealers and pricing services that use proprietary pricing models which incorporate unobservable inputs. These inputs primarily consist of prepayment curves, discount rates, default assumptions and recovery rates. Additionally, management may consider other security attributes such as liquidity, market activity, price level, credit ratings and geo-political risk, in assessing the observability of inputs used by pricing services or dealers, which may affect placement in the fair value hierarchy.

Investment funds, Private equity and debt investments, and Real estate assets

Exchange traded funds and real estate investment trusts, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the fair value hierarchy. Other funds, direct investments, and certain special purpose entities (e.g., limited partnerships, limited liability companies), for which market quotations are not readily available, are valued using the NAV per share (or its equivalent) provided by the investment sponsor or third party administrator. In certain instances, such as if it is concluded a reported NAV does not reflect fair value or is not as of the financial reporting measurement date, management will consider whether an adjustment to the NAV is necessary to ensure the valuation accurately reflects fair value. Generally, in determining whether an adjustment to the reported NAV is required, management will review material factors that could affect valuation, such as changes to the composition or performance of the underlying investment portfolio, overall market conditions and other economic factors that may possibly have a favorable or unfavorable effect on the reported NAV between the NAV calculation date and the financial reporting measurement date and make any adjustments as deemed necessary. Funds and special purpose entities for which market quotations are not readily available are typically categorized as Level 3 in the fair value hierarchy due to the inherent restrictions on redemptions that may affect our ability to sell the investment at its NAV in the near term. Investment funds that do not have significant redemption restrictions are typically Level 2 in the fair value hierarchy.

Derivatives

Exchange traded derivatives, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the fair value hierarchy. Over-the-counter (OTC) derivatives are typically valued through independent pricing services and are generally categorized as Level 2 in the fair value hierarchy. Derivatives categorized as Level 3 are typically priced by dealers and pricing services that use proprietary pricing models which incorporate unobservable inputs. These inputs include extrapolated or model derived assumptions such as volatilities and yield and credit spread assumptions.

Early Retirement Programs

An early retirement program was offered to certain German employees that allows these employees to transition from employment into retirement before their legal retirement age. Eligible employees who elect to participate in this pre-retirement leave program work full time in half of the pre-retirement period, the active period, and then do not work for the remaining half, the inactive period, and receive 50.0% of their salary in this pre-retirement period. These employees also receive a bonus equal to 35.0% of their annual net pay at the beginning of the pre-retirement period. Contributions were required to be made into the government pension program for participants in the pre-retirement period, and participants are entitled to a government subsidy if certain conditions are met. The bonus and additional contributions into the government pension plan were recognized over the period from when the employee signed the program contract until the end of the employee’s active service period.

Extended Disability Benefits

Estimated extended disability benefits are accrued ratably over the employee’s active service period using measurement provisions similar to those used to measure our other postemployment benefits (OPEB) obligations. The liability is comprised of the future obligations for income replacement, healthcare costs and life insurance premiums for employees currently disabled and those in the

active workforce who may become disabled. Future disabilities are estimated in the current workforce using actuarial methods based on historical experience. We record actuarial gains and losses immediately in earnings. Old GM amortized net actuarial gains and losses over the remaining duration of the obligation.

Labor Force

On a worldwide basis, we have and Old GM had a concentration of the workforce working under the guidelines of unionized collective bargaining agreements. The current labor contract with the UAW is effective for a four-year term that began in October 2007 and expires in September 2011. The contract included a $3,000 lump sum payment in the year ended 2007 and performance bonuses of 3.0%, 4.0% and 3.0% of wages in the years ended 2008, 2009 and 2010 for each UAW employee. These payments are amortized over the 12-month period following the respective payment dates. Active UAW employees and current retirees and surviving spouses were also granted pension benefit increases. In February 2009 Old GM and the UAW agreed to suspend the 2009 and 2010 performance bonus payments.

Job Security Programs

In May 2009 Old GM and the UAW entered into an agreement that suspended the Job Opportunity Bank (JOBS) Program, modified the Supplemental Unemployment Benefit (SUB) program and added the Transitional Support Program (TSP). These job security programs provide employee reduced wages and continued coverage under certain employee benefit programs depending on the employee's classification as well as the number of years of service that the employee has accrued. A similar tiered benefit is provided to CAW employees. We recognize a liability for these SUB/TSP benefits over the expected service period of employees, based on our best estimate of the probable liability at the measurement date.

Prior to the implementation of the modified job security programs, costs for postemployment benefits to hourly employees idled on an other than temporary basis were accrued based on our best estimate of the wage, benefit and other costs to be incurred, and costs related to the temporary idling of employees were generally expensed as incurred.

Stock Incentive Plans

GM

We measure and record compensation expense for all share-based payment awards based on the award's estimated fair value. We intend to grant awards to our employees through the 2009 Long Term Incentive Plan and have granted and will continue to grant awards under the GM Salary Stock Plan. Our policy is to record compensation expense over the applicable vesting period of an award.

The fair value of awards granted is based on the estimated fair value of our common stock. Since there currently is no observable publicly traded price for our common stock, we estimate the value of our common stock based on a discounted cash flow model. Refer to Note 29 for additional information.

Salary stock awards granted are fully vested and nonforfeitable upon grant, therefore compensation cost is recorded on the date of grant.

Old GM

All of Old GM's awards for the period January 1, 2009 through July 9, 2009, and the years ended 2008 and 2007 were accounted for at fair value, and compensation expense was recorded based on the award's estimated fair value. No share-based compensation expense was recorded for the top 25 most highly compensated employees in the year ended 2009, in compliance with the Loan and Security Agreement with the UST.

Stock options granted were measured on the date of grant using the Black-Scholes option-pricing model to determine fair value. Compensation expense was recorded on a graded vesting schedule. Old GM issued treasury shares upon exercise of employee stock options.

Option awards contingent on performance and market conditions were measured on the date of grant using a Monte-Carlo simulation model to determine fair value. Vesting was contingent upon a one-year service period and multiple performance and market requirements and was recorded on a graded vesting schedule over a weighted average derived service period.

Market condition based cash-settled awards were granted to participants based on a minimum percentile ranking of Old GM's total stockholder return compared to all other companies in the S&P 500 for the same performance period. The fair value of each market condition based cash-settled award was estimated on the date of grant, and for each subsequent reporting period, remeasured using a Monte-Carlo simulation model that used multiple input variables.

Cash restricted stock units were granted to certain of Old GM's global executives that provided cash equal to the value of underlying restricted share units at predetermined vesting dates. Compensation expense was recorded on a straight-line basis over the requisite service period for each separately vesting portion of the award. The fair value of each cash-settled award was remeasured at the end of each reporting period and the liability and related expense adjusted based on the new fair value of Old GM's common stock.

All outstanding Old GM awards remained with Old GM and they were not replaced by us in the 363 Sale.

Recently Adopted Accounting Principles

Accounting for Uncertainty in Income Taxes

In January 2007 Old GM adopted the provisions of ASC 740-10, "Income Taxes," related to uncertain tax positions. ASC 740 requires that the tax effect(s) of a position be recorded only if it is more likely than not to be sustained based solely on its technical merits at the reporting date. If a tax position is not considered more likely than not to be sustained based solely on its technical merits, no benefits of the tax position are recorded. With the adoption of ASC 740, companies were required to adjust their financial statements to reflect only those tax positions that are more likely than not to be sustained. Upon adoption, Old GM recorded a decrease to Accumulated deficit of $137 million as a cumulative effect of a change in accounting principle with a corresponding decrease to the liability for uncertain tax positions.

Fair Value Measurements

In January 2009 Old GM adopted ASC 820-10, "Fair Value Measurements and Disclosures" for nonfinancial assets and nonfinancial liabilities that are recorded or disclosed at fair value in the financial statements on a nonrecurring basis. ASC 820-10 provides a consistent definition of fair value that focuses on exit price and prioritizes, within a measurement of fair value, the use of market-based inputs over company-specific inputs. The effect of Old GM's adoption of ASC 820-10 in January 2009 for nonfinancial assets and nonfinancial liabilities was not material and no adjustment to Accumulated deficit was required.

In April 2009 the Financial Accounting Standards Board (FASB) provided additional application and disclosure guidance regarding fair value measurements and impairments of debt securities. ASC 320-10, "Investments — Debt and Equity Securities," was amended and modified the other than temporary impairment guidance for debt securities and the presentation and disclosure requirements for all other than temporary impairments. ASC 820-10 was further amended and provides guidelines for consistently determining fair value measurements when the volume and level of activity for an asset or liability has significantly decreased, and provides guidance on identifying circumstances that indicate that a transaction is not orderly. ASC 825-10, "Financial Instruments" was also amended to expand fair value disclosures to interim reporting periods for certain financial instruments not recorded at fair value in the statement of financial position. Old GM adopted these standards in June 2009. The adoption of these standards did not have a material effect on the consolidated financial statements.

In September 2009 the FASB issued Accounting Standards Update (ASU) 2009-12, "Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)," which permits a reporting entity to utilize, without adjustment, the NAV provided by a third party investee as a practical expedient to measure the fair value of certain investments. We adopted this standard in December 2009. ASU 2009-12 did not have a material effect on the consolidated financial statements.

In October 2009 we adopted ASU 2009-5, “Measuring Liabilities at Fair Value.” ASU 2009-5 provides additional guidance for the fair value measurement of liabilities. The adoption did not have a material effect on our consolidated financial statements.

In December 2009 we adopted disclosure updates to ASC 715-20, “Employers’ Disclosures about Postretirement Benefit Plan Assets,” that requires the following additional disclosures about plan assets for a defined benefit or postretirement plan: (1) narrative providing greater insight as to investment policies and strategies; (2) the fair value of pension plan assets by major category; (3) inputs and valuation techniques used to develop fair value measurement; and (4) discussion of concentration of risk. Refer to Note 19 for additional information on the adoption of this guidance.

Business Combinations

In January 2009 Old GM adopted the revised ASC 805, “Business Combinations,” which retained the underlying concepts of existing standards that all business combinations be accounted for at fair value under the acquisition method of accounting. However, ASC 805 changes the method of applying the acquisition method in a number of significant aspects. It requires that: (1) for all business combinations, the acquirer record all assets and liabilities of the acquired business, including goodwill, generally at their fair values; (2) certain pre-acquisition contingent assets and liabilities acquired be recorded at their fair values on the acquisition date; (3) contingent consideration be recorded at its fair value on the acquisition date and, for certain arrangements, changes in fair value be recorded in earnings until settled; (4) acquisition-related transaction and restructuring costs be expensed rather than treated as part of the cost of the acquisition and included in the amount recorded for assets acquired; (5) in step acquisitions, previous equity interests in an acquiree held prior to obtaining control be remeasured to their acquisition-date fair values, with any gain or loss recorded in earnings; and (6) when making adjustments to finalize initial accounting, companies revise any previously issued post-acquisition financial information in future financial statements to reflect any adjustments as if they had been recorded on the acquisition date. ASC 805 amended ASC 740, such that adjustments made to valuation allowances on deferred tax assets and acquired tax contingencies associated with acquisitions that closed prior to the effective date of ASC 805 should also apply the provisions of this standard. This standard applies to all business combinations entered into on or after January 1, 2009. In connection with the application of fresh-start reporting, we applied the guidance in this standard.

In January 2009 Old GM also adopted other amendments to ASC 805, related to the initial recognition and measurement, subsequent measurement and disclosures for assets and liabilities arising from contingencies in business combinations. In connection with our application of fresh-start reporting, we applied this guidance when measuring contingent assets and liabilities.

In January 2009 Old GM adopted amendments to ASC 350, “Intangibles — Goodwill and Other,” and ASC 805 which clarified the accounting for defensive intangible assets. In connection with our application of fresh-start reporting, we applied this guidance when measuring and recording defensive intangible assets (e.g., Pontiac and Saturn brands).

In January 2009 Old GM also adopted amendments to ASC 275, “Risks and Uncertainties,” and ASC 350 which provided new guidance for the determination of the useful life of intangible assets. The new guidance amended the factors that should be considered in developing the renewal or extension assumptions used to determine the useful life of a recognized intangible asset. In connection with our application of fresh-start reporting, we applied this guidance in selecting estimated useful lives for intangible assets.

Noncontrolling Interests in Consolidated Financial Statements

In January 2009 Old GM adopted certain amendments to ASC 810-10, “Consolidation,” that govern the accounting for and reporting of noncontrolling interests in partially-owned consolidated subsidiaries and the loss of control of subsidiaries. Also, this standard requires that: (1) noncontrolling interest, previously referred to as minority interest, be reported as part of equity in the consolidated financial statements; (2) losses be allocated to a noncontrolling interest even when such allocation might result in a deficit balance, reducing the losses attributed to the controlling interest; (3) changes in ownership interests be treated as equity transactions if control is maintained; (4) changes in ownership interests resulting in gain or loss be recorded in earnings if control is gained or lost; and (5) in a business combination, a noncontrolling interest’s share of net assets acquired be recorded at fair value,

including its share of goodwill. The provisions of this standard were prospective upon adoption, except for the presentation and disclosure requirements. The presentation and disclosure requirements have been applied retrospectively for all periods presented. Accordingly, prior period amounts have been adjusted to apply the new method of accounting.

Accounting for Convertible Debt Instruments

In January 2009 Old GM adopted ASC 470-20, "Debt with Conversion and Other Options," which requires issuers of convertible debt securities within its scope to separate these securities into a debt component and an equity component, resulting in the debt component being recorded at fair value without consideration given to the conversion feature. Issuance costs are allocated between the debt and equity components. ASC 470-20 requires that convertible debt within its scope reflect a company's nonconvertible debt borrowing rate when interest expense is recorded. The provisions of ASC 470-20 have been applied retrospectively upon adoption, and prior period amounts have been adjusted to apply the new method of accounting. As a result of the adoption of ASC 470-20, Interest expense increased and Net income attributable to common stockholders decreased by $50 million in the period January 1, 2009 through July 9, 2009. Net Income attributable to common stockholders, per share, basic and diluted decreased by $0.08 in the period January 1, 2009 through July 9, 2009. Effective July 10, 2009 MLC retained Old GM's convertible debt. As a result, there was no effect on Interest expense, Net loss attributable to common stockholders, and Net loss attributable to common stockholders, per share, basic and diluted in the period July 10, 2009 through December 31, 2009 upon the adoption of ASC 470-20.

Accounting Standards Not Yet Adopted

In June 2009 the FASB issued certain amendments to ASC 860-10, "Transfers and Servicing." ASC 860-10 eliminates the concept of a qualifying special-purpose entity (SPE), establishes a new definition of participating interest that must be met for transfers of portions of financial assets to be eligible for sale accounting, clarifies and amends the derecognition criteria for a transfer of financial assets to be accounted for as a sale, and changes the amount that can be recorded as a gain or loss on a transfer accounted for as a sale when beneficial interests are received by the transferor. This statement is effective for financial asset transfers occurring after the beginning of a reporting entity's first annual reporting period that begins after November 15, 2009. Earlier application is prohibited. The adoption of this standard will not have a material affect on the consolidated financial statements.

In June 2009 the FASB issued an amendment to ASC 810-10. This amendment requires an enterprise to qualitatively assess the determination of the primary beneficiary of a VIE based on whether the enterprise: (1) has the power to direct the activities of a VIE that most significantly effect the entity's economic performance; and (2) has the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. ASC 810-10, as amended, requires an ongoing reconsideration of the primary beneficiary, and amends the events that trigger a reassessment of whether an entity is a VIE. This statement is effective as of the beginning of a reporting entity's first annual reporting period that begins after November 15, 2009. Earlier application is prohibited. Retrospective application is optional. We are currently evaluating the effects, if any, that ASC 810-10 will have on the consolidated financial statements.

In September 2009 the FASB issued ASU 2009-13, "Multiple-Deliverable Revenue Arrangements." ASU 2009-13 addresses the unit of accounting for multiple-element arrangements. In addition, ASU 2009-13 revises the method by which consideration is allocated among the units of accounting. Specifically, the overall consideration is allocated to each deliverable by establishing a selling price for individual deliverables based on a hierarchy of evidence, involving vendor-specific objective evidence, other third party evidence of the selling price, or the reporting entity's best estimate of the selling price of individual deliverables in the arrangement. ASU 2009-13 will be effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. We are currently evaluating the effects, if any, that ASU 2009-13 will have on the consolidated financial statements.

Note 5. Acquisition and Disposal of Businesses

Sale of India Operations

In December 2009 we and SAIC Motor Hong Kong Investment Limited (SAIC) entered into a joint venture (HKJV) to invest in automotive projects outside of markets in China, initially focusing on markets in India. On February 1, 2010 HKJV purchased certain of our operations in India (India Operations), part of our GMIO segment, in exchange for a promissory note due in 2013, the value of which is contingent on the India Operation's earnings before interest and taxes in the years ending 2010 through 2012.

As a result of the sale agreement, the India Operation's assets and liabilities were classified as held for sale at December 31, 2009 and were determined to be non-current because we received a promissory note in exchange for the India Operations that will not convert to cash within one year. The India Operation's total assets of $530 million primarily included cash and cash equivalents, accounts receivable, inventory, and real estate, plants and equipment. Its total liabilities of $270 million primarily included accounts payable and other accrued liabilities.

Acquisition of Delphi Businesses

In July 2009 we entered into the Delphi Master Disposition Agreement (DMDA) with Delphi Corporation (Delphi) and other parties. Under the DMDA, we agreed to acquire Delphi's global steering business (Nexteer), which supplies us and other Original Equipment Manufacturers (OEMs) with steering systems and columns, and four domestic facilities that manufacture a variety of automotive components, primarily sold to us. In addition, we and several third party investors who held the Delphi Tranche DIP facilities (collectively the Investors) agreed to acquire substantially all of Delphi's remaining assets through DIP HOLDCO, LLP, subsequently named Delphi Automotive LLP (New Delphi). Certain excluded assets and liabilities have been retained by a Delphi entity (DPH) to be sold or liquidated. In connection with the DMDA, we agreed to pay or assume Delphi obligations of $1.0 billion related to Delphi's senior DIP credit facility, including certain outstanding derivative instruments, its junior DIP credit facility, and other Delphi obligations, including certain administrative claims. At the closing of the transactions contemplated by the DMDA, we waived administrative claims associated with the advance agreements with Delphi, the payment terms acceleration agreement with Delphi, and the claims associated with previously transferred pension costs for hourly employees. Refer to Note 21 for additional information on the DMDA.

We agreed to acquire, prior to the consummation of the transactions contemplated by the DMDA, all Class A Membership Interests in New Delphi for a cash contribution of $1.7 billion with the Investors acquiring Class B Membership Interests and the PBGC receiving Class C Membership Interests. We and the Investors also agreed to establish: (1) a secured delayed draw term loan facility for New Delphi, with us and the Investors each committing to provide loans of up to $500 million; and (2) a note of $41 million to be funded at closing by the Investors. In addition, the DMDA settled outstanding claims and assessments against and from MLC, us and Delphi, including the settlement of commitments under the MRA (as defined in Note 21) with limited exceptions, and establishes an ongoing commercial relationship with New Delphi. We also agreed to continue all existing Delphi supply agreements and purchase orders for GMNA to the end of the related product program, and New Delphi agreed to provide us with access rights designed to allow us to operate specific sites on defined triggering events to provide us with protection of supply.

In October 2009 we consummated the transactions contemplated by the DMDA. The terms of the DMDA provided a means for Delphi to emerge from bankruptcy and to effectively serve its customers by focusing on its core business. The DMDA also enabled us to access essential components and steering technologies through the businesses we acquired.

We funded the acquisitions, transaction related costs and settlements of certain pre-existing arrangements through net cash payments of $2.7 billion and assumption of liabilities and wind-down obligations of $120 million. Additionally, we waived our rights to $550 million and $300 million previously advanced to Delphi under the advance agreements and the payment terms acceleration agreement and our rights to claims associated with previously transferred pension costs for hourly employees. Of these amounts, we contributed $1.7 billion to New Delphi and paid the Pension Benefit Guarantee Corporation (PBGC) $70 million.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The terms of the DMDA resulted in the settlement of certain obligations related to various commitments accrued as of the transaction date under the Delphi-GM Settlement Agreements. A settlement loss of $127 million was recorded upon consummation of the DMDA. Additional net charges of $49 million were recorded in the three months ended December 31, 2009 associated with the DMDA. Refer to Note 21 for additional information on the Delphi-GM Settlement Agreements.

The following table summarizes the consideration provided under the DMDA and the allocation to its various elements based on their estimated fair values (dollars in millions):

	Successor October 6, 2009
Net cash paid	$ 2,656
Waived advance agreements, payment terms acceleration agreement and other administrative claims (a)	966
Wind-down obligations and assumed liabilities	120
Total consideration provided	$ 3,742
Fair value of Nexteer and four facilities	$ 287
Fair value of Class A Membership Interests in New Delphi	1,912
Separately acquired assets of Delphi	41
Settlement of obligation to PBGC	387
Settlement of other obligations to Delphi	1,066
Expenses of the transaction	49
Allocation of fair value to DMDA elements	$ 3,742

(a) Previously advanced amounts of $850 million and value of other administrative claims of $116 million.

The Class A Membership Interests in New Delphi are accounted for using the equity method of accounting. Refer to Note 10 for additional information on our Membership Interests in New Delphi.

The following table summarizes the amounts allocated to the fair value of the assets acquired and liabilities assumed of Nexteer and the four domestic facilities, which are included in the results of our GMNA segment (dollars in millions):

	Successor October 6, 2009
Cash and cash equivalents	$ 40
Accounts and notes receivable, net	541
Inventories	245
Other current assets and deferred income taxes	28
Property, net	202
Deferred income taxes	39
Other assets	3
Goodwill (a)	61
Accounts payable (principally trade)	(316)
Short-term debt and current portion of long-term debt	(67)
Accrued expenses	(101)
Long-term debt	(10)
Other liabilities and deferred income taxes	(364)
Noncontrolling interests	(14)
Fair value of Nexteer and four domestic facilities	$ 287

(a) Goodwill of $61 million arises from the difference between the economic value of long-term employee related liabilities and their recorded amounts at the time of acquisition and deferred taxes. Goodwill deductible for tax purposes is $646 million. The difference between book goodwill and tax goodwill results from different allocations for tax purposes than that utilized for book purposes.

Nexteer and the four domestic facilities had revenue of $3.7 billion in the year ended December 31, 2008 of which 68% was related to sales to Old GM. Furthermore, through the terms of the MRA, we provided Delphi labor cost subsidies and production cash burn support to many of the facilities acquired. Refer to Note 21 for additional information on the MRA. Since we and Old GM accounted for a significant portion of Nexteer's and the four domestic facilities' sales and because we were providing subsidies to Delphi related to these facilities, the acquisition of these businesses will not have a significant effect on our financial results as the costs associated with these facilities have historically been reflected as inventory costs and recorded in Cost of sales. Additionally, we did not provide pro forma financial information because we do not believe this information would be material given the intercompany nature of Nexteer and the four domestic facilities sales activity.

In January 2010 we announced that we intend to pursue a sale of Nexteer.

Saab Bankruptcy and Sale

In February 2009 Saab, part of the GME segment, filed for protection under the reorganization laws of Sweden in order to reorganize itself into a stand-alone entity. Old GM determined that the reorganization proceeding resulted in a loss of the elements of control necessary for consolidation and therefore Old GM deconsolidated Saab in February 2009. Old GM recorded a loss of $824 million in Other expenses related to the deconsolidation. The loss reflects the remeasurement of Old GM's net investment in Saab to its estimated fair value of $0, costs associated with commitments and obligations to suppliers and others, and a commitment to provide up to $150 million of DIP financing. We acquired Old GM's investment in Saab in connection with the 363 Sale. In August 2009 Saab exited its reorganization proceeding, and we regained the elements of control and consolidated Saab at an insignificant net book value.

At September 30, 2009 we had obtained approval from our Board of Directors, met other necessary criteria to classify Saab's assets and liabilities as held for sale and had identified Koenigsegg Group AB as a potential buyer. In November 2009 the proposed sale of Saab was terminated at the discretion of the buyer. Subsequent to the conclusion of negotiations with Koenigsegg Group AB, our Board of Directors received expressions of interest in Saab from potential buyers including Spyker Cars NV. In February 2010 we completed the sale of Saab to Spyker Cars NV. As part of the agreement, Saab and Spyker Cars NV will operate under the Spyker Cars NV umbrella and Spyker Cars NV will assume responsibility for Saab operations. Previously announced wind-down activities of Saab operations have ended.

Saab's assets and liabilities are classified as held for sale at December 31, 2009. Saab's total assets of $388 million include cash and cash equivalents, inventory and receivables, and its total liabilities of $355 million include accounts payable, warranty and pension obligations and other liabilities.

Sale of Allison Transmission Business

In August 2007 Old GM completed the sale of the commercial and military operations of its Allison business, formerly a division of Old GM's Powertrain Operations. The negotiated purchase price of $5.6 billion in cash plus assumed liabilities was paid at closing. The purchase price was subject to adjustment based on the amount of Allison's net working capital and debt on the closing date, which resulted in an adjusted purchase price of $5.4 billion. A gain on the sale of Allison in the amount of $5.3 billion, $4.3 billion after-tax, inclusive of the final purchase price adjustments, was recorded in the year ended 2007. Allison designs and manufactures commercial and military automatic transmissions and is a global provider of commercial vehicle automatic transmissions for on-highway vehicles, including trucks, specialty vehicles, buses and recreational vehicles, off-highway and military vehicles, as well as hybrid propulsion systems for transit buses. Old GM retained the Powertrain Operations' facility near Baltimore, Maryland which manufactures automatic transmissions primarily for trucks and hybrid propulsion systems.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The results of operations and cash flows of Allison have been reported in the consolidated financial statements as Discontinued operations in the year ended 2007. Historically, Allison was reported within GMNA.

The following table summarizes the results of discontinued operations (dollars in millions):

	Predecessor Year Ended December 31, 2007
Net sales	$ 1,225
Income from discontinued operations before income taxes	$ 404
Income tax provision	$ 148
Income from discontinued operations, net of tax	$ 256
Gain on sale of discontinued operations, net of tax	$ 4,293

As part of the transaction, Old GM entered into an agreement, which we assumed in the 363 Sale, with the buyers of Allison whereby Old GM may provide the new parent company of Allison with contingent financing of up to $100 million. Such financing would be made available if, during a defined period of time, Allison was not in compliance with its financial maintenance covenant under a separate credit agreement. Old GM's financing would be contingent on the stockholders of the new parent company of Allison committing to provide an equivalent amount of funding to Allison, either in the form of equity or a loan, and, if a loan, such loan would be granted on the same terms as Old GM's loan to the new parent company of Allison. At December 31, 2009 we have not provided financing pursuant to this agreement. This commitment expires on December 31, 2010. Additionally, both parties have entered into non-compete arrangements for a term of 10 years in the United States and for a term of five years in Europe.

Note 6. Marketable Securities

The following tables summarize information regarding investments in marketable securities (dollars in millions):

	Successor December 31, 2009		
	Unrealized		Fair
	Gains	Losses	Value
Trading securities:			
Equity	$ 4	$ 2	$ 32
United States government and agencies	1	—	17
Mortgage-and asset-backed	—	2	22
Foreign government	1	—	24
Corporate debt	1	1	29
Total trading securities	$ 7	$ 5	$124

GENERAL MOTORS COMPANY AND SUBSIDIARIES

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	Successor December 31, 2009				Predecessor December 31, 2008			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale securities:								
Equity	$—	$ —	$ —	$ —	$ 24	$ —	$ —	$ 24
United States government and agencies	2	—	—	2	4	—	—	4
Mortgage-and asset-backed	—	—	—	—	65	1	—	66
Certificates of deposit	8	—	—	8	11	—	—	11
Foreign government	—	—	—	—	19	—	—	19
Corporate debt	—	—	—	—	17	—	—	17
Total available-for-sale securities	$10	$ —	$ —	$ 10	$140	$ 1	$ —	$141

We and Old GM maintained $79 million of the above securities as compensating balances to support letters of credit of $66 million at December 31, 2009 and 2008. We have and Old GM had access to these securities in the normal course of business; however the letters of credit may be withdrawn if the minimum collateral balance is not maintained.

In addition to the securities previously discussed, securities of $11.2 billion and $4.0 billion with original maturity dates within 90 days of the acquisition date were classified as cash equivalents at December 31, 2009 and 2008 and securities of $14.2 billion were classified as Restricted cash and marketable securities at December 31, 2009.

The following table summarizes proceeds from and realized gains and losses on disposals of investments in marketable securities classified as available-for-sale (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Sales proceeds	$ 3	$ 185	$ 4,001	$ 955
Realized gains	$ —	$ 3	$ 44	$ 10
Realized losses	$ —	$ 10	$ 88	$ 4

The following table summarizes the fair value of investments classified as available-for-sale securities by contractual maturity at December 31, 2009 (dollars in millions):

	Successor	
	Amortized Cost	Fair Value
Contractual Maturities of Debt Securities		
Due in one year or less	$ 8	$ 8
Due after one year through five years	2	2
Due after five years through ten years	—	—
Due after ten years	—	—
Total contractual maturities of debt securities	$ 10	$ 10

Refer to Note 25 for the amounts recorded as a result of other than temporary impairments on debt and equity securities.

Note 7. Securitizations

Receivables are generated from sales of vehicles through the dealer network, as well as from service parts and powertrain sales. Certain of these receivables are sold to wholly-owned bankruptcy-remote SPEs. The SPEs are separate legal entities that assume the risks and rewards of ownership of the receivables.

On-balance sheet securitization programs are entered into in which certain trade accounts receivable related to vehicle sales are isolated in wholly-owned bankruptcy-remote SPEs, which in turn pledge the receivables to lending institutions. The receivables pledged are not recorded separately from other trade accounts receivable but are recorded in Accounts and notes receivable, net. Borrowings are recorded in Short-term debt and current portion of long-term debt.

Certain trade accounts receivable related to vehicle sales to dealers primarily in the Middle East were pledged as collateral under an on-balance sheet securitization program. The amount of receivables pledged under this program was $504 million at December 31, 2008. The outstanding borrowing under this program was $395 million at December 31, 2008. This facility matured in April 2009 and was fully paid.

In September 2008 Old GM entered into a one-year revolving on-balance sheet securitization program related to vehicle sales to dealers in the United States. This program provided financing of up to $197 million. The program replaced an off-balance sheet trade accounts receivable securitization facility that expired in September 2008. The outstanding borrowing under this program was $140 million at December 31, 2008. The program was terminated in connection with the Chapter 11 Proceedings in June 2009; outstanding amounts were fully paid and lenders' liens on the receivables were released.

Trade receivable securitization programs are utilized in Europe. The banks and factoring companies had a beneficial interest of $8 million and $11 million in the participating pool of trade receivables at December 31, 2009 and December 31, 2008.

Securitizations of Vehicles Subject to Automotive Retail Leases

In connection with the 363 Sale, we acquired vehicles subject to automotive retail leases and assumed the outstanding secured debt previously held by two of Old GM's bankruptcy-remote SPEs. These entities issued secured debt collateralized by vehicles subject to automotive retail leases. The secured debt has recourse solely to the vehicles subject to automotive retail leases and related assets. The outstanding secured debt was $19.8 million and $1.2 billion at December 31, 2009 and 2008.

Note 8. Inventories

The following table summarizes the components of inventory (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Productive material, work in process and supplies	$ 4,201	$ 4,849
Finished product, including service parts	5,906	9,579
Total inventories	10,107	14,428
Less LIFO allowance	—	(1,233)
Total inventories, net	$ 10,107	$ 13,195

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes adjustments recorded to inventories as a result of LCM analyses (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
LCM adjustments on inventories (a)	$ 168	$ 103	$ 336	$ 249

(a) Amounts represent LCM adjustments related to company vehicles and vehicles returned from lease awaiting sale at auction.

In the period January 1, 2009 through July 9, 2009 and in the years ended 2008 and 2007 Old GM's U.S. LIFO eligible inventory quantities were reduced. These reductions resulted in liquidations of LIFO inventory quantities, which were carried at lower costs prevailing in prior years as compared with the cost of purchases in the period January 1, 2009 through July 9, 2009, and in the years ended 2008 and 2007. These liquidations decreased Old GM's Cost of sales by $5 million in the period January 1, 2009 through July 9, 2009 and by $355 million and $100 million in the years ended 2008 and 2007.

Note 9. Equipment on Operating Leases, net

Equipment on operating leases, net is comprised of vehicle sales to daily rental car companies and to retail customers.

The following table summarizes information related to Equipment on operating leases, net and the related accumulated depreciation (dollars in millions):

	Successor	Predecessor
	December 31, 2009	December 31, 2008
Current		
Equipment on operating leases	$ 3,070	$ 6,737
Less accumulated depreciation	(343)	(1,595)
Equipment on operating leases, net	$ 2,727	$ 5,142
Noncurrent		
Equipment on operating leases	$ 3	$ 674
Less accumulated depreciation	—	(232)
Equipment on operating leases, net	$ 3	$ 442

The following table summarizes depreciation expense related to Equipment on operating leases, net (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Years Ended December 31, 2008	Years Ended December 31, 2007
Depreciation expense	$ 586*	$ 338	$ 1,575	$ 2,350

* Amount originally reported as $437 in our 2009 Form 10-K. Refer to Note 3.

Refer to Note 25 for additional information on impairments related to Equipment on operating leases, net.

We are to receive minimum rental payments for Equipment on operating leases, net of $33 million in 2010 and $0 thereafter. The minimum rental payments on vehicle sales to daily rental car companies are paid at lease inception.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 10. Equity in Net Assets of Nonconsolidated Affiliates

Nonconsolidated affiliates are entities in which an equity ownership interest is maintained and for which the equity method of accounting is used, due to the ability to exert significant influence over decisions relating to their operating and financial affairs.

The following table summarizes information regarding equity in income (loss) of and disposition of interest in nonconsolidated affiliates (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
GMAC (a)	$ —	$ (1,097)	$ 916	$ (1,245)
Gain on conversion of UST GMAC Loan (b)	—	2,477	—	—
GMAC Common Membership Interest impairment charges (a)	—	—	(7,099)	—
Total equity in income (loss) of and disposition of interest in GMAC (a)	—	1,380	(6,183)	(1,245)
Other significant nonconsolidated affiliates (c)	466	298	312	430
New United Motor Manufacturing, Inc. (50%) (d)	—	(243)	(118)	(5)
Others	31	6	(8)	99
Total equity in income (loss) of and disposition of interest in nonconsolidated affiliates	$ 497	$ 1,441	$ (5,997)	$ (721)

(a) GMAC converted its status to a C corporation effective June 30, 2009. At that date, Old GM began to account for its investment in GMAC using the cost method rather than the equity method as Old GM could not exercise significant influence over GMAC. Prior to converting to a C corporation, Old GM's investment in GMAC was accounted for in a manner similar to an investment in a limited partnership and the equity method was applied because Old GM's influence was more than minor. In connection with GMAC's conversion into a C corporation, each unit of each class of GMAC Membership Interests was converted into shares of capital stock of GMAC with substantially the same rights and preferences as such Membership Interests.

(b) In May 2009 the UST exercised its option to convert the outstanding amounts owed on the UST GMAC Loan into shares of GMAC's Class B Common Membership Interests.

(c) Includes Shanghai General Motors Co., Ltd. (SGM) (50%), SAIC-GM-Wuling Automobile Co., Ltd. (SGMW) (34%).

(d) New United Motor Manufacturing (NUMMI) (50%) was retained by MLC as part of the 363 Sale.

Investment in SGM

On July 10, 2009 our investments in SGM and its subsidiaries were adjusted to their fair values. Our investment in SGM was increased by fresh-start reporting adjustments of $3.5 billion. This fair value adjustment of $3.5 billion was allocated as follows: (1) goodwill of $2.9 billion; (2) intangible assets of $0.6 billion; and (3) property of $38 million. The increase in basis related to intangible assets is being amortized on a straight-line basis over the remaining useful lives of the assets ranging from seven to 25 years, with amortization expense of $24 million per year. The increase in basis related to property is being depreciated on a straight-line basis over the remaining useful lives of the assets ranging from three to 14 years, with depreciation expense of $5 million per year.

Investment in New Delphi

In October 2009 we agreed to acquire, prior to the consummation of the transactions contemplated by the DMDA, all Class A Membership Interests in New Delphi. The New Delphi operating agreement contains specific "waterfall" provisions for the allocation

of distributions among the Class A, Class B and Class C Membership Interests of New Delphi at varying percentages based on cumulative amounts of distributions. Once the cumulative amount distributed by New Delphi exceeds $7.0 billion, our Class A Membership Interests will represent 35% of New Delphi with the Class B Membership Interests representing the remaining 65% of New Delphi's equity. Our Class A Membership Interests entitles us to 49.12% of the first $1.0 billion of cumulative distributions and 57.78% of the next $1.0 billion of cumulative distributions. Additional distribution percentages are applied to specified distribution levels until the cumulative of $7.0 billion has been distributed. New Delphi does not expect to pay any cash distributions for the foreseeable future. Refer to Note 5 for additional information on New Delphi and the DMDA.

Investment in GMAC

As part of the approval process for GMAC to obtain Bank Holding Company status in December 2008, Old GM agreed to reduce its ownership in GMAC to less than 10.0% of the voting and total equity of GMAC by December 24, 2011. At December 31, 2009 our equity ownership in GMAC was 16.6% as subsequently discussed.

In December 2008 Old GM and FIM Holdings, an assignee of Cerberus ResCap Financing LLC, entered into a subscription agreement with GMAC under which each agreed to purchase additional Common Membership Interests in GMAC, and the UST committed to provide Old GM with additional funding in order to purchase the additional interests. In January 2009 Old GM entered into the UST GMAC Loan Agreement pursuant to which it borrowed $884 million (UST GMAC Loan) and utilized those funds to purchase 190,921 Class B Common Membership Interests of GMAC. The UST GMAC Loan was scheduled to mature in January 2012 and bore interest, payable quarterly, at the same rate of interest as the UST Loans. The UST GMAC Loan was secured by Old GM's Common and Preferred Membership Interests in GMAC. As part of this loan agreement, the UST had the option to convert outstanding amounts into a maximum of 190,921 shares of GMAC's Class B Common Membership Interests on a pro rata basis.

In May 2009 the UST exercised this option, the outstanding principal and interest under the UST GMAC Loan was extinguished, and Old GM recorded a net gain of $483 million. The net gain was comprised of a gain on the disposition of GMAC Common Membership Interests of $2.5 billion recorded in Equity in income (loss) of and disposition of interest in GMAC and a loss on extinguishment of the UST GMAC Loan of $2.0 billion recorded in Gain (loss) on extinguishment of debt. After the exchange, Old GM's ownership was reduced to 24.5% of GMAC's Common Membership Interests.

GMAC converted its status to a C corporation effective June 30, 2009. At that date, Old GM began to account for its investment in GMAC using the cost method rather than the equity method as Old GM could not exercise significant influence over GMAC. Prior to converting to a C corporation, our investment in GMAC was accounted for in a manner similar to an investment in a limited partnership and the equity method was applied because our influence was more than minor. In connection with GMAC's conversion into a C corporation, each unit of each class of GMAC Membership Interests was converted into shares of capital stock of GMAC with substantially the same rights and preferences as such Membership Interests. On July 10, 2009 we acquired the investments in GMAC's common and preferred stocks in connection with the 363 Sale.

In December 2009 the UST made a capital contribution to GMAC of $3.8 billion consisting of the purchase of trust preferred securities of $2.5 billion and mandatory convertible preferred securities of $1.3 billion. The UST also exchanged all of its existing GMAC non-convertible preferred stock for newly issued mandatory convertible preferred securities valued at $5.3 billion. In addition the UST converted mandatory convertible preferred securities valued at $3.0 billion into GMAC common stock. These actions resulted in the dilution of our investment in GMAC common stock from 24.5% to 16.6%, of which 6.7% is held directly and 9.9% is held in an independent trust. Pursuant to previous commitments to reduce influence over and ownership in GMAC, the trustee, who is independent of us, has the sole authority to vote and is required to dispose of our 9.9% ownership in GMAC common stock held in the trust by December 24, 2011.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following tables summarize financial information of GMAC for the periods GMAC was accounted for as an equity method investee (dollars in millions):

	Six Months Ended June 30, 2009 (unaudited)	Years Ended December 31, 2008	2007
Consolidated Statements of Income			
Total financing revenue and other interest income	$ 7,450	$18,918	$22,741
Interest expense	$ 4,269	$11,297	$14,406
Depreciation expense on operating lease assets	$ 2,409	$ 5,478	$ 4,552
Gain on extinguishment of debt	$ 657	$12,628	$ 563
Total other revenue	$ 2,453	$14,510	$ 5,964
Total noninterest expense	$ 4,809	$ 8,649	$ 8,486
Income (loss) before income tax expense (benefit)	$ (3,588)	$ 3,376	$ (1,806)
Income tax expense (benefit)	$ 990	$ (60)	$ 395
Net income (loss)	$ (4,578)	$ 1,868	$ (2,332)
Net income (loss) available to members	$ (4,933)	$ 1,868	$ (2,524)

	June 30, 2009 (unaudited)	December 31, 2008
Condensed Consolidated Balance Sheets		
Loans held for sale	$ 11,440	$ 7,919
Total finance receivables and loans, net	$ 87,520	$ 98,295
Investment in operating leases, net	$ 21,597	$ 26,390
Other assets	$ 22,932	$ 26,922
Total assets	$181,248	$ 189,476
Total debt	$105,175	$ 126,321
Accrued expenses and other liabilities	$ 41,363	$ 32,533
Total liabilities	$155,202	$ 167,622
Senior preferred interests	$ 12,500	$ 5,000
Preferred interests	$ 1,287	$ 1,287
Total equity	$ 26,046	$ 21,854

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

GMAC — Preferred and Common Membership Interests

The following tables summarize the activity with respect to the investment in GMAC Common and Preferred Membership Interests for the periods GMAC was accounted for as an equity method investee (dollars in millions):

	Predecessor	
	GMAC Common Membership Interests	GMAC Preferred Membership Interests
Balance at January 1, 2008	$ 7,079	$ 1,044
Old GM's proportionate share of GMAC's income	916	—
Conversion of GMAC Participation Agreement to Common Membership Interests	362	—
Impairment charges	(7,099)	(1,001)
Other, primarily accumulated other comprehensive loss	(767)	—
Balance at December 31, 2008	491	43
Old GM's proportionate share of GMAC's losses (a)	(1,130)	(7)
Investment in GMAC Common Membership Interests	884	—
Gain on disposition of GMAC Common Membership Interests (b)	2,477	—
Conversion of GMAC Common Membership Interests (b)	(2,885)	—
Other, primarily accumulated other comprehensive loss	163	—
Balance at June 30, 2009	$ —	$ 36

(a) Due to impairment charges and Old GM's proportionate shares of GMAC's losses, the carrying amount of Old GM's investments in GMAC Common Membership Interest was reduced to $0. Old GM recorded its proportionate share of GMAC's remaining losses to its investment in GMAC Preferred Membership Interests.

(b) Due to the exercise of the UST's option to convert the UST GMAC Loan into GMAC Common Membership Interests, in connection with the UST GMAC Loan conversion, Old GM recorded a gain of $2.5 billion on disposition of GMAC Common Membership Interests and a $2.0 billion loss on extinguishment based on the carrying amount of the UST GMAC Loan and accrued interest of $0.9 billion.

Investment in Nonconsolidated Affiliates

The following tables summarize information regarding significant nonconsolidated affiliates (dollars in millions):

	Successor	Predecessor
	December 31, 2009	December 31, 2008
Carrying amount of investment in SGM and affiliates	$ 4,937	$ 1,076
Carrying amount of investment in New Delphi	1,908	—
Carrying amount of investment in SGMW	579	158
Carrying amount of investments in significant affiliates	7,424	1,234
Carrying amount of GMAC Common Membership Interests	—	491
All other investments in affiliates	512	421
Total equity in net assets of nonconsolidated affiliates	$ 7,936	$ 2,146
Total assets of significant affiliates (a)	$ 20,639	$ 6,555
Total liabilities of significant affiliates (a)	$ 11,812	$ 3,802

(a) Total assets and liabilities of significant affiliates exclude GMAC as previously discussed.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Transactions with Nonconsolidated Affiliates

Nonconsolidated affiliates are involved in various aspects of the development, production and marketing of cars, trucks and parts, and we purchase component parts and vehicles from certain nonconsolidated affiliates for resale to dealers. The following tables summarize the effects of transactions with nonconsolidated affiliates which are not eliminated in consolidation (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Results of Operations				
Sales	$ 899*	$ 596	$ 1,076	$ 793
Cost of sales	$ 1,190*	$ 737	$ 3,815	$ 3,850
Selling, general and administrative expense	$ (19)	$ (19)	$ 62	$ 81
Interest expense	$ —	$ —	$ —	$ 1
Interest income and other non-operating income, net	$ 14	$ (9)	$ 231	$ 816

* Amounts originally reported as $560 and $1,137 in our 2009 Form 10-K. Refer to Note 3.

	Successor	Predecessor
	December 31, 2009	December 31, 2008
Financial Position		
Accounts and notes receivable, net	$ 771*	$ 394
Accounts payable (principally trade)	$ 579*	$ 112

* Amounts originally reported as $594 and $396 in our 2009 Form 10-K. Refer to Note 3.

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Cash Flows				
Operating	$ 538*	$ 546	$ (1,014)	$ (1,837)
Investing	$ (67)	$ —	$ 370	$ 254
Financing	$ —	$ —	$ —	$ 1

* Amount originally reported as $77 in our 2009 Form 10-K. Refer to Note 3.

Note 11. Property, net

The following table summarizes the components of Property, net (dollars in millions):

	Successor		Predecessor	
	Estimated Useful Lives (Years)	December 31, 2009	Estimated Useful Lives (Years)	December 31, 2008
Land	—	$ 2,602	—	$ 1,162
Buildings and land improvements	2-40	4,292	2-40	18,974
Machinery and equipment	3-30	6,686	3-30	49,529
Construction in progress	—	1,649	—	2,938
Real estate, plants, and equipment		15,229		72,603
Less accumulated depreciation		(1,285)		(43,712)
Real estate, plants, and equipment, net		13,944		28,891
Special tools, net	1-13	4,743	1-10	10,774
Total property, net		$ 18,687		$ 39,665

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the amount of net capitalized software and capitalized interest included in Property, net (dollars in millions):

	Successor	Predecessor
	December 31, 2009	December 31, 2008
Capitalized software in use	$ 263	$ 537
Capitalized software in the process of being developed	$ 81	$ 175
Capitalized interest	$ 26	$ 576

The following table summarizes depreciation, impairment charges and amortization expense related to Property, net, recorded in Cost of sales, Selling, general and administrative expense and Other expenses, net (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Depreciation and impairment of long-lived assets	$ 1,355	$ 4,352	$ 4,863	$ 3,846
Amortization and impairment of special tools	865	2,139	3,493	3,243
Total depreciation, impairment charges and amortization expense	$ 2,220	$ 6,491	$ 8,356	$ 7,089
Capitalized software amortization expense (a)	$ 132	$ 136	$ 209	$ 192
Capitalized interest amortization expense (a)	$ —	$ 46	$ 77	$ 48

(a) Included in Total depreciation, impairment charges and amortization expense.

Old GM initiated restructuring plans prior to the 363 Sale to reduce the total number of powertrain, stamping and assembly plants and to eliminate certain brands and nameplates. In addition, MLC retained certain assets that we did not acquire in connection with the 363 Sale and were deemed not to have a useful life beyond July 9, 2009. As a result, Old GM recorded incremental depreciation and amortization on certain of these assets as they were expected to be utilized over a shorter period of time than their previously estimated useful lives. We record incremental depreciation and amortization for changes in useful lives subsequent to the initial determination. In the period July 10, 2009 through December 31, 2009 we recorded incremental depreciation and amortization of approximately $20 million. Old GM recorded incremental depreciation and amortization of approximately $2.8 billion, $0.8 billion and $0.2 billion in the period January 1, 2009 through July 9, 2009 and the years ended 2008 and 2007.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 12. Goodwill

The following table summarizes the changes in the carrying amounts of Goodwill (dollars in millions):

	Successor			
	GMNA	GME	GMIO	Total
Balance at July 10, 2009 (a)	$26,348	$3,262	$ 854	$30,464
Goodwill acquired	61	—	—	61
Effect of foreign currency translation on goodwill	—	73	87	160
Goodwill included in Assets held for sale	—	—	(13)	(13)
Balance at December 31, 2009	26,409	3,335	928	30,672
Accumulated impairment charges	—	—	—	—
Goodwill	$26,409	$3,335	$ 928	$30,672

	Predecessor			
	GMNA	GME	GMIO	Total
Balance at January 1, 2008	$ 173	$ 563	$ —	$ 736
Accumulated impairment charges	—	—	—	—
Goodwill	173	563	—	736
Effect of foreign currency translation on goodwill	(19)	(107)	—	(126)
Impairment charges (b)	(154)	(456)	—	(610)
Balance at December 31, 2008	154	456	—	610
Accumulated impairment charges	(154)	(456)	—	(610)
Goodwill	$ —	$ —	$ —	$ —

(a) We recorded Goodwill of $30.5 billion upon application of fresh-start reporting. If all identifiable assets and liabilities had been recorded at fair value upon application of fresh-start reporting, no goodwill would have resulted. However, when applying fresh-start reporting, certain accounts, primarily employee benefit plan and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than fair value and the difference between the U.S. GAAP and fair value amounts gave rise to goodwill, which is a residual. Our employee benefit related accounts were recorded in accordance with ASC 712, “Compensation — Nonretirement Postemployment Benefits” and ASC 715, “Compensation — Retirement Benefits” and deferred income taxes were recorded in accordance with ASC 740, “Income Taxes.” Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in Goodwill. These valuation allowances were due in part to Old GM’s history of recurring operating losses, and our projections at the 363 Sale date of continued near-term operating losses in certain jurisdictions. While the 363 Sale constituted a significant restructuring that eliminated many operating and financing costs, Old GM had undertaken significant restructurings in the past that failed to return certain jurisdictions to profitability. At the 363 Sale date, we concluded that there was significant uncertainty as to whether the recent restructuring actions would return these jurisdictions to sustained profitability, thereby necessitating the establishment of a valuation allowance against certain deferred tax assets. None of the goodwill from this transaction is deductible for tax purposes.

(b) Goodwill impairment charges of $154 million and $456 million were recorded at GMNA and GME in the year ended 2008 related to sharply reduced forecasts of automotive sales in the near- and medium-term. Refer to Note 25 for additional information on Old GM’s impairment charges related to Goodwill in 2008. We had no goodwill during the period January 1, 2009 to July 9, 2009.

In the three months ended December 31, 2009 we performed our annual goodwill impairment analysis of our reporting units as of October 1, 2009, which resulted in no goodwill impairment charges. In addition, during the three months ended December 31, 2009, we determined that certain additional events and circumstances related to certain reporting units had changed such that interim

goodwill impairment tests were necessary as of December 31, 2009. For our GME reporting unit, these changes related to our decision to retain sole ownership of our GME reporting unit and the additional restructuring actions necessary and expected higher overhead costs due to decisions to delay or cancel certain previously planned facility closures. For other identified reporting units in GMIO, the changes related to deterioration in expected future operating results from those anticipated in our annual impairment analysis. The results of this testing indicated that goodwill was not impaired for any of the reporting units tested.

Refer to Note 25 for additional information on goodwill impairments in prior periods.

Note 13. Intangible Assets, net

The following table summarizes the components of amortizable intangible assets (dollars in millions):

	Successor				Predecessor			
	December 31, 2009				December 31, 2008			
	Weighted-Average Remaining Amortization Period (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Amortization Period (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Technology and intellectual property (a)	4	$ 7,916	$ 1,460	$ 6,456	8	$ 598	$ 333	$ 265
Brands	38	5,508	72	5,436	—	—	—	—
Dealer network and customer relationships	21	2,205	67	2,138	—	—	—	—
Favorable contracts	24	542	39	503	—	—	—	—
Other	3	17	3	14	—	—	—	—
Total amortizable intangible assets	20	$16,188	$ 1,641	$14,547	8	$ 598	$ 333	$ 265

(a) Technology and intellectual property includes nonamortizing in-process research and development of $175 million at December 31, 2009.

The following table summarizes the amortization expense related to intangible assets (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Amortization expense related to intangible assets (a)	$ 1,584	$ 44	$ 83	$ 74

(a) Amortization expense in the period July 10, 2009 through December 31, 2009 includes an impairment charge of $21 million related to technology and intellectual property. Refer to Note 25 for additional information on the impairment charge.

The following table summarizes estimated amortization expense related to intangible assets in each of the next five years (dollars in millions):

	Estimated Amortization Expense
2010	$ 2,550
2011	$ 1,785
2012	$ 1,560
2013	$ 1,227
2014	$ 610

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 14. Restricted Cash and Marketable Securities

Cash subject to contractual restrictions and not readily available is classified as Restricted cash and marketable securities. Funds held in the UST Credit Agreement and Canadian Health Care Trust (HCT) escrow accounts are invested in government securities and money market funds in accordance with the terms of the escrow agreements. The following table summarizes the components of Restricted cash and marketable securities (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Current		
UST Credit Agreement (a)	$ 12,475	$ —
Canadian Health Care Trust (b)	955	—
Receivables Program (c)	187	—
Securitization trusts	191	450
Pre-funding disbursements	94	222
Other (d)	15	—
Total current restricted cash and marketable securities	13,917	672
Non-current		
Collateral for insurance related activities	658	679
Other non-current (d)	831	1,238
Total restricted cash and marketable securities	$ 15,406	$ 2,589

(a) Under the terms of the UST Credit Agreement funds are held in escrow and will be distributed to us at our request if certain conditions are met. Any unused amounts in escrow on June 30, 2010 are required to be used to repay the UST Loans and Canadian Loan. Upon repayment of the UST Loans and Canadian Loan any funds remaining in escrow will be returned to us. Refer to Notes 2 and 18 for additional information on the UST Credit Agreement.

(b) Under the terms of an escrow agreement between GMCL, the EDC and an escrow agent, GMCL established a CAD $1.0 billion (equivalent to $893 million when entered into) escrow to fund its healthcare obligations.

(c) In March 2009 the UST announced that it will provide financial assistance to automotive suppliers by guaranteeing or purchasing certain receivables payable by us (Receivables Program). Under the terms of the Receivables Program, the use of funds is limited to purchasing receivables from suppliers that have elected to participate in the program. This program will terminate in accordance with its terms in April 2010. Refer to Note 18 for additional information on the Receivables Program.

(d) Includes amounts related to various letters of credit, deposits, escrows and other cash collateral requirements.

Note 15. Other Assets

The following table summarizes the components of Other assets (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Investment in GMAC common stock (a)(b)	$ 970	$ —
Investment in GMAC preferred stock	665	—
Investment in GMAC Preferred Memberships Interests	—	43
Taxes other than income taxes	297	612
Derivative assets	44	583
Other	546	892
Total other assets	$ 2,522	$ 2,130

(a) At December 31, 2008 Old GM's investment in GMAC Common Membership Interests of $491 million was accounted for as an equity method investment and recorded in Equity of net assets of nonconsolidated affiliates. Refer to Notes 10, 16 and 30 for a discussion on our current equity ownership interest and our significant transactions with GMAC.

(b) Investment in GMAC common stock at December 31, 2009 includes the 16.6% held directly and through an independent trust.

Note 16. Variable Interest Entities

Consolidated VIEs

VIEs that were consolidated because we or Old GM were the primary beneficiary primarily included: (1) previously divested and current suppliers for which we or Old GM made significant guarantees or provided financial support; (2) the Receivables Program; (3) vehicle sales and marketing joint ventures that manufacture, market and sell vehicles in certain markets; (4) leasing SPEs which held real estate assets and related liabilities for which residual guarantees were provided; and (5) an entity which managed certain private equity investments held by our and Old GM's pension plans and previously held by our and Old GM's OPEB plans, along with six associated general partner entities. Certain creditors and beneficial interest holders of these VIEs have or had limited, insignificant recourse to our general credit or Old GM's general credit, in which we or Old GM could be held liable for certain of the VIE's obligations.

CAMI

In March 2009 Old GM determined that due to changes in contractual arrangements related to CAMI Automotive Inc. (CAMI), it was required to reconsider its previous conclusion that CAMI was not a VIE. As a result of Old GM's analysis, it determined that CAMI was a VIE and Old GM was the primary beneficiary, and therefore Old GM consolidated CAMI. As the consolidation date occurred near the end of the reporting period, the consolidation was based on estimates of the fair values for all assets and liabilities acquired. Based on Old GM's estimates, the equity interests it held and held by the noncontrolling interest had a fair value of approximately $12 million. Total assets were approximately $472 million comprised primarily of property, plant, and equipment and related party accounts receivable and inventory. Total liabilities were approximately $460 million, comprised primarily of long-term debt, accrued liabilities and pension and other post-employment benefits. We completed our purchase price accounting for CAMI at July 10, 2009 and determined that the amounts estimated as of the initial consolidation date of March 1, 2009 did not require adjustment. Supplemental pro forma information is omitted as the effect is immaterial. In December 2009 we acquired the remaining noncontrolling interest of CAMI from Suzuki for $100 million increasing our ownership interest from 50% to 100%. Subsequent to this acquisition, CAMI became a wholly-owned subsidiary and is not included in the tabular disclosures below.

Receivables Program

We determined that the Receivables Program was a VIE. We also determined that we are the primary beneficiary because we are the only party to the Receivables Program with equity at risk, we have a greater risk of loss than the UST and we are more closely related to the Receivables Program as its primary purpose is to support our supply base, thereby helping ensure that our production needs are met.

In December 2009 we announced the termination of the Receivables Program in April 2010. Upon termination, we will share any residual capital in the program equally with the UST. At December 31, 2009 our equity contributions were $55 million and the UST had outstanding loans of $150 million to the Receivables Program. We do not anticipate making any additional equity contributions. Refer to Note 18 for additional information on the Receivables Program.

The following table summarizes the carrying amount of consolidated VIE assets and liabilities (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Assets:		
Cash and cash equivalents	$ 15	$ 22
Accounts and notes receivable, net	14	15
Inventory	15	—
Other current assets	—	—
Property, net	5	71
Restricted cash	191	—
Other assets	33	28
Total assets	$ 273	$ 136
Liabilities:		
Accounts payable (principally trade)	$ 17	$ 6
Short-term borrowings and current portion of long-term debt	205	105
Accrued expenses	10	20
Other liabilities	23	15
Total liabilities	$ 255	$ 146

The following table summarizes the amounts recorded in earnings related to consolidated VIEs (dollars in millions):

	Successor	Predecessor	
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Sales	$ 24	$ 14	$ 8
Other revenue	17	17	32
Cost of sales	8	(1)	5
Selling, general administrative expense	8	5	(11)
Other expenses, net	9	10	19
Interest expense	14	22	—
Reorganization losses (gains), net	—	26	—
Income tax expense	1	—	—
Net income (loss)	$ 1	$ (31)	$ 27

Nonconsolidated VIEs

VIEs that were not consolidated because we or Old GM were not the primary beneficiary primarily included: (1) troubled suppliers for which guarantees were made or financial support was provided; (2) vehicle sales and marketing joint ventures that manufacture, market and sell vehicles in certain markets; (3) leasing entities for which residual value guarantees were made; and (4) GMAC.

Guarantees and financial support are provided to certain current or previously divested suppliers in order to ensure that supply needs for production were not disrupted due to a supplier's liquidity concerns or possible shutdowns. Types of financial support that we and Old GM provided include, but are not limited to: (1) funding in the form of a loan from us or Old GM; (2) guarantees of the supplier's debt or credit facilities; (3) one-time payments to fund prior losses of the supplier; (4) indemnification agreements to fund the suppliers' future losses or obligations; (5) agreements to provide additional funding or liquidity to the supplier in the form of price

increases or change in payment terms; and (6) assisting the supplier in finding additional investors. The maximum exposure to loss related to these VIEs was generally limited to the amount of accounts and notes receivable recorded with the suppliers and any related guarantees.

We have and Old GM had investments in joint ventures that manufacture, market and sell vehicles in certain markets. These joint ventures were self-funded and financed with no contractual terms that would require future financial support to be provided. The maximum exposure to loss is limited to the carrying amount of the investments recorded in Equity in net assets of nonconsolidated affiliates.

American Axle

In September 2009 we paid $110 million to American Axle and Manufacturing Holdings, Inc. (American Axle), a former subsidiary and current supplier, to settle and modify existing commercial arrangements and acquired warrants to purchase 4 million shares of American Axle's common stock. This payment was made in response to the liquidity needs of American Axle and our desire to modify the terms of our ongoing commercial arrangement. Under the new agreement, we also provided American Axle with a second lien term loan facility of up to $100 million. Additional warrants will be granted if amounts are drawn on the second lien term loan facility.

As a result of these transactions, we concluded that American Axle was a VIE for which we were not the primary beneficiary. Our variable interests in American Axle include the warrants we received and the second lien term loan facility, which exposes us to possible future losses depending on the financial performance of American Axle. At December 31, 2009 no amounts were outstanding under the second lien term loan. At December 31, 2009 our maximum exposure to loss related to American Axle was $125 million, which represented the fair value of the warrants of $25 million recorded in Non-current assets and the potential exposure of $100 million related to the second lien term loan facility.

GMAC

In the three months ended December 31, 2008, GMAC engaged in or agreed to several transactions, including an exchange and cash tender offers to purchase and/or exchange certain of its and its subsidiaries' outstanding notes for new notes and 9% Cumulative Perpetual Preferred Stock, the issuance of Series D-2 Fixed Rate Cumulative Perpetual Preferred Membership Interests to the UST, the conversion of the Participation Agreement to Common Membership Interests, and the issuance of additional Common Membership Interests to Old GM. As a result of these changes to GMAC's capital structure, Old GM was required to reconsider its previous conclusion that GMAC was a voting interest entity and it did not hold a controlling financial interest in GMAC. As part of Old GM's qualitative and quantitative analyses, Old GM determined that GMAC was a VIE as it did not have sufficient equity at risk. Old GM also determined that a related party group, as that term is defined in ASC 810-10, existed between Old GM and the UST under the de facto agency provisions of ASC 810-10. However, Old GM determined based on both qualitative and quantitative analysis that the related party group to which it belonged did not absorb the majority of GMAC's expected losses or residual returns and therefore no member of the related party group was the primary beneficiary of GMAC. Accordingly Old GM did not consolidate GMAC at December 31, 2008.

Old GM's quantitative analysis was performed using a Black-Scholes model to compute the price of purchasing a hypothetical put on GMAC's net assets exclusive of variable interests to estimate expected losses of the variable interests of GMAC. The same Black-Scholes model was used to estimate the expected losses allocated to each of the individual variable interests identified in GMAC's capital structure. Significant estimates, assumptions, and judgments used in Old GM's analysis included that the outstanding unsecured debt of GMAC was a variable interest in GMAC because it was trading at a sufficient discount to face value to indicate that it was absorbing a significant portion of GMAC's expected losses and receiving a portion of its expected returns; that the expected return on GMAC's net assets exclusive of variable interests were normally distributed with a mean return equal to the risk-free rate of return and an expected volatility of approximately 22%; estimates of the fair value of each of GMAC's variable interests and other components of its the capital structure; and estimates of the expected outstanding term of each of GMAC's non-perpetual variable

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

interests, which Old GM estimated to have a weighted average term of approximately 5 years. Other qualitative considerations included the fact that Old GM was required to reduce its common investment in GMAC to below 10% within three years, had no voting members on the GMAC Board of Managers, and under other contractual provisions, could not attempt to influence the operations of GMAC or the manner in which its Common Membership Interests were voted.

In connection with GMAC's conversion to a C corporation on June 30, 2009, each unit of each class of GMAC Membership Interests was converted into shares of capital stock of GMAC with substantially the same rights and preferences as such Membership Interests. On July 10, 2009 we acquired the investments in GMAC's common and preferred stock in connection with the 363 Sale.

In December 2009, the UST made a capital contribution to GMAC of $3.8 billion consisting of the purchase of trust preferred securities in aggregate liquidation amount of $2.5 billion and mandatory convertible preferred securities in aggregate liquidation amount of $1.3 billion. The UST also exchanged all of its existing GMAC non-convertible preferred stock for newly issued mandatory convertible preferred securities with an aggregate liquidation preference of $5.3 billion. In addition, the UST converted mandatory convertible preferred securities with an aggregate liquidation preference of $3.0 billion into GMAC common stock. After these actions, we and the UST owned 16.6% and 56.3% of GMAC's common stock. The UST also owns preferred stock of GMAC with a liquidation value of $11.4 billion, and we own preferred stock with a liquidation value of $1.0 billion. This transaction constituted a reconsideration event and we determined that GMAC continued to be a VIE as it does not have sufficient equity at risk. Although the related party group to which we and the UST belong absorbs a majority of the expected losses, we are not the primary beneficiary because the UST absorbs more expected losses than us, we were not involved in the redesign of GMAC, and we are controlled by the UST. Furthermore, we do not believe we will be the primary beneficiary upon adoption of modifications of ASC 810-10, effective January 1, 2010, because we lack the power through voting or similar rights to direct those activities of GMAC that most significantly affect its economic performance. As a result of previous agreements Old GM entered into during GMAC's approval process to obtain Bank Holding Company status and whose terms and conditions we assumed in connection with the 363 Sale, we do not have significant influence over GMAC. Our principal variable interests in GMAC are our investments in GMAC preferred and common stock. Refer to Notes 10 and 30 for additional information on our investment in GMAC, our significant agreements with GMAC and our maximum exposure under those agreements.

The following table summarizes the amounts recorded for nonconsolidated VIEs, and the related off-balance sheet guarantees and maximum exposure to loss, excluding GMAC (dollars in millions):

	Successor		Predecessor	
	December 31, 2009		December 31, 2008	
	Carrying Amount	Maximum Exposure to Loss(a)	Carrying Amount	Maximum Exposure to Loss(b)
Assets:				
Accounts and notes receivable, net	$ 8	$ 8	$ 10	$ 10
Investment in nonconsolidated affiliates	96	50	40	40
Other assets	26	26	6	6
Total assets	$ 130	$ 84	$ 56	$ 56
Liabilities:				
Accrued expenses	—	—	11	—
Total liabilities	$ —	$ —	$ 11	$ —
Off-Balance Sheet:				
Residual value guarantees		32		79
Other guarantees		4		5
Other liquidity arrangements (c)		115		—
Total guarantees and liquidity arrangements		$ 151		$ 84

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(a) Amounts at December 31, 2009 included $139 million related to troubled suppliers.

(b) Amounts at December 31, 2008 included $21 million related to troubled suppliers.

(c) Amount includes second lien term loan facility provided to American Axle of $100 million and other loan commitments of $15 million.

Note 17. Accrued Expenses, Other Liabilities and Deferred Income Taxes

The following table summarizes the components of Accrued expenses, other liabilities and deferred income taxes:

	Successor December 31, 2009	Predecessor December 31, 2008
Current		
Dealer and customer allowances, claims and discounts	$ 6,444	$ 8,939
Deposits from rental car companies	4,583	6,142
Deferred revenue	892	1,493
Policy, product warranty and recall campaigns	2,965	3,792
Delphi liability	—	150
Payrolls and employee benefits excluding postemployment benefits	1,325	1,591
Insurance reserves	243	388
Taxes (other than income taxes)	1,031	1,312
Derivative liability	568	2,726
Postemployment benefits including facility idling reserves	985	1,727
Interest	142	779
Pensions	430	430
Income taxes	219	186
Deferred income taxes	57	87
Other	2,404	2,685
Total accrued expenses	$ 22,288	$ 32,427
Noncurrent		
Dealer and customer allowances, claims and discounts	$ 1,311	$ 1,578
Deferred revenue	480	1,265
Policy, product warranty and recall campaigns	4,065	4,699
Delphi liability	—	1,570
Payrolls and employee benefits excluding postemployment benefits	1,818	2,314
Insurance reserves	269	1,324
Derivative liability	146	817
Postemployment benefits including facility idling reserves	1,944	1,626
Income taxes	944	430
Deferred income taxes	807	563
Other	1,495	1,206
Total other liabilities and deferred income taxes	$ 13,279	$ 17,392

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes activity for policy, product warranty, recall campaigns and certified used vehicle warranty liabilities (dollars in millions):

	Successor	Predecessor	
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Beginning balance	$ 7,193	$ 8,491	$ 9,615
Warranties issued and assumed in period	1,388*	1,069	4,277
Payments	(1,797)*	(1,851)	(5,068)
Adjustments to pre-existing warranties	66*	(153)	294
Effect of foreign currency translation	180	63	(627)
Liability adjustment, net due to the deconsolidation of Saab (a)	—	(77)	—
Ending balance	7,030	7,542	8,491
Effect of application of fresh-start reporting	—	(349)	—
Ending balance including effect of application of fresh-start reporting	$ 7,030	$ 7,193	$ 8,491

* Amounts originally reported as $1,598, $(2,232) and $291 in our 2009 Form 10-K. Refer to Note 3.

(a) In August 2009 Saab met the criteria to be classified as held for sale and, as a result, Saab's warranty liability was classified as held for sale at December 31, 2009.

In March 2009 the U.S. government announced that it would create a warranty program to pay for repairs covered by Old GM's warranty on each new vehicle sold in the U.S. and Mexico during Old GM's restructuring period. In May 2009 pursuant to the terms of the warranty program, Old GM and the UST contributed $410 million to fund the program. Old GM contributed $49 million in cash. The UST contributed the remaining required cash as part of a $361 million loan. On July 10, 2009 in connection with the 363 Sale, we assumed the obligations of the warranty program and entered into the UST Credit Agreement assuming debt of $7.1 billion, which Old GM incurred under its DIP Facility. Immediately after entering into the UST Credit Agreement, we made a partial repayment of $361 million due to the termination of the U.S. government sponsored warranty program, reducing the UST Loans balance to $6.7 billion. The original estimate of the warranty period was March 30, 2009 through July 31, 2009, which was based on a requirement that the UST approve the termination of the warranty program prior to July 31, 2009. The UST allowed repayment of the full amount of the $361 million loan on July 10, 2009 effectively terminating the warranty program. Subsequently, the cash contribution of $49 million and interest earned to date were repaid to us from the warranty program.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 18. Short-Term and Long-Term Debt

Short-Term Debt and Current Portion of Long-Term Debt

The following table summarizes the components of short-term debt (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
UST Loans	$ 5,712	$ —
UST Loan Facility (a)	—	3,836
Canadian Loan	1,233	—
GM Daewoo Revolving Credit Facility	1,179	791
Short-term debt — third parties	296	1,776
Short-term debt — related parties (b)	1,077	2,067
Current portion of long-term debt (c)	724	8,450
Total short-term debt	$ 10,221	$ 16,920
Available under short-term line of credit agreements (d)	$ 220	$ 186
Interest rate range on outstanding short-term debt (e)	0.0 – 19.0%	0.0 – 28.0%
Weighted-average interest rate on outstanding short-term debt (f)	6.5%	5.6%

(a) UST Loan Facility (as subsequently defined) is net of a $913 million discount which is comprised of $749 million for the UST Additional Note (as subsequently defined) and $164 million for the fair value of the warrants issued in connection with the loans under the UST Loan Agreement. At May 31, 2009 the carrying amount of the debt was accreted to the full face value of the UST Loan Facility and the UST Additional Note with the discount charged to Interest expense.

(b) Primarily dealer financing from GMAC for dealerships we own and Old GM owned.

(c) Amounts owed at December 31, 2009 include various secured and unsecured debt instruments. Amounts owed at December 31, 2008 include a secured revolving credit facility of $4.5 billion and a U.S. term loan of $1.5 billion.

(d) Commitment fees are paid on credit facilities at rates negotiated in each agreement. Amounts paid and expensed for these commitment fees are insignificant.

(e) Includes zero coupon debt.

(f) Includes coupon rates on debt denominated in various foreign currencies. At December 31, 2009 the weighted average effective interest rate on outstanding short-term debt was 8.0%.

Long-term debt

The following table summarizes the components of long-term debt (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
U.S. dollar denominated bonds	$ —	$ 14,882
VEBA Notes	2,825	—
Contingent convertible debt	—	7,339
Foreign currency denominated bonds	—	4,375
Other long-term debt (a)	3,461	10,841
Total debt	6,286	37,437
Less current portion of long-term debt	(724)	(8,450)
Fair value adjustment (b)	—	31
Total long-term debt	$ 5,562	$ 29,018
Available under GM Daewoo Revolving Credit Facility (c)	$ —	$ 402
Available under other long-term line of credit agreements (d)	$ 398	$ 55

(a) Old GM amounts include a secured revolving credit facility of $4.5 billion and a U.S. term loan of $1.5 billion, which are included in the current portion of long-term debt.

(b) To adjust hedged fixed rate debt for fair value changes attributable to the hedged risk. Refer to Note 20 for additional information on fair value hedges.

(c) Classified as long-term as credit facility is outstanding until October 2014.

(d) Commitment fees are paid on credit facilities at rates negotiated in each agreement. Amounts paid and expensed for these commitment fees are insignificant.

GM

UST Loans and VEBA Notes

Old GM received total proceeds of $19.4 billion ($15.4 billion subsequent to January 1, 2009) from the UST under the UST Loan Agreement entered into on December 31, 2008. In connection with the Chapter 11 Proceedings, Old GM obtained additional funding of $33.3 billion from the UST and EDC under its DIP Facility. From these proceeds, $12.5 billion remained deposited in escrow at December 31, 2009.

Amounts remaining in the escrow account will be distributed to us at our request upon certain conditions as outlined in the UST Credit Agreement. Any unused amounts in escrow on June 30, 2010 are required to be used to repay the UST Loans and Canadian Loan on a pro rata basis. Upon repayment of the UST Loans and Canadian Loan any funds in escrow will be returned to us. The UST Loans and Canadian Loan have been classified as short-term debt based on these terms.

On July 10, 2009 we entered into the UST Credit Agreement and assumed debt of $7.1 billion maturing on July 10, 2015 which Old GM incurred under its DIP Facility. Immediately after entering into the UST Credit Agreement, we made a partial repayment due to the termination of the U.S. government sponsored warranty program, reducing the UST Loans principal balance to $6.7 billion.

In November 2009 we signed amendments to the UST Credit Agreement and Canadian Loan Agreement to provide for quarterly repayments of our UST Loans and Canadian Loan. Under these amendments, we agreed to make quarterly payments of $1.0 billion and $192 million to the UST and EDC. In December 2009 we made a payment on the UST Loans of $1.0 billion.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The UST Loans accrue interest equal to the greater of the three month LIBOR rate or 2.0%, plus 5.0%, per annum, unless the UST determines that reasonable means do not exist to ascertain the LIBOR rate or that the LIBOR rate will not adequately reflect the UST's cost to maintain the loan. In such a circumstance, the interest rate will be the greatest of: (1) the prime rate plus 4%; (2) the federal funds rate plus 4.5%; or (3) the three month LIBOR rate (which will not be less than 2%) plus 5%. We are required to prepay the UST Loans on a pro rata basis (between the UST Loans, VEBA Notes and Canadian Loan), in an amount equal to the amount of net cash proceeds received from certain asset dispositions, casualty events, extraordinary receipts and the incurrence of certain debt. We may also voluntarily repay the UST Loans in whole or in part at any time. Once repaid, amounts borrowed under the UST Credit Agreement may not be reborrowed. At December 31, 2009 the UST Loans accrued interest at 7.0%.

In connection with the 363 Sale, we entered into the VEBA Note Agreement and issued VEBA Notes of $2.5 billion. The VEBA Notes have an implied interest rate of 9.0% per annum. The VEBA Notes and accrued interest are scheduled to be repaid in three equal installments of $1.4 billion on July 15 of 2013, 2015, and 2017. The VEBA Notes are considered outstanding debt on December 31, 2009 due to the settlement of the UAW hourly retiree medical plan pursuant to the 2009 Revised UAW Settlement Agreement and were recorded at their fair value of $2.8 billion, a premium of $325 million to the face value. We determined the fair value of the VEBA Notes based on market information for similar instruments. Refer to Note 19 for additional information on the 2009 Revised UAW Settlement Agreement.

The obligations under the UST Credit Agreement and the VEBA Note Agreement are secured by substantially all of our assets, subject to certain exceptions, including our equity interests in certain of our foreign subsidiaries, limited in most cases to 65% of the equity interests of the pledged foreign subsidiaries due to tax considerations.

The UST Credit Agreement and the VEBA Note Agreement contain various representations and warranties that we made on the effective date and, with respect to the UST Credit Agreement, we will be required to make on certain other dates. The UST Credit Agreement and the VEBA Note Agreement also contain various affirmative covenants requiring us to take certain actions and negative covenants restricting our ability to take certain actions. The affirmative covenants impose obligations on us with respect to, among other things:

- Financial and other reporting to the UST, including periodic confirmation of compliance with certain expense policies;
- Executive privileges and compensation requirements;
- Corporate existence;
- Preservation of the collateral and other property subject to the UST Credit Agreement and VEBA Note Agreement;
- Payment of taxes; and
- Compliance with certain laws.

In addition, the affirmative covenants include a vitality commitment which requires us to use our commercially reasonable best efforts to ensure that our manufacturing volume conducted in the United States is consistent with at least ninety percent of the projected manufacturing level (projected manufacturing level for this purpose being 1,801,000 units in 2010, 1,934,000 units in 2011, 1,998,000 units in 2012, 2,156,000 units in 2013 and 2,260,000 units in 2014), absent a material adverse change in our business or operating environment which would make the commitment non-economic. In the event that such a material adverse change occurs, the UST Credit Agreement provides that we will use our commercially reasonable best efforts to ensure that the volume of United States manufacturing is the minimum variance from the projected manufacturing level that is consistent with good business judgment and the intent of the commitment. This covenant survives our repayment of the loans and remains in effect through December 31, 2014 unless the UST receives total proceeds from debt repayments, dividends, interest, preferred stock redemptions and common stock sales equal to the total dollar amount of all UST invested capital.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

UST invested capital totals $49.5 billion, representing the cumulative amount of cash received by Old GM from the UST under the UST Loan Agreement and the DIP Facility, excluding $361 million which the UST loaned to Old GM under the warranty program and which was repaid on July 10, 2009. This balance also does not include amounts advanced under the UST GMAC Loan as the UST exercised its option to convert this loan into GMAC Preferred Membership Interests previously held by Old GM in May 2009.

To the extent we fail to comply with any of the covenants in the UST Credit Agreement that continue to apply to us, the UST is entitled to seek specific performance and the appointment of a court-ordered monitor acceptable to the UST (at our sole expense) to ensure compliance with those covenants.

The negative covenants in the UST Credit Agreement and the VEBA Note Agreement restrict us with respect to, among other things, fundamental changes, liens, restricted payments and restrictions on subsidiary distributions, amendments or waivers of certain documents, negative pledge clauses, use of proceeds from sales of assets and indebtedness.

The UST Credit Agreement and the VEBA Note Agreement contain restrictions on our ability to incur additional indebtedness, including indebtedness secured by a first-priority lien on certain of our assets. In addition if such indebtedness is to be secured by a first-priority lien on certain of our assets, the obligations under the UST Credit Agreement and the VEBA Note Agreement will be restructured to be secured by a second-priority lien on any such assets. The following table summarizes the restrictions to incur additional indebtedness (with certain exceptions):

- Secured indebtedness entered into after July 10, 2009 is limited to $6.0 billion provided that the aggregate amount of commitments under any secured revolving credit facilities shall not exceed $4.0 billion. Secured indebtedness exceeding these amounts is subject to an incurrence test under which total debt divided by 12 month trailing EBITDA cannot exceed 3:1 and also triggers repayments of 50% of the amount borrowed;

- Unsecured indebtedness entered into after July 10, 2009 is limited to $1.0 billion and triggers repayments of 50% of the amount borrowed. Unsecured indebtedness in excess of $1.0 billion is subject to the incurrence test previously described; and

- The aggregate principal amount of capital lease obligations and purchase money indebtedness shall not exceed $2.0 billion.

At December 31, 2009 we were significantly below all restrictions previously described.

The UST Credit Agreement and the VEBA Note Agreement also contain various events of default (including cross-default provisions) that entitle the UST or the New VEBA to accelerate the repayment of the UST Loans and the VEBA Notes upon the occurrence and continuation of an event of default. In addition, upon the occurrence and continuation of any event of default, interest under the UST Credit Agreement accrues at a rate per annum equal to 2.0% plus the interest rate otherwise applicable to the UST Loans and the implied interest rate on the VEBA Notes increases to a rate equal to 11.0% per annum, compounded annually. The events of default relate to, among other things:

- Our failure to pay principal or interest on the UST Loans or to make payments on the VEBA Notes;

- Certain of our domestic subsidiaries' failure to pay on their guarantees;

- The failure to pay other amounts due under the loan documents or the secured note documents;

- The failure to perform the covenants in the loan documents or the secured note documents;

- The representations and warranties in the UST Credit Agreement or the VEBA Note Agreement being false or misleading in any material respect;

- Undischarged judgments in excess of $100 million;
- Certain bankruptcy events;
- The termination of any loan documents or secured note documents;
- The invalidity of security interests in our assets;
- Certain prohibited transactions under the Employee Retirement Income Security Act of 1974, as amended (ERISA);
- A change of control without the permission of the UST;
- A default under the Canadian Loan Agreement other than the vitality commitment; and
- A default under other indebtedness if the default, including a default of the vitality commitment under the Canadian Loan Agreement, results in the holder accelerating the maturity of indebtedness in excess of $100 million in the aggregate.

The following table summarizes interest expense and interest paid on the UST Loans (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Interest expense	$ 226
Interest paid	$ 137

Canadian Loan Agreement

On July 10, 2009 we entered into the Canadian Loan Agreement and assumed a CAD $1.5 billion (equivalent to $1.3 billion when entered into) term loan maturing on July 10, 2015. The Canadian Loan accrues interest at the greater of the three-month Canadian Dealer Offered Rate or 2.0%, plus 5.0% per annum. Accrued interest is payable quarterly. At December 31, 2009 the Canadian Loan accrued interest at 7.0%.

As discussed previously, we signed an amendment to the Canadian Loan Agreement and in December 2009 we made a payment on the Canadian Loan of $192 million.

GMCL may voluntarily repay the Canadian Loan in whole or in part at any time. Once repaid, GMCL cannot reborrow under the Canadian Loan Agreement. We and 1908 Holdings Ltd., Parkwood Holdings Ltd., and GM Overseas Funding LLC, each of which is a Subsidiary Guarantor of GMCL, have guaranteed the Canadian Loan. Our guarantee of GMCL's obligations under the Canadian Loan Agreement is secured by a lien on the equity of GMCL. Because 65% of our ownership interest in GMCL was previously pledged to secure the obligations under the UST Credit Agreement and the VEBA Note Agreement, EDC received a first priority lien on 35% of our equity interest in GMCL and a second priority lien on the remaining 65%. With certain exceptions, GMCL's obligations under the Canadian Loan Agreement are secured by a first lien on substantially all of its and the Subsidiary Guarantors' assets, including GMCL's ownership interests in the Subsidiary Guarantors and a portion of GMCL's equity interests in General Motors Product Services Inc., a subsidiary of ours.

The Canadian Loan Agreement contains various representations and warranties GMCL and the Subsidiary Guarantors made on the effective date. The Canadian Loan Agreement also contains various affirmative covenants requiring GMCL and the Subsidiary Guarantors to take certain actions and negative covenants restricting the ability of GMCL and the Subsidiary Guarantors to take certain actions. The affirmative covenants impose obligations on GMCL and the Subsidiary Guarantors with respect to, among other

things, financial and other reporting to EDC, reporting on and preservation of the collateral pledged in connection with the Canadian Loan Agreement, executive privileges and compensation, restrictions on expenses and compliance with applicable laws. In addition, GMCL has committed, among other things, to meet certain capital and research and development investment levels, and to produce a certain percentage (based on North American and/or total United States and Canada production levels) of vehicles and vehicle components in Canada until the later of the date that the amounts outstanding under the Canadian Loan Agreement are paid in full or December 31, 2016.

The negative covenants and various events of default in the Canadian Loan Agreement are substantially similar to the negative covenants under the UST Credit Agreement and the VEBA Note Agreement, as applicable to GMCL and the Subsidiary Guarantors, and also require GMCL to maintain certain minimum levels of unrestricted cash and cash equivalents and address specific requirements with respect to pension and compensation matters.

The following table summarizes interest expense and interest paid on the Canadian Loan (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Interest expense	$ 46
Interest paid	$ 46

GM Daewoo Revolving Credit Facility

GM Daewoo's revolving credit facility is our largest such facility. The borrowings under this Korean Won denominated facility are secured by substantially all of GM Daewoo's property, plant, and equipment located in Korea. Amounts borrowed under this facility accrue interest based on the Korean Won denominated 91-day certificate of deposit rate. The average interest rate on outstanding amounts under this facility at December 31, 2009 was 5.69%. The facility is used by GM Daewoo for general corporate purposes, including working capital needs. In November 2010, any remaining amounts outstanding under this credit facility will convert to a term-loan. Prior to conversion into a term-loan, amounts borrowed under this facility are classified as short-term debt. These amounts will be repaid in four equal annual installments beginning in November 2011 and ending in October 2014. In April 2010 GM Daewoo repaid KRW 250 billion (equivalent to $225 million at the time of payment) of its KRW 1.4 trillion (equivalent of $1.2 billion at the time of payment) revolving credit facility.

German Revolving Bridge Facility

In May 2009 Old GM entered into a revolving bridge facility with the German government and certain German states (German Facility) with a total commitment of up to Euro 1.5 billion (equivalent to $2.1 billion when entered into) and maturing November 30, 2009. On November 24, 2009 the debt was paid in full and extinguished.

The following table summarizes interest expense and interest paid on the German Facility, including amortization of related discounts (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Interest expense (a)	$ 32
Interest paid	$ 37

(a) Old GM recorded interest expense of $5 million in the period January 1, 2009 through July 9, 2009.

Other Long-Term Debt

Other long-term debt of $3.5 billion (net of a $1.6 billion discount) at December 31, 2009 is comprised of unsecured debt of $1.2 billion, secured debt of $1.6 billion, and capital leases of $693 million. The weighted average coupon rate of other long-term debt was 5.8% at December 31, 2009.

In connection with the purchase of the noncontrolling interest in CAMI, we recorded a loss on extinguishment of debt of $101 million related to the repayment of secured long-term debt of $400 million in the period July 10, 2009 through December 31, 2009.

Long-Term Debt Maturities

The following table summarizes long-term debt maturities including capital leases at December 31, 2009 (dollars in millions):

	Debt Maturities
2010	$ 750
2011	$ 445
2012	$ 645
2013	$ 737
2014	$ 125
Thereafter	$ 5,320

At December 31, 2009 future interest payments on capital lease obligations was $687 million.

Receivables Program

The Receivables Program was developed in March 2009 to provide liquidity and access to credit to automotive suppliers by guaranteeing or purchasing certain receivables we owe or Old GM owed. Amounts borrowed from the UST and used to pay suppliers are recorded in Short-term debt with a corresponding decrease in Accounts payable or Accrued expenses. We are and Old GM was responsible for paying interest on any loans the UST provided at an annual rate of LIBOR plus 3.5%, with a minimum of 5.5%, and for paying administrative fees of 25 basis points per annum of the average daily program balance to a third party administrator. A termination fee of 4.0% of the outstanding commitment is due to the UST upon expiration or termination of the Receivables Program. We will share any residual capital in the program equally with the UST. At December 31, 2009 our equity contributions were $55 million and the UST had outstanding loans of $150 million to the Receivables Program.

The following table summarizes interest expense related to the Receivables Program, including amortization of related discounts (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009	Predecessor January 1, 2009 Through July 9, 2009
Amortization of loan discount related to termination fee	$ 3	$ 21
Interest expense	12	1
Total interest expense	$ 15	$ 22

Technical Defaults and Covenant Violations

Several of our loan facilities include clauses that may be breached by a change in control, a bankruptcy or failure to maintain certain financial metric limits. The Chapter 11 proceedings and the change in control as a result of the 363 Sale triggered technical defaults in certain loans for which we have assumed the obligation. A potential breach in another loan was addressed before default

with a waiver we obtained from the lender subject to renegotiation of the terms of the facility. We successfully concluded the renegotiation of these terms in September 2009. In October 2009 we repaid one of the loans in the amount of $17 million as a remedy to the default. The total amount of the two remaining loan facilities in technical default for these reasons at December 31, 2009 was $206 million. We continue to negotiate with the lenders to obtain waivers or reach settlements to cure these defaults. We have classified these loans as short-term debt at December 31, 2009.

Two of our loan facilities had financial covenant violations at December 31, 2009 related to exceeding financial ratios limiting the amount of debt held by the subsidiaries. One of these violations was cured within the 30 day cure period through the combination of an equity injection and the capitalization of intercompany loans. The $72 million related to our powertrain subsidiary in Italy remains in default and we continue negotiations with its lenders to cure the default.

Covenants in our UST Credit Agreement, VEBA Note Agreement, Canadian Loan Agreement and other agreements require us to provide our consolidated financial statements by March 31, 2010. We received waivers of this requirement for the agreements with the UST, New VEBA and EDC. We also provided notice to and requested waivers related to three lease facilities. The filing of our 2009 10-K and our Quarterly Report on Form 10-Q for the period ended September 30, 2009 within the automatic 90 day cure period will satisfy the requirements under these lease facility agreements.

Old GM

United States Department of the Treasury Loan Facility

On December 31, 2008 Old GM entered into the UST Loan Agreement pursuant to which the UST agreed to provide Old GM with the UST Loan Facility and as a result received total proceeds of $19.4 billion ($15.4 billion in the period January 1, 2009 through July 9, 2009). In addition Old GM issued a promissory note to the UST in the amount of $749 million (UST Additional Note) for no additional consideration.

In connection with the Chapter 11 Proceedings, Old GM obtained additional funding of $33.3 billion from the UST and EDC under its DIP Facility.

In connection with the 363 Sale, amounts borrowed under the UST Loan Agreement and the DIP Facility, excluding the UST Loans of $7.1 billion that we assumed, were converted into our equity. The UST Additional Note was also converted into our equity.

The following table summarizes interest expense and interest paid on the UST Loan Facility and the DIP Facility, including amortization of related discounts (dollars in millions):

	Predecessor	
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Interest expense	$ 4,006	$ —
Interest paid	$ 144	$ —

Refer to Note 2 for additional information on the Chapter 11 Proceedings and the 363 Sale.

Export Development Canada Loan Facility

In April 2009 Old GM entered into the EDC Loan Facility pursuant to which Old GM received total proceeds of $2.4 billion in the period January 1, 2009 through July 9, 2009. In the period January 1, 2009 through July 9, 2009 Old GM also issued promissory notes to the EDC in the amount of $161 million for no additional consideration. In connection with the Chapter 11 Proceedings and the 363 Sale, amounts borrowed under these agreements were converted into our equity.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes interest expense and interest paid on amounts borrowed under these agreements, including amortization of related discounts (dollars in millions):

	Predecessor January 1, 2009 Through July 9, 2009
Interest expense	$ 173
Interest paid	$ 6

Refer to Note 2 for additional information on the Chapter 11 Proceedings and the 363 Sale.

German Revolving Bridge Facility

The following table summarizes interest expense and interest paid on the German Facility, including amortization of related discounts (dollars in millions):

	Predecessor January 1, 2009 Through July 9, 2009
Interest expense	$ 5
Interest paid	$ —

Secured Revolving Credit Facility, U.S. Term Loan and Secured Credit Facility

In connection with the preparation of Old GM's consolidated financial statements for the year ended 2008, Old GM concluded there was substantial doubt about its ability to continue as a going concern and its independent auditors included a statement in their audit report related to the existence of substantial doubt about its ability to continue as a going concern. Because Old GM's auditors included such a statement in their audit report, Old GM would have been in violation of the debt covenants for the $4.5 billion secured revolving credit facility, the $1.5 billion U.S. term loan and the $125 million secured credit facility and Old GM therefore secured amendments and waivers related to those obligations as subsequently discussed.

In February 2009 Old GM entered into an agreement to amend its $4.5 billion secured revolving credit facility. The amendment included a waiver of the going concern covenant in the year ended 2008, revised borrowing and default interest rates, and cross-default provisions to the UST Loan Facility. Old GM accounted for the amendment as a debt modification and therefore capitalized the additional fees paid to acquire the amendment. The additional fees were amortized through the date of extinguishment.

In March 2009 Old GM entered into an agreement to amend its $1.5 billion U.S. term loan. The amendment included a waiver of the going concern covenant in the year ended 2008, revised borrowing and default rates, and cross-default provisions to the UST Loan Facility. Because the terms of the amended U.S. term loan were substantially different than the original terms, primarily due to the revised borrowing rate, Old GM accounted for the amendment as a debt extinguishment. As a result, Old GM recorded the amended U.S. term loan at fair value and recorded a gain on the extinguishment of the original loan facility of $906 million in the three months ended March 31, 2009.

In February 2009 Old GM entered into an agreement to amend its $125 million secured credit facility. The amendment included a waiver of the going concern covenant in the year ended 2008, revised borrowing and default rates, cross-default provisions to the UST Loan Facility, and an extension of the maturity date to November 2010. As a result of the terms of the amendment, Old GM accounted for the amendment as a troubled debt restructuring and therefore amortized the outstanding debt balance using the revised effective interest rate calculated in accordance with the new loan terms through the date of extinguishment.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In connection with the Chapter 11 Proceedings, Old GM's $4.5 billion secured revolving credit facility, $1.5 billion U.S. term loan and $125 million secured credit facility were paid in full on June 30, 2009. Old GM recorded a loss of $958 million in Reorganization gains, net related to the extinguishments of the debt primarily due to the face value of the U.S. term loan exceeding the carrying amount.

Lease Asset Securitization

Old GM held bankruptcy-remote SPEs that are parties to lease asset securitizations. The secured debt of $1.2 billion at December 31, 2008 was primarily comprised of the asset-backed debt securities issued by these SPEs. Amounts are included in the current portion of long-term debt.

Contingent Convertible Debt

The following table summarizes Old GM's unsecured contingent convertible debt (dollars in millions, except conversion price):

	Due	Conversion Price	Outstanding Amount December 31, 2008
4.50% Series A debentures	2032	$ 70.20	$ 39
5.25% Series B debentures	2032	$ 64.90	2,384
6.25% Series C debentures	2033	$ 47.62	3,940
1.50% Series D debentures	2009	$ 40.11	976
			$ 7,339

Old GM had unilaterally and irrevocably waived and relinquished the right to use common stock, and had committed to use cash to settle the principal amount of the debentures if: (1) holders chose to convert the debentures; or (2) Old GM was required by holders to repurchase the debentures. Old GM retained the right to use either cash or its common stock to settle any amount that may become due to debt holders in excess of the principal amount. In connection with the 363 Sale, MLC retained the contingent convertible debt.

At December 31, 2008 the number of shares on which the aggregate consideration to be delivered upon conversion would have been determined for the Series A, Series B, Series C and Series D debentures was 1 million, 40 million, 90 million and 25 million.

In connection with the issuance of the Series D debentures, Old GM purchased a capped call option for the Series D debentures in a private transaction, pursuant to which Old GM had the right to purchase 5 million of Old GM's shares from a third party. Exercise of the capped call option was expected to reduce the potential dilution with respect to Old GM's common stock upon conversion of the Series D debentures to the extent that the market value per share of Old GM's common stock did not exceed a specified cap, resulting in an effective conversion price of $45.71 per share. In connection with the 363 Sale, MLC retained both the Series D debentures which matured on June 1, 2009 and the capped call option.

In September 2008 Old GM entered into agreements with a qualified institutional holder of the Series D debentures. Pursuant to these agreements, Old GM issued an aggregate of 44 million shares of common stock in exchange for $498 million principal amount of the Series D debentures. In accordance with the agreements, the amount of common stock exchanged for the Series D debentures was based on the daily volume weighted-average price of Old GM's common stock on the New York Stock Exchange in the contractual three and four day pricing periods. Old GM entered into the agreements, in part, to reduce Old GM's debt and interest costs, increase Old GM's equity, and thereby, improve Old GM's liquidity. Old GM did not receive any cash proceeds from the exchange of the common stock for the Series D debentures, which were retired and cancelled. As a result of this exchange, Old GM recorded a settlement gain of $43 million.

Old GM adopted the provisions of ASC 470-20 in January 2009, with retrospective application to prior periods. Upon adoption of ASC 470-20, the effective interest rate on Old GM's outstanding contingent convertible debt ranged from 7.0% to 7.9%. Refer to Note 3 for additional information on the adoption of ASC 470-20.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

At December 31, 2008 the net carrying amount of the conversion feature for all contingent convertible debt outstanding recorded in Capital surplus was $734 million. At December 31, 2008 the principal amount of each note exceeded the if-converted value.

The following table summarizes the components of contingent convertible debt outstanding (dollars in millions):

	Predecessor December 31, 2008
Principal	$ 7,941
Unamortized discounts (a)	(602)
Outstanding balance	$ 7,339

(a) Discounts being amortized through the maturity dates or the initial put dates of the related debt, ranging from 2009 to 2018.

The following table summarizes the components of Interest expense related to contingent convertible debt (dollars in millions):

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Interest accrued or paid (a)	$ 176	$ 427	$ 429
Amortization of discounts	51	136	107
Interest expense	$ 227	$ 563	$ 536

(a) Contractual interest expense not accrued or recorded on pre-petition debt as a result of the Chapter 11 Proceedings totaled $44 million in the period January 1, 2009 through July 9, 2009.

U.S. Dollar Denominated Bonds

U.S. dollar denominated bonds represented obligations having various annual coupons ranging from 6.75% to 9.45% and maturities ranging from 2011 to 2052. These bonds were unsecured. In connection with the 363 Sale, MLC retained the U.S. dollar denominated bonds.

Foreign Currency Denominated Bonds

Foreign currency denominated bonds were unsecured and included bonds denominated in Euros with annual coupons ranging from 7.25% to 8.375% and maturity dates ranging from 2013 to 2033. Also included within foreign currency denominated bonds were bonds denominated in British Pounds with annual coupons ranging from 8.375% to 8.875% and maturity dates ranging from 2015 to 2023. To mitigate the foreign currency exchange exposure created by these bonds, Old GM entered into cross currency swaps. The notional value of these swaps was $2.3 billion at December 31, 2008. In connection with the 363 Sale, MLC retained the foreign currency denominated bonds.

Other Long-Term Debt

Other long-term debt of $9.7 billion at December 31, 2008 was comprised of revolving credit agreements, a U.S. term loan, capital leases, municipal bonds, and other long-term obligations. In connection with the 363 Sale, we assumed certain capital lease obligations, municipal bonds, and other long-term obligations. MLC retained the remainder of the debt not assumed by us. Refer to Note 2 for additional information on other long-term debt we assumed in connection with the 363 Sale.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Revolving Credit Agreements

In August 2007 Old GM entered into a revolving credit agreement that provided for borrowings of up to $1.0 billion. The facility expired in June 2009. Borrowings under this facility bore interest based on either the commercial paper rate or LIBOR. The borrowings were to be used for general corporate purposes, including working capital needs. Under the facility, borrowings were limited to an amount based on the value of underlying collateral, which was comprised of residual interests in trusts that own leased vehicles and issued asset-backed securities collateralized by the vehicles and the associated leases. The underlying collateral was held by bankruptcy-remote SPEs and pledged to a trustee for the benefit of the lender. The underlying collateral supported a borrowing base of $323 million at December 31, 2008. Old GM consolidated the bankruptcy-remote SPEs and trusts. At December 31, 2008 $310 million was outstanding under this agreement, leaving $13 million available.

Old GM had a $4.5 billion standby revolving credit facility with a syndicate of banks, which was paid in full on June 30, 2009. At December 31, 2008 $4.5 billion was outstanding under this credit facility, with availability of $5 million. In addition to the outstanding amount at December 31, 2008 there were $10 million of letters of credit issued under the credit facility. Borrowings were limited to an amount based on the value of the underlying collateral, which was comprised of certain North American accounts receivable; certain inventory of Old GM, Saturn Corporation, and GMCL; certain facilities; property and equipment of GMCL; and a pledge of 65% of the stock of the holding company for Old GM's indirect subsidiary GM de Mexico. The carrying amount of these assets was $5.6 billion at December 31, 2008. The collateral also secured $155 million of certain lines of credit, automatic clearinghouse and overdraft arrangements and letters of credit provided by the same secured lenders. At December 31, 2008 in addition to the $10 million letters of credit issued under the revolving credit facility, $81 million was utilized to secure other facilities.

Interest Rate Risk Management

To achieve the desired balance between fixed and variable rate debt, Old GM entered into interest rate swaps. The notional amount of pay variable swap agreements at December 31, 2008 was $4.5 billion.

Additionally, Old GM entered into interest rate swaps and cap agreements at bankruptcy-remote subsidiaries. The notional amount of such agreements at December 31, 2008 was $469 million pay floating and the fixed interest rates ranged from 4.5% to 5.7%.

At December 31, 2008 long-term debt included obligations of $24.7 billion with fixed interest rates and obligations of $4.9 billion with variable interest rates (primarily LIBOR), after interest rate swap agreements.

Other

Contractual interest expense not accrued or recorded on pre-petition debt totaled $200 million in the period January 1, 2009 through July 9, 2009 (includes contractual interest expense related to contingent convertible debt of $44 million).

Old GM had other financing arrangements consisting principally of obligations in connection with sale-leaseback transactions, derivative contracts and other lease obligations (including off-balance sheet arrangements). In view of the 2006 restatement of Old GM's prior financial statements, Old GM evaluated the effect of the restatement under these agreements, including its legal rights (such as its ability to cure) with respect to any claims that could be asserted. Based on Old GM's review, it was believed that amounts subject to possible claims of acceleration, termination or other remedies were not likely to exceed $3.6 billion (primarily comprised of off-balance sheet arrangements and derivative contracts) although no assurances can be given as to the likelihood, nature or amount of any claims that may be asserted. Based on this review, Old GM reclassified $187 million of these obligations from long-term debt to short-term debt at December 31, 2008.

Note 19. Pensions and Other Postretirement Benefits

Employee Pension and Other Postretirement Benefit Plans

Defined Benefit Pension Plans

Defined benefit pension plans covering eligible U.S. (hired prior to October 15, 2007) and Canadian hourly employees generally provide benefits of negotiated, stated amounts for each year of service and supplemental benefits for employees who retire with 30 years of service before normal retirement age. Non-skilled trades hourly employees hired after October 15, 2007 participate in a defined benefit cash balance plan. The benefits provided by the defined benefit pension plans covering eligible U.S. (hired prior to January 1, 2001) and Canadian salaried employees and salaried employees in certain other non-U.S. locations are generally based on years of service and compensation history. There is also an unfunded nonqualified pension plan covering certain U.S. executives for service prior to January 1, 2007 and it is based on an "excess plan" for service after that date. Refer to the subsequent section "Significant Plan Amendments, Benefit Modifications and Related Events" concerning changes to defined benefit pension plans for certain U.S. and Canadian hourly and salaried employees.

Defined Contribution Plans

The Savings-Stock Purchase Plan (S-SPP) is a defined contribution retirement savings plan for eligible U.S. salaried employees. The S-SPP provides discretionary matching contributions up to certain predefined limits based upon eligible base salary. The matching contribution for the S-SPP was suspended by Old GM in November 2008 and reinstated by us in October 2009. A benefit contribution equal to 1.0% of eligible base salary for U.S. salaried employees with a service commencement date in or after January 1993 was discontinued effective in January 2010. A retirement contribution to the S-SPP equal to 4.0% of eligible base salary is provided for eligible U.S. salaried employees with a service commencement date in or after January 2001. Contributions are also made to certain non-U.S. defined contribution plans. There is also an unfunded nonqualified defined contribution savings plan covering certain U.S. executives that is based on contributions in excess of qualified plan limits.

U. S. hourly employees hired on or after October 15, 2007 are not eligible for postretirement health care. Such employees receive a $1.00 per compensated hour contribution into their personal saving plan account. The contributions are not significant.

The following table summarizes significant contributions to defined contribution plans (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
S-SPP	$ 39	$ 12	$ 128	$ 82
Non-U.S. defined contribution plans	61	58	169	153
Total contributions	$ 100	$ 70	$ 297	$ 235

Other Postretirement Benefit Plans

Certain hourly and salaried defined benefit plans provide postretirement medical, dental, legal service and life insurance to eligible U.S. and Canadian retirees and their eligible dependents. Refer to the subsequent section "Significant Plan Amendments, Benefit Modifications and Related Events" concerning changes to postretirement benefit plans for certain U.S. and Canadian hourly and salaried employees. Certain other non-U.S. subsidiaries have postretirement benefit plans, although most non-U.S. employees are covered by government sponsored or administered programs.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

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Significant Plan Amendments, Benefit Modifications and Related Events

2009

The following tables summarize the significant 2009 defined benefit plan interim remeasurements, the related changes in accumulated postretirement benefit obligations (APBO), projected benefit obligations (PBO) and the associated curtailments, settlements and termination benefits recorded in our earnings in the period July 10, 2009 through December 31, 2009 and the earnings of Old GM in the period January 1, 2009 through July 9, 2009, which are subsequently discussed (dollars in millions):

		Successor					
		Change in Discount Rate		Increase (Decrease) Since the Most Recent Remeasurement Date(c)	Gain (Loss)		
Event and Remeasurement Date When Applicable	Affected Plans	From	To	PBO/APBO	Curtailments	Settlements	Termination Benefits and Other
2009 Special Attrition Programs (a)	U.S. hourly defined benefit pension plan	—	—	$ 58	$ —	$ —	$ (58)
Global salaried workforce reductions (a)	U.S. salaried defined benefit pension plan	—	—	175	—	—	(175)
2009 Revised UAW Settlement Agreement — December 31	UAW hourly retiree medical plan	—	—	(22,654)*	—	(2,571)	—
IUE-CWA and USW Settlement Agreement — November 1 (b)	U.S. hourly defined benefit pension plan	5.58%	5.26%	1,897	—	—	—
	Non-UAW hourly retiree health care plan	6.21%	5.00%	360	—	—	—
	U.S. hourly life plan	5.41%	5.56%	53	—	—	—
Delphi Benefit Guarantee Agreements — August 1 (b)	U.S. hourly defined benefit pension plan	5.83%	5.58%	2,548	—	—	—
Total				$ (17,563)	$ —	$ (2,571)	$ (233)

* Amount originally reported as $(22,236) in our 2009 Form 10-K. The column total has been corrected accordingly. Refer to Note 3.

(a) Reflects the effect on PBO. There was no remeasurement.

(b) Includes reclassification of contingent liability to benefit plan obligation.

(c) The increase/decrease includes the effect of the event, the gain or loss from remeasurement, net periodic benefit cost and benefit payments.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

		Predecessor					
		Change in Discount Rate		Increase (Decrease) Since the Most Recent Remeasurement Date	Gain (Loss)		
Event and Remeasurement Date When Applicable	Affected Plans	From	To	PBO/APBO	Curtailments	Settlements	Termination Benefits and Other
2009 Special Attrition Programs — June 30	U.S. hourly defined benefit pension plan	6.15%	6.25%	$ 7	$ (1,390)	$ —	$ (12)
Global salaried workforce reductions — June 1	U.S. salaried defined benefit pension plan	6.50%	6.50%	24	(327)	—	—
Global salaried workforce reductions — March 1	Canadian salaried defined benefit pension plan	6.75%	6.25%	15	(20)	—	—
U.S. salaried benefits changes — February 1	U.S. salaried retiree life insurance plan	7.25%	7.15%	(420)	—	—	—
U.S. salaried benefits changes — June 1	U.S. salaried retiree health care program	6.80%	6.80%	(265)	—	—	—
2009 CAW Agreement — June 1	Canadian hourly defined benefit pension plan	6.75%	5.65%	340	—	—	(26)
2009 CAW Agreement — June 1	CAW hourly retiree healthcare plan and CAW retiree life plan	7.00%	5.80%	(143)	93	—	—
Total				$ (442)	$ (1,644)	$ —	$ (38)

2009 Special Attrition Programs

In February and June 2009 Old GM announced the 2009 Special Attrition Programs for eligible UAW-represented employees, offering cash and other incentives for individuals who elected to retire or voluntarily terminate employment. In the period January 1, 2009 through July 9, 2009 Old GM recorded postemployment benefit charges for 13,000 employees. Refer to Note 24 for additional information on the postemployment benefit charges.

Old GM remeasured the U.S. hourly defined benefit pension plan in June 2009 based on the 7,800 irrevocable acceptances through that date as these acceptances to the 2009 Special Attrition Programs yielded a significant reduction in the expected future years of service of active participants. An additional 180 employees accepted the terms of the 2009 Special Attrition Programs in the period July 1, 2009 through July 9, 2009.

In the period July 10, 2009 through December 31, 2009 5,000 employees accepted the terms of the 2009 Special Attrition Programs. We recorded special termination benefit charges for 1,000 of those employees based upon their elections. Plan remeasurement was not required because the July 10, 2009 plan assumptions included the effects of special attrition programs.

Global Salaried Workforce Reductions

In February and June 2009 Old GM announced its intention to reduce global salaried headcount. In March 2009 Old GM remeasured the Canadian salaried defined benefit pension plan as part of this initiative based upon an estimated significant reduction in the expected future years of service of active participants. In June 2009 Old GM remeasured the U.S. salaried defined benefit pension plan based upon an estimated significant reduction in the expected future years of service of active participants.

The U.S. salaried employee reductions related to this initiative were to be accomplished primarily through the 2009 Salaried Window Program or through a severance program funded from operating cash flows. These programs were involuntary programs

subject to management approval where employees were permitted to express interest in retirement or separation, for which the charges for the 2009 Salaried Window Program were recorded as special termination benefits funded from the U.S. salaried defined benefit pension plan and other applicable retirement benefit plans. The cost associated with the total targeted headcount reductions expected under the programs was determined to be probable and estimable and severance charges of $250 million were recorded in the period January 1, 2009 through July 9, 2009. Refer to Note 24 for additional information on the severance accrual.

In the period July 10, 2009 through December 31, 2009 1,500 salaried employees irrevocably accepted the terms of the 2009 Salaried Window Program. We reduced the severance accrual previously recorded by Old GM by $64 million and recorded special termination benefits.

A net reduction of 9,000 salaried employees was achieved globally, excluding 2,000 salaried employees acquired with our acquisition of Nexteer and four domestic facilities. Global salaried headcount decreased from 73,000 salaried employees at December 31, 2008 to 66,000 at December 31, 2009, including a reduction of 5,500 U.S. salaried employees. Refer to Note 5 for additional information on the acquisition of Nexteer and four domestic facilities.

U.S. Salaried Benefits Changes

In February 2009 Old GM reduced salaried retiree life benefits for U.S. salaried employees and remeasured its U.S. salaried retiree life insurance plan. In June 2009 Old GM approved and communicated negative plan amendments associated with the U.S. salaried retiree health care program including reduced coverage and increases to cost sharing. The plan was remeasured in June 2009.

In June 2009 Old GM communicated additional changes in benefits for retired salaried employees including an acceleration and further reduction in retiree life insurance, elimination of the supplemental executive life insurance benefit, and reduction in the supplemental executive retirement plan. These plan changes were contingent on completion of the 363 Sale and the effects of these amendments were included in the fresh start remeasurements.

2009 Revised UAW Settlement Agreement

In May 2009 Old GM and the UAW agreed to a 2009 Revised UAW Settlement Agreement that related to the UAW hourly retiree medical plan and the 2008 UAW Settlement Agreement, as subsequently discussed, that permanently shifted responsibility for providing retiree health care from Old GM to the New Plan funded by the New VEBA. The 2009 Revised UAW Settlement Agreement was subject to the successful completion of the 363 Sale and we and the UAW executed the 2009 Revised UAW Settlement Agreement on July 10, 2009 in connection with the 363 Sale. Details of the most significant changes to the agreement are:

- The Implementation Date changed from January 1, 2010 to the later of December 31, 2009 or the emergence from bankruptcy, which occurred on July 10, 2009;
- The timing of payments to the New VEBA changed as subsequently discussed;
- The form of consideration changed as subsequently discussed;
- The contribution of employer securities changed such that they were contributed directly to the New VEBA in connection with the 363 Sale on July 10, 2009;
- Certain coverages will be eliminated and certain cost sharing provisions will increase; and
- The flat monthly special lifetime pension benefit that was scheduled to commence on January 1, 2010 was eliminated.

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There was no change to the timing of our existing internal Voluntary Employee Benefit Association (VEBA) asset transfer to the New VEBA in that the internal VEBA asset transfer occurred within 10 business days after December 31, 2009 in accordance with the terms of both the 2008 UAW Settlement Agreement and the 2009 Revised UAW Settlement Agreement.

The new payment terms to the New VEBA under the 2009 Revised UAW Settlement Agreement are:

- VEBA Notes of $2.5 billion and accrued interest, at an implied interest rate of 9.0% per annum, are scheduled to be repaid in three equal installments of $1.4 billion in July of 2013, 2015 and 2017;
- 260 million shares of our Series A Preferred Stock that accrues cumulative dividends at 9.0% per annum;
- 263 million shares (17.5%) of our common stock;
- A warrant to acquire 45 million shares (2.5%) of our common stock at $42.31 per share at any time prior to December 31, 2015;
- Two years funding of claims costs for certain individuals that elected to participate in the 2009 Special Attrition Programs; and
- The existing internal VEBA assets.

The modifications to the UAW Settlement Agreement and the new payment terms resulted in a reorganization gain of $7.7 billion. Refer to Note 2 for additional information on the reorganization gain.

Under the terms of the 2009 Revised UAW Settlement Agreement, we are released from UAW retiree health care claims incurred after December 31, 2009. All obligations of ours, the New Plan and any other entity or benefit plan of ours for retiree medical benefits for the class and the covered group arising from any agreement between us and the UAW terminated at December 31, 2009. Our obligations to the New Plan and the New VEBA are limited to the terms of the 2009 Revised UAW Settlement Agreement.

From July 10, 2009 to December 31, 2009 we recorded net periodic postretirement healthcare cost, including service cost for UAW hourly retiree medical plan participants working toward eligibility. After December 31, 2009 no service cost will be recorded for active UAW participants who continue to work toward eligibility in the New Plan.

At December 31, 2009 we accounted for the termination of our UAW hourly retiree medical plan and Mitigation Plan, under which we agreed that an independent VEBA would be formed to pay certain healthcare costs of UAW hourly retirees and their beneficiaries, as a settlement. The resulting settlement loss of $2.6 billion recorded on December 31, 2009 represented the difference between the sum of the accrued OPEB liability of $10.6 billion and the existing internal VEBA assets of $12.6 billion, and $25.8 billion representing the fair value of the consideration transferred at December 31, 2009, including the contribution of the existing internal VEBA assets. Upon the settlement of the UAW hourly retiree medical plan at December 31, 2009 the VEBA Notes, Series A Preferred Stock, common stock, and warrants contributed to the New VEBA were recorded at fair value and classified as outstanding debt and equity instruments.

Prior to December 31, 2009 the 260 million shares of Series A Preferred Stock issued to the New VEBA were not considered outstanding for accounting purposes due to the terms of the 2009 Revised UAW Settlement Agreement. As a result, $105 million of the $146 million of dividends paid on September 15, 2009 and $147 million of the $203 million of dividends paid on December 15, 2009 were recorded as a reduction of Postretirement benefits other than pensions.

IUE-CWA and USW Settlement Agreement

In September 2009 we entered into a settlement agreement with MLC, the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers — Communication Workers of America (IUE-CWA), and the United Steel, Paper and Forestry,

Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW). Under the settlement agreement, the IUE-CWA and the USW agreed to withdraw and release all claims against us and MLC relating to retiree healthcare benefits and basic life insurance benefits. In exchange, the IUE-CWA, the USW and any additional union that agrees to the terms of the settlement agreement will be granted an allowed pre-petition unsecured claim in MLC's Chapter 11 proceedings in the amount of $1.0 billion with respect to retiree health and life insurance benefits for the post-age-65 retirees, post-age-65 surviving spouses and under-age-65 medicare eligible retirees or surviving spouses disqualified for retiree health care benefits from us under the settlement agreement. For participants remaining eligible for health care, certain coverages were eliminated and cost sharing will increase. These modifications became effective upon completion of the 363 Sale and resulted in a reorganization gain of $2.7 billion. Refer to Note 2 for additional information on the reorganization gain.

The settlement agreement was expressly conditioned upon and did not become effective until approved by the Bankruptcy Court in MLC's Chapter 11 proceedings, which occurred in November 2009. Several additional unions representing MLC hourly retirees joined the IUE-CWA and USW settlement agreement with respect to healthcare and life insurance. We remeasured the U.S. hourly defined benefit pension plan, non-UAW hourly retiree health care plan and the U.S. hourly life plan in November 2009 to reflect the terms and acceptances of the IUE-CWA and USW Settlement Agreement. The remeasurement of these plans resulted in a decrease in our related accrual and an offsetting increase in the PBO or APBO of the benefit plan.

2009 CAW Agreement

In March 2009 Old GM announced that the members of the CAW had ratified the 2009 CAW Agreement intended to reduce manufacturing costs in Canada by closing the competitive gap with transplant automakers in the United States on active employee labor costs and reducing legacy costs through introducing co-payments for healthcare benefits, increasing employee healthcare cost sharing, freezing pension benefits and eliminating cost of living adjustments to pensions for retired hourly workers. The 2009 CAW Agreement was conditioned on Old GM receiving longer term financial support from the Canadian and Ontario governments.

GMCL subsequently entered into additional negotiations with the CAW which resulted in a further addendum to the 2008 collective agreement which was ratified by the CAW members in May 2009. In June 2009 the Ontario and Canadian governments agreed to the terms of a loan agreement, approved the GMCL viability plan and provided funding to GMCL. The Canadian hourly defined benefit pension plan was remeasured in June 2009.

As a result of the termination of the employees from the former Oshawa, Ontario truck facility, the CAW hourly retiree healthcare plan and the CAW retiree life plan were remeasured in June 2009 and a curtailment gain associated with the CAW hourly retiree healthcare plan was also recorded in the three months ended June 30, 2009.

In June 2009 GMCL and the CAW agreed to the terms of an independent HCT to provide retiree health care benefits to certain active and retired employees. The HCT will be implemented when certain preconditions are achieved, including certain changes to the Canadian Income Tax Act. The preconditions have not been achieved and the HCT is not yet implemented at December 31, 2009. Under the terms of the HCT agreement, GMCL is obligated to make a payment of CAD $1.0 billion on the HCT implementation date which it will fund out of its CAD $1.0 billion escrow funds, adjusted for the net difference between the amount of retiree monthly contributions received during the period December 31, 2009 through the HCT implementation date less the cost of benefits paid for claims incurred by covered employees during this period. GMCL will provide a CAD $800 million note payable to the HCT on the HCT implementation date which will accrue interest at an annual rate of 7.0% with five equal annual installments of CAD $256 million due December 31 of 2014 through 2018. Concurrent with the implementation of the HCT, GMCL will be legally released from all obligations associated with the cost of providing retiree health care benefits to CAW active and retired employees bound by the class action process, and we will account for the related termination of CAW hourly retiree healthcare benefits as a settlement, based upon the difference between the fair value of the notes and cash contributed and the health care plan obligation at the settlement date.

Delphi

In July 2009 we and Delphi entered into an agreement with the PBGC regarding the settlement of the PBGC's claims from the termination of the Delphi pension plans. As part of that agreement, we maintained the obligation to provide the difference between

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

pension benefits paid by the PBGC according to regulation and those originally guaranteed by Old GM under the Delphi Benefit Guarantee Agreements. We had a legal obligation to provide this benefit to eligible UAW plan participants at July 10, 2009. We remeasured the U.S. hourly defined benefit pension plan in August 2009 for eligible UAW plan participants, which coincided with Delphi's transfer of its pension plan obligations to the PBGC. We did not agree to provide this benefit to eligible Delphi IUE-CWA and USW retirees until the IUE-CWA and USW Settlement Agreement was approved by the Bankruptcy Court in MLC's Chapter 11 proceedings, which occurred in November 2009; however a contingent liability had been recorded. We remeasured the U.S. hourly defined benefit pension plan in November 2009 for eligible IUE-CWA and USW plan participants that coincided with the approval of the IUE-CWA and USW Settlement Agreement by the Bankruptcy Court. The remeasurements of the U.S. hourly defined benefit pension plan resulted in a $1.4 billion increase in the plan PBO to the U.S. hourly defined benefit pension plan and an offsetting decrease principally related to our Delphi related accrual. Refer to Note 21 for additional information on the Delphi Benefit Guarantee Agreements.

2008

The following table summarizes Old GM's significant 2008 defined benefit plan interim remeasurements, the related changes in obligations and the associated curtailments, settlements and termination benefits, as applicable, recorded in earnings in the year ended 2008, which are subsequently discussed:

		Predecessor					
		Change in Discount Rate		Increase (Decrease) Since the Most Recent Remeasurement Date	Gain (Loss)		
Event and Remeasurement Date When Applicable	Affected Plans	From	To	PBO/APBO	Curtailments	Settlements	Termination Benefits and Other
2008 UAW Settlement Agreement — September 1	UAW hourly retiree medical plan	—	—	$ (13,135)	$ 6,326	$ —	$ —
	Mitigation Plan	—	—	(137)	(1,424)	—	—
	U.S. hourly defined benefit pension plan	6.45%	6.70%	563	—	—	—
2008 Special Attrition Programs — May 31	U.S. hourly defined benefit pension plan	6.30%	6.45%	842	(2,441)	—	(800)
	Various OPEB plans	—	—	—	104	—	(68)
2008 CAW Agreement and facility idlings — May 31	Canadian hourly and salaried defined benefit pension plans	5.75%	6.00%	262	(177)	—	(37)
Salaried retiree benefit plan changes — July 1	U.S. salaried retiree medical plan	6.40%	6.75%	(3,993)	—	(1,706)	—
	U.S. salaried defined benefit pension plan	6.45%	6.60%	3,159	—	—	—
Delphi-GM Settlement Agreement — September 30	Various U.S. hourly retiree medical plans	6.40%	6.85%	1,236	—	—	—
	U.S. hourly defined benefit pension plan	6.70%	7.10%	1,070	—	—	—
Total				$ (10,133)	$ 2,388	$ (1,706)	$ (905)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In addition to the events listed previously, a number of events related to benefit plans occurred that did not result in interim remeasurements including:

- IUE-CWA agreements related to the closure of the Moraine, Ohio facility resulted in increased cost of $255 million for pension benefit enhancements and a $257 million curtailment gain as a result of accelerating substantially all of the IUE-CWA retiree healthcare plan's negative prior service cost.

- Salaried workforce reduction resulted in special termination benefit charges of $311 million as a result of 3,700 employees accepting the 2008 Salaried Window Program, which was a voluntary early retirement program extended to certain U.S. salaried employees.

2008 UAW Settlement Agreement

In February 2008 Old GM entered into the 2008 UAW Settlement Agreement which provided that responsibility for providing retiree healthcare would permanently shift from Old GM to the New Plan funded by the New VEBA as of the Implementation Date. The 2008 UAW Settlement Agreement became effective in September 2008 with an implementation date of January 1, 2010. As a result of the 2008 UAW Settlement Agreement, Old GM's obligation to provide retiree healthcare coverage for UAW retirees and beneficiaries was to terminate at January 1, 2010. The obligation for retiree medical claims incurred on or after this date would be the responsibility of the New Plan and New VEBA. This agreement was revised in 2009 as discussed previously in the section "2009 Revised UAW Settlement Agreement."

The U.S. hourly defined benefit pension plan was amended as part of the 2008 UAW Settlement Agreement to reflect a flat monthly special lifetime benefit to be paid to plan participants commencing January 1, 2010 to help offset the retiree's increased costs of monthly contributions and other cost sharing increases required under the terms of the New VEBA. Effective with the 363 Sale, the additional pension flat monthly lifetime benefit was eliminated and was recorded as a component of the Reorganization gain, net upon our application of fresh-start reporting.

2008 Special Attrition Programs

In February 2008 Old GM entered into agreements with the UAW and the IUE-CWA regarding special attrition programs which were intended to further reduce the number of hourly employees. The 2008 UAW Special Attrition Program offered to 74,000 UAW-represented employees was comprised of wage and benefit packages for normal and early voluntary retirements or buyouts or pre-retirement leaves. In addition to their vested pension benefits, those employees who were retirement eligible received a lump sum payment that was funded from the U.S. hourly defined benefit pension plan, the amount of which depended upon their job classification. For those employees not retirement eligible, other buyout options were offered and funded from operating cashflow. The terms of the 2008 IUE-CWA Special Attrition Program, which was offered to 2,300 IUE-CWA represented employees, were similar to those offered under the 2008 UAW Special Attrition Program.

2008 CAW Agreement and Facility Idlings

In May 2008 Old GM entered into the 2008 CAW Agreement which resulted in increased pension benefits. Old GM subsequently announced its plan to cease production at the Oshawa, Ontario truck facility, which triggered a curtailment of Old GM's Canadian hourly and salaried defined benefit pension plans.

Prior to the 2008 CAW Agreement, Old GM amortized prior service cost related to its Canadian hourly defined benefit pension plan over the remaining service period for active employees, previously estimated to be 10 years. In conjunction with entering into the 2008 CAW Agreement, Old GM evaluated the 2008 CAW Agreement and the relationship with the CAW and determined that the contractual life of the labor agreements is a more appropriate reflection of the period of future economic benefit received from pension plan amendments negotiated as part of the collectively bargained agreement. This change accelerated the recognition of prior

service cost to three years, resulting in additional net periodic pension expense of $334 million recorded in Cost of sales in the year ended 2008 related to pension increases in Canada from prior collectively bargained agreements.

Salaried Retiree Benefit Plan Changes

In July 2008 Old GM amended its U.S. salaried retiree medical and defined benefit pension plans to eliminate healthcare coverage for U.S. salaried retirees over age 65, effective January 2009. Upon reaching age 65, affected retirees and surviving spouses were to receive a pension increase of $300 per month to partially offset the retiree's increased cost of Medicare and supplemental healthcare coverage. For participants who were under the age of 65, the future elimination of healthcare benefits upon turning age 65 and the increased pension benefits provided resulted in a negative plan amendment to the U.S. salaried retiree medical plan and a positive plan amendment to the U.S. salaried defined benefit pension plan, both of which will be amortized over seven years, which represents the average remaining years to full eligibility for U.S. salaried retiree medical plan participants.

Delphi-GM Settlement Agreements

Old GM and Delphi reached agreements in the three months ended September 30, 2008 with each of Delphi's unions regarding the plan to freeze the benefits related to the Delphi's hourly rate employee pension plan (Delphi HRP); the cessation by Delphi of OPEB for Delphi hourly union-represented employees and retirees; and transfers of certain assets and obligations from the Delphi HRP to Old GM's U.S. hourly defined benefit pension plan. As a result of assuming Delphi's OPEB obligation, Old GM reclassified liabilities of $2.8 billion from its Delphi related accrual to its U.S. OPEB obligation. Old GM remeasured certain of its OPEB plans in September 2008 to include Delphi hourly union-represented employees, the effects of other announced facility idlings in the U.S., as well as changes in certain actuarial assumptions.

The transfer of certain assets and obligations from the Delphi HRP to Old GM's U.S. hourly defined benefit pension plan resulted in a decrease in Old GM's Delphi related accrual and an offsetting increase in the PBO of $2.8 billion. Old GM remeasured its U.S. hourly defined benefit pension plan in September 2008 to include: (1) assets and liabilities of certain employees transferred in accordance with the Delphi Settlement Agreement; (2) its obligation under the Delphi Benefit Guarantee Agreement to provide up to seven years of credited service to covered employees; (3) the effects of other announced facility idlings in the U.S.; and (4) changes in certain actuarial assumptions including a discount rate increase.

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The following tables summarize the change in benefit obligations and related plan assets (dollars in millions):

	Successor			
	U.S. Plans Pension Benefits	Non-U.S. Plans Pension Benefits(a)	U.S. Plans Other Benefits	Non-U.S. Plans Other Benefits
	July 10, 2009 Through December 31, 2009			
Change in benefit obligations				
Beginning benefit obligation	$ 98,012	$ 21,392	$ 27,639	$ 3,420
Service cost	216	157	62	17
Interest cost	2,578	602	886	94
Plan participants' contributions	—	4	172	—
Amendments	(13)	(9)	1	(89)
Actuarial (gains) losses	3,102	1,592	1,732	64
Benefits paid	(3,938)	(714)	(1,700)	(70)
Medicare Part D receipts	—	—	84	—
IUE-CWA & USW related liability transfer	—	—	514	—
Foreign currency translation adjustments	—	1,469	—	376
Delphi benefit guarantee and other	1,365	—	—	—
UAW retiree medical plan settlement	—	—	(25,822)	—
Curtailments, settlements, and other (b)	249	(119)	2,220	(15)
Ending benefit obligation	101,571	24,374	5,788	3,797
Change in plan assets				
Beginning fair value of plan assets	78,493	8,616	10,702	—
Actual return on plan assets	9,914	1,201	1,909	—
Employer contributions	31	4,287	1,528	70
Plan participants' contributions	—	4	172	—
Benefits paid	(3,938)	(714)	(1,700)	(70)
UAW hourly retiree medical plan asset settlement	—	—	(12,586)	—
Foreign currency translation adjustments	—	765	—	—
Other	—	(132)	6	—
Ending fair value of plan assets	84,500	14,027	31	—
Ending funded status	$ (17,071)	$ (10,347)	$ (5,757)	$ (3,797)
Amounts recorded in the consolidated balance sheet are comprised of:				
Noncurrent asset	$ —	$ 98	$ —	$ —
Current liability	(93)	(337)	(685)	(161)
Noncurrent liability	(16,978)	(10,108)	(5,072)	(3,636)
Net amount recorded	$ (17,071)	$ (10,347)	$ (5,757)	$ (3,797)
Amounts recorded in Accumulated other comprehensive Income (loss) are comprised of:				
Net actuarial loss (gain)	$ (3,803)	$ 833	$ 212	$ 65
Net prior service cost (credit)	(13)	(9)	(1)	(89)
Total recorded in Accumulated other comprehensive income (loss)	$ (3,816)	$ 824	$ 211	$ (24)

(a) Table does not include other non-U.S. employee benefit arrangements with a total PBO of $76 million at December 31, 2009.

(b) U.S. other benefits includes the $2.6 billion settlement loss resulting from the termination of the UAW hourly retiree medical plan and Mitigation Plan.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor							
	U.S. Plans Pension Benefits		Non-U.S. Plans Pension Benefits(a)		U.S. Plans Other Benefits		Non-U.S. Plans Other Benefits	
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Change in benefit obligations								
Beginning benefit obligation	$ 98,135	$ 85,277	$ 19,995	$ 23,753	$ 39,960	$ 59,703	$ 2,930	$ 4,310
Service cost	243	527	155	410	69	241	12	32
Interest cost	3,077	5,493	596	1,269	1,615	3,519	102	225
Plan participants' contributions	—	—	8	29	169	401	—	—
Amendments	(8)	1,218	(584)	218	(705)	(1,108)	(482)	(185)
Actuarial (gains) losses	(260)	5,684	959	(965)	77	(18,918)	436	(443)
Benefits paid	(5,319)	(8,862)	(769)	(1,390)	(2,115)	(4,759)	(90)	(175)
Medicare Part D receipts	—	—	—	—	150	240	—	—
Foreign currency translation adjustments	—	—	856	(3,981)	—	—	159	(833)
Delphi obligation transfer	—	2,753	—	—	—	2,654	—	—
Curtailments, settlements, and other	1,559	6,045	(76)	652	8	(2,013)	(15)	(1)
Ending benefit obligation	97,427	98,135	21,140	19,995	39,228	39,960	3,052	2,930
Effect of application of fresh-start reporting	585	—	252	—	(11,589)	—	368	—
Ending benefit obligation including effect of application of fresh-start reporting	98,012	98,135	21,392	19,995	27,639	39,960	3,420	2,930
Change in plan assets								
Beginning fair value of plan assets	84,545	104,070	8,086	13,308	9,969	16,303	—	—
Actual return on plan assets	(203)	(11,350)	227	(2,863)	444	(4,978)	—	—
Employer contributions	57	90	529	977	1,947	3,002	90	175
Plan participants' contributions	—	—	8	29	169	401	—	—
Benefits paid	(5,319)	(8,862)	(769)	(1,390)	(2,115)	(4,759)	(90)	(175)
Foreign currency translation adjustments	—	—	516	(2,342)	—	—	—	—
Delphi plan asset transfer	—	572	—	—	—	—	—	—
Other	41	25	(197)	367	(10)	—	—	—
Ending fair value of plan assets	79,121	84,545	8,400	8,086	10,404	9,969	—	—
Effect of application of fresh-start reporting	(628)	—	216	—	298	—	—	—
Ending fair value of plan assets including effect of application of fresh-start reporting	78,493	84,545	8,616	8,086	10,702	9,969	—	—
Ending funded status	(18,306)	(13,590)	(12,740)	(11,909)	(28,824)	(29,991)	(3,052)	(2,930)
Effect of application of fresh-start reporting	(1,213)	—	(36)	—	11,887	—	(368)	—
Ending funded status including effect of application of fresh-start reporting	$ (19,519)	$ (13,590)	$ (12,776)	$ (11,909)	$ (16,937)	$ (29,991)	$ (3,420)	$ (2,930)
Amounts recorded in the consolidated balance sheet are comprised of:								
Noncurrent assets	$ —	$ —	$ 97	$ 109	$ —	$ —	$ —	$ —
Current liability	(74)	(108)	(339)	(322)	(1,809)	(3,848)	(147)	(154)
Noncurrent liability	(19,445)	(13,482)	(12,534)	(11,696)	$ (15,128)	(26,143)	(3,273)	(2,776)
Net amount recorded	$ (19,519)	$ (13,590)	$ (12,776)	$ (11,909)	$ (16,937)	$ (29,991)	$ (3,420)	$ (2,930)
Amounts recorded in Accumulated other comprehensive income (loss) are comprised of:								
Net actuarial loss	$ 38,007	$ 34,940	$ 7,387	$ 6,188	$ 1,631	$ 1,651	$ 1,005	$ 569
Net prior service cost (credit)	1,644	2,277	(754)	(170)	(5,028)	(5,305)	(860)	(519)
Transition obligation	—	—	7	7	—	—	—	—
Total recorded in Accumulated other comprehensive income (loss)	$ 39,651	$ 37,217	$ 6,640	$ 6,025	$ (3,397)	$ (3,654)	$ 145	$ 50
Effect of application of fresh-start reporting	(39,651)	—	(6,640)	—	3,397	—	(145)	—
Total recorded in Accumulated other comprehensive income (loss)	$ —	$ 37,217	$ —	$ 6,025	$ —	$ (3,654)	$ —	$ 50

(a) The table does not include other non-U.S. employee benefit arrangements with a total PBO of $94 million and $95 million at July 9, 2009 and December 31, 2008.

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In the period July 10, 2009 through December 31, 2009 we experienced actual return on plan assets on our U.S. pension plan assets of $9.9 billion compared to expected returns of $3.0 billion that were recognized as a component of our net pension expense during this period. As a result of the U.S. hourly and salaried defined benefit pension plan interim remeasurements, a portion of the effect of the actual plan asset gains was recognized in the market-related value of plan assets during the remainder of the period subsequent to the interim remeasurements. The market related value of plan assets used in the calculation of expected return on pension plan assets at December 31, 2009 is $2.8 billion lower than the actual fair value of plan assets for U.S. pension plans and $294 million lower than the actual fair value of plan assets for non-U.S. pension plans. Therefore, the effect of the improvement in the financial markets will not fully affect net pension expense in the year ended 2010. Refer to Note 4 for additional information on the market-related value of plan assets methodology utilized.

The following table summarizes the total accumulated benefit obligations (ABO), the ABO and fair value of plan assets for defined benefit pension plans with ABO in excess of plan assets, and the PBO and fair value of plan assets for defined benefit pension plans with PBO in excess of plan assets (dollars in millions):

	Successor		Predecessor	
	December 31, 2009		December 31, 2008	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
ABO	$101,397	$23,615	$98,003	$19,547
Plans with ABO in excess of plan assets				
ABO	$101,397	$22,708	$98,003	$19,229
Fair value of plan assets	$ 84,500	$12,721	$84,545	$ 7,648
Plans with PBO in excess of plan assets				
PBO	$101,571	$23,453	$98,135	$19,664
Fair value of plan assets	$ 84,500	$13,008	$84,545	$ 7,649

The following tables summarize the components of net periodic pension and OPEB expense from continuing operations along with the assumptions used to determine benefit obligations (dollars in millions):

	Successor			
	U.S. Plans Pension Benefits	Non-U.S. Plans Pension Benefits	U.S. Other Benefits	Non-U.S. Plans Other Benefits
	July 10, 2009 Through December 31, 2009			
Components of expense				
Service cost (a)	$ 254	$ 157	$ 62	$ 17
Interest cost	2,578	602	886	94
Expected return on plan assets	(3,047)	(438)	(432)	—
Amortization of prior service cost (credit)	—	—	—	(1)
Curtailments, settlements, and other losses	249	9	2,580	—
Net periodic pension and OPEB expense	$ 34	$ 330	$ 3,096	$ 110
Weighted-average assumptions used to determine benefit obligations at December 31 (b)				
Discount rate	5.52%	5.31%	5.57%	5.22%
Rate of compensation increase	3.94%	3.27%	1.48%	4.45%
Weighted-average assumptions used to determine net expense for period ended December 31 (c)				
Discount rate	5.63%	5.82%	6.81%	5.47%
Expected return on plan assets	8.50%	7.97%	8.50%	—
Rate of compensation increase	3.94%	3.23%	1.48%	4.45%

(a) U. S. pension plan service cost includes plan administrative expenses of $38 million.

(b) Determined at the end of the period.

(c) Determined at the beginning of the period and updated for remeasurements. Appropriate discount rates were used to measure the effects of curtailments and plan amendments on various plans.

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	Predecessor											
	U.S. Plans Pension Benefits			Non-U.S. Plans Pension Benefits			U.S. Plans Other Benefits			Non-U.S. Other Benefits		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Components of expense												
Service cost	$ 243	$ 527	$ 627	$ 155	$ 410	$ 486	$ 69	$ 241	$ 370	$ 12	$ 32	$ 45
Interest cost	3,077	5,493	4,931	596	1,269	1,143	1,615	3,519	3,609	102	225	199
Expected return on plan assets	(3,810)	(8,043)	(7,983)	(364)	(969)	(984)	(444)	(1,281)	(1,400)	—	—	—
Amortization of prior service cost (credit)	429	1,077	2,167	(12)	407	32	(1,051)	(1,918)	(1,830)	(63)	(86)	(86)
Amortization of transition obligation	—	—	—	2	6	8	—	—	—	—	—	—
Recognized net actuarial loss	715	317	764	193	275	407	32	508	1,352	23	110	122
Curtailments, settlements, and other losses (gains)	1,720	3,823	75	97	270	156	21	(3,476)	(213)	(123)	11	(17)
Divestiture of Allison (a)	—	—	(30)	—	—	—	—	—	211	—	—	—
Net periodic pension and OPEB (income) expense	$ 2,374	$ 3,194	$ 551	$ 667	$ 1,668	$ 1,248	$ 242	$ (2,407)	$ 2,099	$ (49)	$ 292	$ 263
Weighted-average assumptions used to determine benefit obligations at period end (b)												
Discount rate	5.86%	6.27%	6.35%	5.82%	6.22%	5.72%	6.86%	8.25%	6.35%	5.47%	7.00%	5.75%
Rate of compensation increase	3.94%	5.00%	5.25%	3.23%	3.59%	3.60%	1.48%	2.10%	3.30%	4.45%	4.45%	4.00%
Weighted-average assumptions used to determine net expense for the period (c)												
Discount rate	6.27%	6.56%	5.97%	6.23%	5.77%	4.97%	8.11%	7.02%	5.90%	6.77%	5.90%	5.00%
Expected return on plan assets	8.50%	8.50%	8.50%	7.74%	7.78%	7.85%	8.50%	8.40%	8.40%	—	—	—
Rate of compensation increase	5.00%	5.00%	5.00%	3.08%	3.59%	3.46%	1.87%	3.30%	4.60%	4.45%	4.00%	4.00%

(a) As a result of the Allison divestiture, Old GM recorded an adjustment to the unamortized prior service cost of the U.S. hourly defined benefit pension plan and U.S. salaried defined benefit pension plan of $18 million and the U.S. hourly and salaried OPEB plans of $223 million in the year ended 2007. Those adjustments were included in the determination of the gain recognized on the sale of Allison. The net periodic pension and OPEB benefit expenses related to Allison were reported as a component of discontinued operations. All such amounts related to Allison are reflected in the table above, and the effects of those amounts are shown as an adjustment to arrive at net periodic pension and OPEB (income) expense from continuing operations.

(b) Determined at the end of the period.

(c) Determined at the beginning of the period and updated for remeasurements. Appropriate discount rates were used to measure the effects of curtailments and plan amendments on various plans.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes estimated amounts to be amortized from Accumulated other comprehensive income (loss) into net periodic benefit cost in the year ended 2010 based on December 31, 2009 plan measurements (dollars in millions):

	U.S. Pension Plans	Non-U.S. Pension Plans	U.S. Other Benefit Plans	Non-U.S. Other Benefit Plans
Amortization of prior service credit	$ (1)	$ (1)	$ —	$ (1)
Amortization of net actuarial loss	—	9	—	—
	$ (1)	$ 8	$ —	$ (1)

Assumptions

Healthcare Trend Rate

	Successor December 31, 2009		Predecessor December 31, 2008	
Assumed Healthcare Trend Rates	U.S. Plans(a)	Non U.S. Plans(b)	U.S. Plans	Non U.S. Plans
Initial healthcare cost trend rate	—%	5.4%	8.0%	5.5%
Ultimate healthcare cost trend rate	—%	3.3%	5.0%	3.3%
Number of years to ultimate trend rate	—	8	6	8

(a) As a result of modifications made to healthcare plans in connection with the 363 Sale, there are no significant uncapped U.S. healthcare plans remaining at December 31, 2009 and, therefore, the healthcare cost trend rate does not have a significant effect on our U.S. plans.

(b) The implementation of the HCT in Canada is anticipated and will significantly reduce our exposure to changes in the healthcare cost trend rate.

Healthcare trend rate assumptions are determined for inclusion in healthcare OPEB valuation at each remeasurement. The healthcare trend rates are developed using historical cash expenditures for retiree healthcare. This information is supplemented with information gathered from actuarial based models, information obtained from healthcare providers and known significant events.

The effect of aggregate healthcare trend rates does not include healthcare trend data subsequent to December 31, 2009 associated with the UAW hourly retiree medical plan due to the December 31, 2009 Implementation Date of the New VEBA as the plan is now settled.

The following table summarizes the effect of a one-percentage point change in the assumed healthcare trend rates:

	U.S. Plans(a)		Non-U.S. Plans(b)	
Change in Assumption	Effect on 2010 Aggregate Service and Interest Cost	Effect on December 31, 2009 APBO	Effect on 2010 Aggregate Service and Interest Cost	Effect on December 31, 2009 APBO
One percentage point increase	—	—	+$ 14 million	+$ 413 million
One percentage point decrease	—	—	-$ 11 million	-$ 331 million

(a) As a result of modifications made to healthcare plans in connection with the 363 Sale, there are no significant uncapped U.S. healthcare plans remaining at December 31, 2009 and, therefore, the healthcare cost trend rate does not have a significant effect in the U.S.

(b) The implementation of the HCT in Canada is anticipated and will significantly reduce our exposure to changes in the healthcare cost trend rate.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Investment Strategies and Long-Term Rate of Return

Detailed periodic studies conducted by outside actuaries and an internal asset management group, consisting of an analysis of capital market assumptions and employing Monte Carlo simulations, are used to determine the long-term strategic mix among asset classes, risk mitigation strategies, and the expected return on asset assumptions for U.S. pension plans. The U.S. study includes a review of alternative asset allocation and risk mitigation strategies, anticipated future long-term performance of individual asset classes, risks evaluated using standard deviation techniques and correlations among the asset classes that comprise the plans' asset mix. Similar studies are performed for the significant non-U.S. pension plans with the assistance of outside actuaries and asset managers. While the studies incorporate data from recent fund performance and historical returns, the expected return on plan asset assumptions are determined based on long-term, prospective rates of return.

The strategic asset mix and risk mitigation strategies for the U.S. and non-U.S. pension plans are tailored specifically for each plan. Individual plans have distinct liabilities, liquidity needs, and regulatory requirements. Consequently, there are different investment policies set by individual plan fiduciaries. Although investment policies and risk mitigation strategies may differ among certain U.S. and non-U.S. pension and OPEB plans, each investment strategy is considered to be optimal in the context of the specific factors affecting each plan.

In setting a new strategic asset mix, consideration is given to the likelihood that the selected mix will effectively fund the projected pension plan liabilities, while aligning with the risk tolerance of the plans' fiduciaries. The strategic asset mix for U.S. defined benefit pension plans is intended to reduce exposure to equity market risks, to utilize asset classes which reduce volatility and to utilize asset classes where active management has historically generated excess returns above market returns.

In May 2009, an analysis of the investment policy was completed for the U.S. plans which confirmed an expected return rate of 8.5%. This included a detailed analysis of capital market assumptions and the selection of portfolios that are optimal in the context of the plans' fiduciaries objectives. The selected portfolios were comprised of a number of asset classes with favorable return characteristics including: a significant allocation to debt securities with credit exposure, some of which have expected returns that are similar to that of equities, significant exposures to private market securities (equity, debt, and real estate) and absolute return strategies (i.e., hedge fund strategies with low exposure to market risks). The expected long-term rate of return assumption is enhanced by these diversified strategies and is consistent with the long-term historical return for the U.S. plans.

The expected return on plan asset assumptions used in determining pension expense for non-U.S. pension plans is determined in a similar manner to the U.S. plans, and the rate of 7.97% for the period ended December 31, 2009 is a weighted average of all of the funded non-U.S. plans.

Target Allocation Percentages

An asset and liability study of the U.S. target allocation percentages was approved in May 2009. No significant changes were made to the target allocation percentages by asset category as a result of this study. However, due to the partial elimination of the derivative overlay for the absolute return strategies with the May 2009 study, the absolute return strategies no longer provided bond or bond-like exposures. Therefore they were reclassified from debt securities to the other asset category resulting in a 15 percentage point shift between asset categories. This change does not reflect a change in investment policy.

The following table summarizes the target allocations by asset category for U.S. and non-U.S. defined benefit pension plans and U.S. OPEB plans:

	Successor			Predecessor		
	December 31, 2009			December 31, 2008		
Asset Categories	U.S. Plans	Non-U.S. Plans	U.S. OPEB(c)	U.S. Plans	Non-U.S. Plans	U.S. OPEB
Equity securities	28.0%	64.0%	—%	28.0%	60.0%	53.0%
Debt securities (a)	42.0%	24.0%	—%	57.0%	24.0%	25.0%
Real estate	9.0%	9.0%	—%	9.0%	12.0%	4.5%
Other (b)	21.0%	3.0%	—%	6.0%	4.0%	17.5%
Total	100.0%	100.0%	—%	100.0%	100.0%	100.0%

(a) Includes absolute return strategies at December 31, 2008.

(b) Includes private equity at December 31, 2008 and December 31, 2009 and absolute return strategies at December 31, 2009.

(c) There are no significant U.S. OPEB assets at December 31, 2009 following the settlement of the UAW hourly retiree medical plan.

Pension Plan Assets and Fair Value Measurements

The following table summarizes the fair value of defined benefit pension plan assets by asset category (dollars in millions):

	Successor								
	Fair Value Measurements of U.S. Plan Assets at December 31, 2009				Fair Value Measurements of Non-U.S. Plan Assets at December 31, 2009				
	Level 1	Level 2	Level 3	Total U.S. Plan Assets	Level 1	Level 2	Level 3	Total Non-U.S. Plan Assets	Total U.S. and Non-U.S. Plan Assets
Direct investments:									
Cash equivalents and other short-term investments	$ —	$ —	$ —	$ —	$ 137	$ 463	$ —	$ 600	$ 600
Common and preferred stock	—	—	—	—	3,002	56	—	3,058	3,058
Government and agency debt securities (a)	—	—	—	—	93	4,136	65	4,294	4,294
Corporate debt securities (b)	—	—	—	—	2	483	109	594	594
Agency mortgage and asset-backed securities	—	—	—	—	—	62	7	69	69
Non-agency mortgage and asset-backed securities	—	—	—	—	—	42	16	58	58
Private equity and debt investments	—	—	—	—	—	—	110	110	110
Real estate assets (c)	—	—	—	—	14	—	825	839	839
Derivatives (d)	—	—	—	—	—	23	—	23	23
Total direct investments	—	—	—	—	3,248	5,265	1,132	9,645	9,645
Investment funds:									
Cash equivalent funds	—	—	—	—	19	4	—	23	23
Equity funds	—	14,495	—	14,495	1	2,575	75	2,651	17,146
High quality fixed income funds	—	9,643	—	9,643	—	1,012	—	1,012	10,655
High yield fixed income funds	—	—	4,221	4,221	—	—	—	—	4,221
Blended funds (e)	—	71	—	71	—	18	—	18	89
Real estate funds	—	916	—	916	—	35	217	252	1,168
Other funds (f)	—	2,266	—	2,266	—	8	95	103	2,369
Total investment funds	—	27,391	4,221	31,612	20	3,652	387	4,059	35,671
Other	—	—	—	—	—	206	—	206	206
Assets before Investment Trusts	$ —	$27,391	$4,221	31,612	$3,268	$9,123	$1,519	13,910	45,522
Investment Trusts (g)				53,043				—	53,043
Total assets				84,655				13,910	98,565
Other plan assets and liabilities (h)				(155)				117	(38)
Net plan assets				$ 84,500				$ 14,027	$98,527

(a) Includes U.S. and sovereign government and agency issues; excludes mortgage and asset-backed securities

(b) Includes bank debt obligations.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(c) Includes public and private real estate investment trusts.

(d) Includes net futures, forwards, options, swaps, rights, and warrants.

(e) Primarily investments in blended equity and fixed income fund-of-funds.

(f) Primarily investments in alternative investment funds.

(g) Refer to the subsequent discussion of Investment Trusts for the leveling of the underlying assets of the Investment Trusts.

(h) Primarily investment manager fees, custody fees and other expenses paid directly by the plans.

The following tables summarize the activity for U.S. plan assets classified in Level 3 of the valuation hierarchy (dollars in millions):

	Successor					
	Level 3 U.S. Plan Asset Activity					
	Balance at July 10, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Balance at December 31, 2009
High yield fixed income funds	$ 5,488	$ 910	$ 158	$ (2,335)	$ —	$ 4,221

	Predecessor					
	Level 3 U.S. Plan Asset Activity					
	Balance at January 1, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Balance at July 9, 2009
High yield fixed income funds	$ 4,508	$ 998	$ 7	$ (25)	$ —	$ 5,488

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following tables summarize the activity for non-U.S. plan assets classified in Level 3 of the valuation hierarchy (dollars in millions):

	Successor						
	Level 3 Non-U.S. Plan Asset Activity						
	Balance at July 10, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Exchange Rate Movements	Balance at December 31, 2009
Direct investments:							
Government and agency debt securities	$ 8	$ (1)	$ —	$ 60	$ (3)	$ 1	$ 65
Corporate debt securities	17	6	1	37	43	5	109
Agency mortgage and asset- backed securities	6	—	—	—	1	—	7
Non-agency mortgage and asset-backed securities	10	19	(6)	(11)	3	1	16
Private equity and debt investments	149	(1)	—	(52)	—	14	110
Real estate assets	785	(52)	—	11	—	81	825
Total direct investments	975	(29)	(5)	45	44	102	1,132
Investment funds:							
Equity funds	27	12	(9)	43	(2)	4	75
Real estate funds	199	25	(2)	(4)	—	(1)	217
Other investment funds	107	3	1	(16)	—	—	95
Total investment funds	333	40	(10)	23	(2)	3	387
Total non-U.S. plan assets	$ 1,308	$ 11	$ (15)	$ 68	$ 42	$ 105	$ 1,519

	Predecessor						
	Level 3 Non-U.S. Plan Asset Activity						
	Balance at January 1, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Exchange Rate Movements	Balance at July 9, 2009
Direct investments:							
Government and agency debt securities	$ —	$ —	$ —	$ 4	$ 4	$ —	$ 8
Corporate debt securities	16	—	2	(2)	—	1	17
Agency mortgage and asset- backed securities	6	—	—	—	—	—	6
Non-agency mortgage and asset-backed securities	1	(3)	—	(2)	14	—	10
Private equity and debt investments	163	(33)	—	11	—	8	149
Real estate assets	831	(99)	—	12	—	41	785
Total direct investments	1,017	(135)	2	23	18	50	975
Investment funds:							
Equity funds	33	2	(1)	10	(19)	2	27
Real estate funds	206	(21)	(3)	(3)	—	20	199
Other investment funds	94	2	—	1	—	10	107
Total investment funds	333	(17)	(4)	8	(19)	32	333
Total non-U.S. plan assets	$ 1,350	$ (152)	$ (2)	$ 31	$ (1)	$ 82	$ 1,308

Fund Investment Strategies

A significant portion of the defined benefit pension plan assets, as previously discussed, are invested in a variety of investment funds. The following information describes the significant investment strategies of those funds.

Cash equivalent funds typically seek a high level of current income consistent with the preservation of capital and the maintenance of liquidity. In furtherance of these investment objectives, the funds invest primarily in short-term, high quality securities including U.S. government securities, U.S. dollar-denominated obligations of the U.S. and foreign depository institutions, commercial paper, corporate bonds and asset-backed securities. The funds seek to be fully invested and to achieve the objectives by using fundamental security valuation methodologies and quantitative investment models.

Equity funds typically seek long-term growth through capital appreciation and current income primarily through investments in companies that are believed by the investment manager to be attractively priced relative to fundamental characteristics such as earnings, book value or cash flow. The funds invest primarily in U.S. equities but may also have exposure to equity securities issued by companies incorporated, listed, or domiciled in developed and/or emerging markets. The funds seek to be fully invested and achieve their objectives by using fundamental security valuation methodologies and quantitative models.

High quality fixed income funds typically seek a high level of current income that is consistent with reasonable risk and moderate capital appreciation, primarily through investments in U.S. high quality fixed income securities. In furtherance of these investment objectives, the funds invest primarily in U.S. government securities, investment-grade corporate bonds, mortgages and asset-backed securities. The funds seek to be fully invested and achieve their objectives by using fundamental security valuation methodologies and quantitative models.

High yield fixed income funds typically seek a high level of current income and capital appreciation primarily through investments in U.S. high yield fixed income securities. The funds invest primarily in U.S. high yield fixed income securities issued by corporations which are rated below investment grade by one or more nationally recognized rating agencies, are unrated but are believed by the investment manager to have similar risk characteristics, or are rated investment grade or higher but are priced at yields comparable to securities rated below investment grade and believed to have similar risk characteristics. The funds seek to be fully invested and achieve their objectives by using fundamental security valuation methodologies and quantitative models.

Blended funds typically seek long-term growth through capital appreciation and current income primarily through investments in a broadly diversified portfolio of stocks and bonds. The funds invest in other investment funds pursuant to an asset allocation strategy that seeks to provide diversification across a range of asset classes. The asset classes of the funds may include U.S. large cap stocks, U.S. small cap stocks, international stocks, emerging markets stocks, U.S. high quality bonds, U.S. high yield bonds and cash. The funds seek to be fully invested and achieve their objectives by using fundamental security valuation methodologies and quantitative models.

Real estate funds typically seek long-term growth of capital and current income that is above average relative to public equity funds. The funds invest primarily in the equity-oriented securities of companies which are principally engaged in the ownership, acquisition, development, financing, sale and/or management of income-producing real estate properties, both commercial and residential. The funds seeks to achieve their objective by selecting securities based on an analysis of factors affecting the performance of real estate investments such as local market conditions, asset quality and management expertise, and an assessment of value based on fundamental security valuation methodologies and other real estate valuation metrics.

The plans also have limited exposure to alternative investment funds with broad-ranging strategies and styles. Typically, the objective of such funds is to deliver returns having relatively low volatility and correlation to movements in major equity and bond markets. Fund strategies in this category typically include private equity, venture capital, commodities, hedged, or absolute return strategies.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Investment Trusts

A significant portion of the U.S. hourly and salaried pension plan assets are invested through a series of group trusts (Investment Trusts) which permit the commingling of assets from more than one employer. The group trust structure permitted the formation of a series of group trust investment accounts. Each group trust has a beneficial interest in the assets of the underlying investment accounts which are invested to achieve an investment strategy based on the desired plan asset targeted allocations. For purposes of fair value measurement, each plan's interests in the group trusts are classified as a plan asset.

A plan's interest in an Investment Trust is determined based on the Investment Trust's beneficial interest in the underlying net assets. Beneficial interests in the individual Investment Trusts owned by the plans are 97.4% on a combined basis at December 31, 2009.

The following table summarizes the U.S. plans' interest in certain net assets of the Investment Trusts (dollars in millions):

	Successor December 31, 2009
U.S. pension plans' funded beneficial interest	$ 53,043
OPEB 401(h) plans' funded beneficial interest	3
Interests held in trusts by plans of other employers	969*
Total fair value of underlying assets of Investment Trusts	54,015
Assets of Investment Trusts not subject to leveling:	
Cash	(3,022)
Net non-security assets	(323)
Total net assets of the Investment Trusts subject to leveling	$ 50,670

* Amount originally reported as $1,403 in our 2009 Form 10-K. The column sub-total and total have been corrected accordingly. Refer to Note 3.

The following table summarizes the fair value of the individual investments held by the investment accounts owned by the Investment Trusts (dollars in millions):

	Successor Fair Value Measurements of Investment Trust Underlying Assets at December 31, 2009(a)			
	Level 1	Level 2	Level 3	Total
Cash equivalents and other short-term investments	$ —	$ 5,003	$ —	$ 5,003
Common and preferred stock	2,512	169	51	2,732
Government and agency debt securities (b)	—	2,866	1,552	4,418
Corporate debt securities (c)	—	4,984	1,761	6,745
Agency mortgage and other asset-backed securities	—	380	6	386
Non-agency mortgage and other asset-backed securities	—	861	1,525	2,386
Investment funds (d)	999	3,339*	13,606*	17,944
Private equity and debt investments	—	1	7,210	7,211
Real estate assets (e)	292	—	5,209	5,501
Derivatives (f)	57	(1,825)	112	(1,656)
Total underlying assets	$3,860	$15,778	$31,032	$50,670

* Amounts originally reported as $3,463 and $13,916 in our 2009 Form 10-K. The column and row totals have been corrected accordingly. Refer to Note 3.

(a) Underlying assets are reported at the overall trust level, which includes our plan assets as well as plan assets of non-affiliated plan sponsors.

(b) Includes U.S. and sovereign government and agency issues; excludes mortgage and asset-backed securities.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(c) Includes bank debt obligations.

(d) Includes common, collective, pooled and hedge funds.

(e) Includes public and private real estate investment trusts.

(f) Includes net futures, forwards, options, swaps, rights, and warrants.

The following tables summarize the activity of the underlying assets of the Investment Trusts classified in Level 3 of the valuation hierarchy (dollars in millions):

	Successor					
	Level 3 Investment Trust Underlying Asset Activity					
	Balance at July 10, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Balance at December 31, 2009
Common and preferred stock	$ 13	$ 11	$ (6)	$ 37	$ (4)	$ 51
Government and agency debt securities	29	140	28	66	1,289	1,552
Corporate debt securities	749	173	(6)	612	233	1,761
Agency mortgage and asset-backed securities	3	5	(3)	3	(2)	6
Non-agency mortgage and asset-backed securities	544	455	(162)	393	295	1,525
Investment funds	11,872*	1,333*	(221)*	1,344*	(722)*	13,606*
Private equity and debt investments	6,618	264	205	123	—	7,210
Real estate assets	5,701	(1,086)	364	230	—	5,209
Derivatives	(314)	(8)	(22)	66	390	112
Total Investment Trust Level 3	$ 25,215	$ 1,287	$ 177	$ 2,874	$ 1,479	$ 31,032

*Amounts originally reported as $10,874, $1,379, $(218), $1,379, $502 and $13,916 in our 2009 Form 10-K. The column totals have been corrected accordingly. Refer to Note 3.

	Predecessor					
	Level 3 Investment Trust Underlying Asset Activity					
	Balance at January 1, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Balance at July 9, 2009
Common and preferred stock	$ 10	$ (1)	$ 3	$ 1	$ —	$ 13
Government and agency debt securities	9	3	—	17	—	29
Corporate debt securities	604	172	(47)	15	5	749
Agency mortgage and asset-backed securities	5	—	—	(1)	(1)	3
Non-agency mortgage and asset-backed securities	717	(147)	(16)	9	(19)	544
Investment funds	11,843*	417*	152*	(530)*	(10)*	11,872*
Private equity and debt investments	7,564	(1,049)	(64)	167	—	6,618
Real estate assets	7,899	(2,440)	(10)	252	—	5,701
Derivatives	1,420	(1,469)	(229)	(36)	—	(314)
Total Investment Trust Level 3	$ 30,071	$ (4,514)	$ (211)	$ (106)	$ (25)	$ 25,215

*Amounts originally reported as $12,753, $1,899, $(1,193), $(2,585), $0 and $10,874 in our 2009 Form 10-K. The column totals have been corrected accordingly. Refer to Note 3.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

OPEB Plan Assets and Fair Value Measurements

The existing OPEB plan assets were no longer recognized as plan assets due to the UAW hourly retiree medical plan settlement. The following table summarizes the fair value of OPEB plan assets by asset category (dollars in millions):

	Successor			
	Fair Value Measurements of OPEB Plan Assets at December 31, 2009			
	Level 1	Level 2	Level 3	Total U.S. Plan Assets
Direct investments:				
Cash equivalents and other short-term investments	$ —	$ 28	$ —	$ 28
Investment Funds	—	37	—	37
Other	—	—	2	2
Total assets	$ —	$ 65	$ 2	67
Employee-owned assets				(10)
Net non-security liabilities				(26)
Total OPEB net assets				$ 31

The following tables summarize the activity for the OPEB plan assets classified in Level 3 of the valuation hierarchy (dollars in millions):

	Successor					
	Level 3 OPEB Plan Asset Activity					
	Balance at July 10, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Balance at December 31, 2009
Common and preferred stock	$ 3	$ 3	$ (2)	$ (4)	$ —	$ —
Government and agency debt securities	1	21	4	(248)	222	—
Corporate debt securities	122	51	3	(344)	168	—
Non-agency mortgage and asset-backed securities	18	(29)	(1)	(2)	14	—
Investment funds	2,188	154	(17)	(2,315)	(10)	—
Private equity and debt investments	243	36	—	(279)	—	—
Real estate assets	356	(78)	—	(136)	(142)	—
Other	2	—	—	—	—	2
Total OPEB Level 3	$ 2,933	$ 158	$ (13)	$ (3,328)	$ 252	$ 2

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor					
	Level 3 OPEB Plan Asset Activity					
	Balance at January 1, 2009	Net Unrealized Gains (Losses)	Net Realized Gains (Losses)	Purchases, Sales and Settlements	Transfers into (out of) Level 3	Balance at July 9, 2009
Common and preferred stock	$ —	$ (5)	$ —	$ 8	$ —	$ 3
Government and agency debt securities	—	—	—	—	1	1
Corporate debt securities	89	26	(5)	12	—	122
Non-agency mortgage and asset-backed securities	24	—	(1)	(5)	—	18
Investment funds	2,403	333	(104)	(272)	(172)	2,188
Private equity and debt investments	245	17	(16)	(3)	—	243
Real estate assets	415	(71)	1	11	—	356
Other	2	—	—	—	—	2
Total OPEB Level 3	$ 3,178	$ 300	$ (125)	$ (249)	$ (171)	$ 2,933

Significant Concentrations of Risk

The pension plan Investment Trusts include investments in privately negotiated equity and debt securities and derivative instruments which may be illiquid. The asset managers may be unable to quickly liquidate some of these investments at an amount close or equal to fair value in order to meet a plan's liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

A portion of the assets underlying the Investment Trusts include non-readily liquid assets, which generally have long-term durations that complement the long-term nature of pension obligations, are not used to fund benefit payments when currently due. Plan management monitors liquidity risk on an ongoing basis and has procedures in place that are designed to maintain flexibility in addressing plan-specific, broader industry, and market liquidity events.

The pension plan Investment Trusts may invest in financial instruments and enter into transactions denominated in currencies other than the plans' functional currencies. Consequently, the plans might be exposed to risks that the foreign currency exchange rates might change in a manner that has an adverse effect on the value of that portion of the plans' assets or liabilities denominated in currencies other than the functional currency. The plans use forward currency contracts to manage foreign currency risk.

The pension plan Investment Trusts may invest in fixed income securities for which any change in the relevant interest rates for particular securities might result in an investment manager being unable to secure similar returns on the expiration of contracts or the sale of securities. In addition, changes to prevailing interest rates or changes in expectations of future interest rates might result in an increase or decrease in the fair value of the securities held. In general, as interest rates rise, the fair value of fixed income securities declines, and vice-versa. The plan Investment Trusts use interest rate swaps and other financial derivative instruments to manage interest rate risk.

A counterparty to a financial instrument may fail or default on a commitment that it has entered into with the plan Investment Trusts. Counterparty risk is primarily related to over-the-counter derivative instruments used to manage exposures related to interest rates on long-term debt securities and foreign currency exchange rate fluctuations. The plan Investment Trusts enter into agreements with counterparties that allow the set-off of certain exposures to the risk that the issuer or guarantor of a debt security will be unable to meet principal and interest payments on its obligations and also to the price risk related to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer, and general market liquidity. The plan Investment Trusts may invest in debt securities that are investment grade, non-investment grade, or unrated. High yield debt securities have historically experienced greater default rates than investment grade securities. The plan Investment Trusts have credit policies and processes to manage exposure to credit risk on an ongoing basis and manage concentrations of counterparty risk by seeking to undertake transactions with large well-capitalized counterparties and by monitoring the creditworthiness of these counterparties.

Plan Funding Policy and Contributions

The funding policy for qualified defined benefit pension plans is to contribute annually not less than the minimum required by applicable law and regulations or to directly pay benefit payments where appropriate. At December 31, 2009, all legal funding requirements had been met.

The following table summarizes pension contributions to the defined benefit pension plans or direct payments (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
U.S. hourly and salaried	$ —	$ —	$ —	$ —
Other U.S.	31	57	90	89
Non-U.S.	4,287	529	977	848
Total contributions	$ 4,318	$ 586	$ 1,067	$ 937

In the year ending 2010 we do not have any U.S. contributions due to our qualified plans. The next pension funding valuation date based on the requirements of the Pension Protection Act (PPA) of 2006 would be October 1, 2010. At that time, based on the PPA, we have the option to select a discount rate for the valuation based on either the Full Yield Curve method or the 3-Segment method, both of which are considered to be acceptable methods. A hypothetical funding valuation at December 31, 2009 using the Full Yield Curve discount rate at that time and for all future funding valuations projects contributions of $2.5 billion, $4.6 billion and $4.8 billion in 2013, 2014 and 2015 and additional contributions may be required thereafter. Alternatively, if the 3-Segment discount rate were used for the hypothetical valuation, no pension funding contributions until a contribution of $3.3 billion in 2015 are required, and additional contributions may be required thereafter. In both cases, we have assumed that the pension plans earn the expected return of 8.5% in the future. In addition to the discount rate and rate of return on assets, the pension contributions could be affected by various other factors including the effect of any legislative changes. We are currently considering making a discretionary contribution to our U.S. hourly defined benefit pension plan to offset the effect of the increase to the PBO resulting from the Delphi Benefit Guarantee Agreements being triggered and to reduce the projected future cash funding requirements. We are currently evaluating the amount, timing and form of assets that may be contributed. We expect to contribute or pay benefits of $95 million to our other U.S. defined benefit pension plans and $355 million to our non-U.S. pension plans in the year ended 2010.

In July 2009 $862 million was deposited into an escrow account pursuant to an agreement between Old GM, EDC and an escrow agent. In July 2009 we subscribed for additional common shares in GMCL and paid the subscription price in cash. As required under certain agreements between GMCL, EDC, and an escrow agent, $3.6 billion of the subscription price was deposited into an escrow account to fund certain of GMCL's pension plans and HCT obligations pending completion of certain preconditions. In September 2009 GMCL contributed $3.0 billion to the Canadian hourly defined benefit pension plan and $651 million to the Canadian salaried defined benefit pension plan, of which $2.7 billion was funded from the escrow account. In accordance with the terms of the escrow agreement, $903 million was released from the escrow account to us in September 2009. At December 31, 2009 $955 million remained in the escrow account.

The following table summarizes net contributions to the U.S. OPEB plans (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Employer (a)(b)	$ 1,528	$ 1,947	$ (1,356)	$ (1,929)
Plan participants' contributions.	172	169	401	354
Total contributions	$ 1,700	$ 2,116	$ (955)	$ (1,575)

(a) Withdrawals were from plan assets of non-UAW hourly and salaried VEBAs in the years ended 2008 and 2007.

(b) Both the U.S. non-UAW hourly and salaried VEBAs were effectively liquidated by December 31, 2008.

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Benefit Payments

The following table summarizes net benefit payments expected to be paid in the future, which include assumptions related to estimated future employee service, as appropriate, but does not reflect the effect of the 2009 CAW Agreement which provides for our independent HCT (dollars in millions):

	Years Ended December 31,			
	Pension Benefits(a)		Other Benefits	
	U.S. Plans	Non-U.S. Plans	U.S. Plans(b)	Non-U.S. Plans
2010	$ 9,321	$ 1,414	$ 489	$ 177
2011	$ 8,976	$ 1,419	$ 451	$ 185
2012	$ 8,533	$ 1,440	$ 427	$ 193
2013	$ 8,247	$ 1,461	$ 407	$ 201
2014	$ 8,013	$ 1,486	$ 390	$ 210
2015-2019	$ 37,049	$ 7,674	$ 1,801	$ 1,169

(a) Benefits for most U.S. pension plans and certain non-U.S. pension plans are paid out of plan assets rather than our cash and cash equivalents.

(b) Benefit payments presented in this table reflect the effect of the implementation of the 2009 Revised UAW Settlement Agreement which releases us from UAW retiree healthcare claims incurred after December 31, 2009.

Note 20. Derivative Financial Instruments and Risk Management

Risk Management

Foreign currency exchange risk, interest rate risk and commodity price risk are managed by using derivative instruments, typically including forward contracts, swaps and options, in accordance with our current and Old GM's previous risk management policies. The objective of these risk management policies is to offset the gains and losses on the underlying exposures resulting from these risks with the related gains and losses on the derivatives used to hedge them. These risk management policies limit the use of derivative instruments to managing these risks and do not allow the use of derivative instruments for speculative purposes.

A risk management control system is used to assist in monitoring the hedging program, derivative positions and hedging strategies. Hedging documentation includes hedging objectives, practices and procedures, and the related accounting treatment. Hedges that receive designated hedge accounting treatment are evaluated for effectiveness at the time they are designated as well as throughout the hedging period.

Counterparty Credit Risk

Derivative financial instruments contain an element of credit risk attributable to the counterparties' ability to meet the terms of the agreements. The maximum amount of loss due to credit risk that we would incur if the counterparties to the derivative instruments failed completely to perform according to the terms of the contract was $159 million at December 31, 2009. Agreements are entered into with counterparties that allow the set-off of certain exposures in order to manage the risk. The total net derivative asset position for all counterparties with which we were in a net asset position at December 31, 2009 was $125 million.

Counterparty credit risk is managed and monitored by our Risk Management Committee, which establishes exposure limits by counterparty. At December 31, 2009 substantially all counterparty exposures were with counterparties that were rated A or higher.

Credit Risk Related Contingent Features

Agreements with counterparties to derivative instruments do not contain covenants requiring the maintenance of certain credit rating levels or credit risk ratios that would require the posting of collateral in the event that certain standards are violated or when a derivative instrument is in a liability position. No collateral was posted related to derivative instruments at December 31, 2009. We are currently in negotiations with counterparties to amend or enter into new derivative agreements that will likely require us to provide cash collateral for any net liability positions that we would have with these counterparties.

Derivatives and Hedge Accounting

Our derivative instruments consist of nondesignated derivative contracts or economic hedges. At December 31, 2009 and 2008 no outstanding derivative contracts were designated in hedging relationships. In the period July 10, 2009 through December 31, 2009 we accounted for changes in the fair value of all outstanding contracts by recording the gains and losses in earnings.

Cash Flow Hedges

We are and Old GM was exposed to certain foreign currency exchange risks associated with buying and selling automotive parts and vehicles and foreign currency exposure to long-term debt. We partially manage these risks through the use of derivative instruments that we acquired from Old GM. At December 31, 2009 we did not have any financial instruments designated as cash flow hedges for accounting purposes.

Due to Old GM's credit standing and the Chapter 11 Proceedings, our ability to manage risks using derivative financial instruments is severely limited as most derivative counterparties are unwilling to enter into transactions with us. Subsequent to the 363 Sale, we remain unable to enter into forward contracts pending the completion of negotiations for new agreements and credit terms with potential derivative counterparties. In December 2009 we began purchasing commodity and foreign currency exchange options. These nondesignated derivatives have original expiration terms of up to 13 months.

Old GM previously designated certain financial instruments as cash flow hedges to manage its exposure to foreign currency exchange risks. For foreign currency transactions, Old GM typically hedged forecasted exposures for up to three years in the future. For foreign currency exposure on long-term debt, Old GM typically hedged exposures for the life of the debt.

For derivatives that were previously designated as qualifying cash flow hedges, the effective portion of the unrealized and realized gains and losses resulting from changes in fair value were recorded as a component of Accumulated other comprehensive income (loss). Subsequently, those cumulative gains and losses were reclassified to earnings contemporaneously with and to the same line item as the earnings effects of the hedged item. However, if it became probable that the forecasted transaction would not occur, the cumulative change in the fair value of the derivative recorded in Accumulated other comprehensive income (loss) was reclassified into earnings immediately.

On October 1, 2008 Old GM ceased hedge accounting treatment for derivatives that were previously designated as qualifying cash flow hedges. Subsequent to this date Old GM recorded gains and losses arising from changes in the fair value of the derivative instruments in earnings, resulting in a net gain of $157 million in the three months ended December 31, 2008. This gain was recorded in Sales and Cost of sales in the amounts of $127 million and $30 million.

The following table summarizes amounts reclassified from Accumulated other comprehensive income (loss) into earnings for the effective portion of a hedging relationship (dollars in millions):

	Predecessor Gain (Loss) Reclassified	
	Year Ended December 31, 2008	Year Ended December 31, 2007
From accumulated other comprehensive income (loss) to sales	$ 198	$ 225
From accumulated other comprehensive income (loss) to cost of sales	$ 205	$ 51

To the extent that prior hedging relationships were not effective, the ineffective portion of the change in fair value of the derivative instrument was recorded immediately in earnings. Hedge ineffectiveness related to instruments designated as cash flow hedges was insignificant in the years ended 2008 and 2007.

The following table summarizes total activity in Accumulated other comprehensive income (loss) associated with cash flow hedges, primarily related to the reclassification of previously deferred cash flow hedge gains and losses from Accumulated other comprehensive income (loss) into earnings (dollars in millions):

Derivatives in Original Cash Flow Hedging Relationship	Location of Gain (Loss) Reclassified into Earnings	Predecessor Gain (Loss) Reclassified January 1, 2009 Through July 9, 2009
Foreign currency exchange contracts	Sales	$ (351)
Foreign currency exchange contracts	Cost of sales	19
Foreign currency exchange contracts	Reorganization gains, net	247
Total activity in accumulated other comprehensive income (loss)		$ (85)

In connection with the Chapter 11 Proceedings, at June 1, 2009 Accumulated other comprehensive income (loss) balances of $247 million associated with previously designated financial instruments were reclassified into Reorganization gains, net because the underlying forecasted debt and interest payments were probable not to occur.

In connection with our application of fresh-start reporting, the remaining previously deferred cash flow hedge gains and losses in Accumulated other comprehensive income (loss) were adjusted to $0 at July 10, 2009.

The following table summarizes gains and (losses) that were reclassified from Accumulated other comprehensive income (loss) for cash flow hedges associated with previously forecasted transactions that subsequently became probable not to occur (dollars in millions):

	Predecessor Gain (Loss) Reclassified January 1, 2009 Through July 9, 2009
Sales	$ (182)
Reorganization gains, net	247
Total gains (losses) reclassified from accumulated other comprehensive income (loss)	$ 65

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Fair Value Hedges

We are and Old GM was subject to market risk from exposures to changes in interest rates that affect the fair value of long-term, fixed rate debt. At December 31, 2009 we did not have any financial instruments designated as fair value hedges to manage this risk.

Old GM previously used interest rate swaps designated as fair value hedges to manage certain of its exposures associated with these borrowings. Old GM hedged its exposures to the maturity date of the underlying interest rate exposure.

Gains and losses on derivatives designated and qualifying as fair value hedges, as well as the offsetting gains and losses on the debt attributable to the hedged interest rate risk, were recorded in Interest expense to the extent the hedge was effective. The gains and losses related to the hedged interest rate risk were recorded as an adjustment to the carrying amount of the debt. Previously recorded adjustments to the carrying amount of the debt were amortized to Interest expense over the remaining debt term. In the period January 1, 2009 through July 9, 2009 Old GM amortized previously deferred fair value hedge gains and losses of $3 million to Interest expense. Old GM recorded no hedging ineffectiveness in the years ended 2008 and 2007.

On October 1, 2008 Old GM ceased hedge accounting treatment for derivatives that were previously designated as qualifying fair value hedges. Subsequent to this date Old GM recorded gains and losses arising from changes in the fair value of the derivative instruments in earnings, resulting in a net gain of $279 million recorded in Interest expense in the three months ended December 31, 2008.

In connection with the Chapter 11 Proceedings, at June 1, 2009 Old GM had basis adjustments of $18 million to the carrying amount of debt that ceased to be amortized to Interest expense. At June 1, 2009 the debt related to these basis adjustments was classified as Liabilities subject to compromise and no longer subject to interest accruals or amortization. We did not assume this debt from Old GM in connection with the 363 Sale.

Net Investment Hedges

We are and Old GM was subject to foreign currency exposure related to net investments in certain foreign operations. At December 31, 2009 we did not have any hedges of a net investment in a foreign operation.

Old GM previously used foreign currency denominated debt to hedge this foreign currency exposure. For nonderivative instruments that were designated as, and qualified as, a hedge of a net investment in a foreign operation, the effective portion of the unrealized and realized gains and losses were recorded as a Foreign currency translation adjustment in Accumulated other comprehensive income (loss). In connection with the 363 Sale, MLC retained the foreign currency denominated debt and it ceased to operate as a hedge of net investments in foreign operations. In connection with our application of fresh-start reporting, the effective portions of unrealized gains and losses previously recorded to Accumulated other comprehensive income (loss) were adjusted to $0 at July 10, 2009.

The following table summarizes the gains and (losses) related to net investment hedges recorded as a Foreign currency translation adjustment in Accumulated other comprehensive income (loss) (dollars in millions):

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Effective portion of net investment hedge gains (losses)	$ 5	$ 106	$ (224)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Derivatives Not Designated for Hedge Accounting

Derivatives not designated in a hedging relationship, such as forward contracts, swaps, and options, are used to economically hedge certain risk exposures. Unrealized and realized gains and losses related to these nondesignated derivative hedges are recorded in earnings.

In connection with our application of fresh-start reporting, we elected a new policy with respect to the classification of nondesignated derivative gains and losses in earnings. Effective July 10, 2009 gains and losses related to all nondesignated derivatives, regardless of type of exposure, are recorded to Interest income and other non-operating income, net. Refer to Notes 2 and 4 for additional information on fresh-start reporting and our derivative accounting policies.

Old GM previously entered into a variety of foreign currency exchange, interest rate and commodity forward contracts and options to maintain a desired level of exposure arising from market risks resulting from changes in foreign currency exchange rates, interest rates and certain commodity prices. In May 2009 Old GM reached agreements with certain of the counterparties to its derivative contracts to terminate the derivative contracts prior to stated maturity. Old GM made cash payments of $631 million to settle the related commodity, foreign currency exchange, and interest rate forward contracts, resulting in a loss of $537 million. The loss was recorded in Sales, Cost of sales and Interest expense in the amounts of $22 million, $457 million and $58 million.

When an exposure economically hedged with a derivative contract is no longer forecasted to occur, in some cases a new derivative instrument is entered into to offset the exposure related to the existing derivative instrument. In some cases, counterparties are unwilling to enter into offsetting derivative instruments and, as such, there is exposure to future changes in the fair value of these derivatives with no underlying exposure to offset this risk.

The following table summarizes gains and (losses) recorded for nondesignated derivatives originally entered into to hedge exposures that subsequently became probable not to occur (dollars in millions):

	Successor	Predecessor
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009
Interest income and other non-operating income, net	$ 1	$ 91

Commodity Derivatives

Certain raw materials, parts with significant commodity content, and energy comprising various commodities are purchased for use in production. At December 31, 2009 our exposure to commodity prices was partially managed through the use of nondesignated commodity options. At December 31, 2009 we had not entered into any commodity forward contracts.

The following table summarizes the notional amounts of our nondesignated commodity derivative contracts (units in thousands):

	Successor December 31, 2009	
Commodity	Contract Notional	Units
Aluminum and aluminum alloy	39	Metric tons
Copper	4	Metric tons
Lead	7	Metric tons
Heating oil	10,797	Gallons
Natural gas	1,355	MMBTU
Natural gas	150	Gigajoules

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Old GM previously hedged commodity price risk by entering into derivative instruments such as forward and option contracts. Gains and losses related to commodity derivatives were recorded in Cost of sales.

Interest Rate Swap Derivatives

At December 31, 2009 we did not have any interest rate swap derivatives.

Old GM previously used interest rate swap derivatives to economically hedge exposure to changes in the fair value of fixed rate debt. Gains and losses related to the changes in the fair value of these nondesignated derivatives were recorded in Interest expense.

Foreign Currency Exchange Derivatives

Foreign currency exchange derivatives are used to economically hedge exposure to foreign currency exchange risks associated with: (1) forecasted foreign currency denominated purchases and sales of parts and vehicles; and (2) variability in cash flows related to interest and principal payments on foreign currency denominated debt. At December 31, 2009 we partially managed foreign currency exchange risk through the use of foreign currency options and forward contracts we acquired from Old GM in connection with the 363 Sale.

The following table summarizes the total notional amounts of our nondesignated foreign currency exchange derivatives (dollars in millions):

	Successor December 31, 2009
Nondesignated foreign currency exchange derivatives	$ 6,333

Old GM recorded gains and losses related to these foreign currency exchange derivatives in: (1) Sales for derivatives that economically hedged sales of parts and vehicles; (2) Cost of sales for derivatives that economically hedged purchases of parts and vehicles; and (3) Cost of sales for derivatives that economically hedged foreign currency risk related to foreign currency denominated debt.

Other Derivatives

In September 2009 in connection with an agreement with American Axle, we received warrants to purchase 4 million shares of American Axle common stock exercisable at $2.76 per share. The fair value of the warrants on the date of receipt was recorded as a Non-current asset. Gains and losses related to these warrants were recorded in Interest income and other non-operating income, net. At December 31, 2009 the fair value of these warrants was $25 million.

On July 10, 2009 in connection with the 363 Sale, we issued warrants to MLC and the New VEBA to acquire shares of our common stock. These warrants are being accounted for as equity.

In connection with the UST Loan Agreement, Old GM granted warrants to the UST for 122 million shares of its common stock exercisable at $3.57 per share. Old GM recorded the warrants as a liability and recorded gains and losses related to this derivative in Interest income and other non-operating income, net. In connection with the 363 Sale, the UST returned the warrants and they were cancelled.

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Fair Value of Nondesignated Derivatives

The following table summarizes the fair value of our nondesignated derivative instruments (dollars in millions):

Nondesignated Derivative Instruments	Successor December 31, 2009	
	Asset Derivatives(a)(c)	Liability Derivatives(b)(d)
Current Portion		
Foreign currency exchange derivatives	$ 104	$ 568
Commodity derivatives	11	—
Total current portion	$ 115	$ 568
Non-Current Portion		
Foreign currency exchange derivatives	$ 19	$ 146
Other derivatives	25	—
Total non-current portion	$ 44	$ 146

(a) Current portion recorded in Other current assets and deferred income taxes.

(b) Current portion recorded in Accrued expenses.

(c) Non-current portion recorded in Other assets.

(d) Non-current portion recorded in Other liabilities and deferred income taxes.

Gains and (Losses) on Nondesignated Derivatives

The following table summarizes gains and (losses) recorded in earnings on nondesignated derivatives (dollars in millions):

Derivatives Not Designated as Hedging Instruments	Statement of Operations Line	Successor July 10, 2009 Through December 31, 2009	Predecessor January 1, 2009 Through July 9, 2009
Foreign currency exchange derivatives	Sales	$ —	$ (688)
Foreign currency exchange derivatives	Cost of sales	—	(211)
Foreign currency exchange derivatives	Interest income and other non-operating income, net	279	91
Interest rate swap derivatives	Interest expense	(1)	(38)
Commodity derivative contracts	Cost of sales	—	(332)
Other derivatives	Interest income and other non-operating income, net	—	164
Total gains (losses) recorded in earnings		$ 278	$ (1,014)

Derivatives Not Meeting a Scope Exception from Fair Value Accounting

We enter into purchase contracts to hedge physical exposure to the availability of certain commodities used in the production of vehicles. At December 31, 2009 we did not have any purchase contracts accounted for as derivatives.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Old GM previously entered into purchase contracts that were accounted for as derivatives with changes in fair value recorded in Cost of sales, as these contracts did not qualify for the normal purchases and normal sales scope exception in ASC 815-10, "Derivatives and Hedging." Certain of these contracts were terminated in the period January 1, 2009 through July 9, 2009. MLC retained the remainder of these purchase contracts in connection with the 363 Sale.

Net Change in Accumulated Other Comprehensive Income (Loss)

The following table summarizes the net change in Accumulated other comprehensive income (loss) related to cash flow hedging activities (dollars in millions):

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Beginning net unrealized gain (loss) on derivatives	$ (490)	$ 321	$ 359
Change in fair value	—	(1,054)	140
Reclassification to earnings	99	243	(178)
Ending net unrealized gain (loss) on derivatives	$ (391)	$ (490)	$ 321

In connection with our application of fresh-start reporting, previously deferred cash flow hedge gains and losses in Accumulated other comprehensive income (loss) were adjusted to $0 at July 10, 2009.

Note 21. Commitments and Contingencies

The following tables summarize information related to commitments and contingencies (dollars in millions):

	Successor December 31, 2009		Predecessor December 31, 2008	
	Liability Recorded	Maximum Liability(a)	Liability Recorded	Maximum Liability(a)
Guarantees				
Operating lease residual values (b)	$ —	$ 79	$ —	$ 118
Supplier commitments and other related obligations	$ 3	$ 218*	$ 5	$ 23
GMAC commercial loans (c)(d)	$ 2	$ 167	$ 19	$ 539
Product warranty and recall claims	$ 54	$ 553	$ —	$ —

* Amount originally reported as $43 in our 2009 Form 10-K. Refer to Note 3.

(a) Calculated as future undiscounted payments.

(b) Excludes residual support and risk sharing programs related to GMAC.

(c) At December 31, 2009 includes $127 million related to a guarantee provided to GMAC in Brazil in connection with dealer floor plan financing. This guarantee is collateralized by an interest in certificates of deposit of $127 million purchased from GMAC to which we have title and which were recorded in Restricted cash and marketable securities. The purchase of the certificates of deposit was funded in part by contributions from dealers for which we have recorded a corresponding deposit liability of $104 million, which was recorded in Other liabilities.

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(d) At December 31, 2008 included $481 million related to a guarantee provided to GMAC in Brazil in connection with dealer floor plan financing. This guarantee was secured by an interest in certificates of deposit of $481 million purchased from GMAC to which Old GM had title and which were recorded in Restricted cash and marketable securities. The purchase of the certificates of deposit was funded in part by contributions from dealers for which Old GM recorded a corresponding deposit liability of $358 million, which was recorded in Other liabilities.

	Successor December 31, 2009 Liability Recorded	Predecessor December 31, 2008 Liability Recorded
Credit card programs		
Rebates available (a)	$ 3,140	$ 3,421
Redemption liability (b)	$ 140	$ 145
Deferred revenue (c)	$ 464	$ 500
Environmental liability (d)	$ 190	$ 297
Product liability (e)	$ 319	$ 921
Asbestos-related liability	$ —	$ 648
Other litigation-related liability (f)	$ 1,192	$ 831

(a) Rebates available include amounts available to qualified cardholders, net of deferred program income.

(b) Redemption liabilities are recorded in Accrued expenses.

(c) Deferred revenue is recorded in Other liabilities and deferred income taxes. At December 31, 2009 deferred revenue includes an unfavorable contract liability recorded in applying fresh-start reporting at July 10, 2009.

(d) Includes $28 million and $97 million recorded in Accrued expenses at December 31, 2009 and December 31, 2008, and the remainder was recorded in Other liabilities.

(e) At December 31, 2008 Old GM included legal fees of $154 million expected to be incurred in connection with product liability loss contingencies. In connection with our application of fresh-start reporting, we adopted a policy to expense legal fees as incurred related to product liability contingencies.

(f) Consists primarily of tax related litigation not recorded pursuant to ASC 740-10 as well as various non-U.S. labor related matters.

Guarantees

In connection with the 363 Sale, we assumed liabilities for certain agreements and guarantees.

We have provided guarantees related to the residual value of certain operating leases. These guarantees terminate in years ranging from 2011 to 2035. Certain leases contain renewal options.

We have agreements with third parties that guarantee the fulfilment of certain suppliers' commitments and other related obligations. These guarantees expire in years ranging from 2010 to 2014, or upon the occurrence of specific events, such as a company's cessation of business.

In some instances, certain assets of the party whose debt or performance we have guaranteed may offset, to some degree, the cost of the guarantee. The offset of certain of our payables to guaranteed parties may also offset certain guarantees, if triggered.

We provide payment guarantees on commercial loans made by GMAC to certain third parties, such as dealers or rental car companies. The guarantees either expire in years ranging from 2010 to 2029 or are ongoing. We determined the value ascribed to the guarantees to be insignificant based on the credit worthiness of the third parties. Refer to Note 30 for additional information on guarantees that we provide to GMAC.

In connection with certain divestitures of assets or operating businesses, we have entered into agreements indemnifying certain buyers and other parties with respect to environmental conditions pertaining to real property we owned. In connection with such divestitures, we have provided guarantees with respect to benefits to be paid to former employees relating to pensions, postretirement health care and life insurance. Also, we periodically enter into agreements that incorporate indemnification provisions in the normal course of business. It is not possible to estimate our maximum exposure under these indemnifications or guarantees due to the conditional nature of these obligations. No amounts have been recorded for such obligations as they are not probable or estimable at this time.

In addition to the guarantees and indemnifying agreements previously discussed, we indemnify dealers for certain product liability related claims as subsequently discussed.

With respect to product warranty and recall claims involving products manufactured by certain joint ventures, it is believed that expenses will be adequately covered by recorded accruals. At December 31, 2009 our maximum potential liability which we ultimately may be responsible for was $553 million.

Credit Card Programs

Credit card programs offer rebates that can be applied primarily against the purchase or lease of our vehicles.

Environmental Liability

In connection with the 363 Sale, we acquired certain properties that are subject to environmental remediation.

Automotive operations, like operations of other companies engaged in similar businesses, are subject to a wide range of environmental protection laws, including laws regulating air emissions, water discharges, waste management and environmental remediation. We are in various stages of investigation or remediation for sites where contamination has been alleged. We are and Old GM was involved in a number of actions to remediate hazardous wastes as required by federal and state laws. Such statutes require that responsible parties fund remediation actions regardless of fault, legality of original disposal or ownership of a disposal site.

The future effect of environmental matters, including potential liabilities, is often difficult to estimate. An environmental reserve is recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. This practice is followed whether the claims are asserted or unasserted. Liabilities have been recorded for the expected costs to be paid over the periods of remediation for the applicable sites, which typically range from two to 30 years.

For many sites, the remediation costs and other damages for which we ultimately may be responsible may vary because of uncertainties with respect to factors such as the connection to the site or to materials there, the involvement of other potentially responsible parties, the application of laws and other standards or regulations, site conditions, and the nature and scope of investigations, studies and remediation to be undertaken (including the technologies to be required and the extent, duration and success of remediation).

The final outcome of environmental matters cannot be predicted with certainty at this time. Accordingly, it is possible that the resolution of one or more environmental matters could exceed the amounts accrued in an amount that could be material to our or Old GM’s financial condition and results of operations. At December 31, 2009 we estimate the remediation losses could range from $130 million to $320 million.

Product Liability

With respect to product liability claims involving our and Old GM’s products, we believe that any judgment for actual damages will be adequately covered by recorded accruals and, where applicable, excess insurance coverage. Although punitive damages are claimed in some of these lawsuits, and such claims are inherently unpredictable, accruals incorporate historic experience with these

types of claims. Liabilities have been recorded for the expected cost of all known product liability claims plus an estimate of the expected cost for all product liability claims that have already been incurred and are expected to be filed in the future for which we are and Old GM was self-insured. These amounts were recorded in Accrued expenses and exclude Old GM's asbestos claims, which are discussed separately.

In connection with the 363 Sale, we assumed certain liabilities related to product liability which arise directly out of accidents, incidents or other distinct and discrete occurrences that occur on or after July 10, 2009 and that arise from our and Old GM vehicles' operation or performance. Further, in accordance with our assumption of dealer sales and service agreements, we indemnify dealers for certain product liability related claims. Our experience related to dealer indemnification obligations for activity on or after July 10, 2009 is limited. We have estimated our product liability given the information currently available concerning the projected number and value of such claims. It is not possible to estimate our maximum exposure under these indemnifications due to the conditional nature of these obligations. We did not assume the product liabilities of Old GM arising in whole or in part from any accidents, incidents or other occurrences that occurred prior to July 10, 2009.

Asbestos-Related Liability

In connection with the 363 Sale, MLC retained substantially all of the asbestos-related claims outstanding.

Like most automobile manufacturers, Old GM had been subject to asbestos-related claims in recent years. These claims primarily arose from three circumstances:

- A majority of these claims sought damages for illnesses alleged to have resulted from asbestos used in brake components;
- Limited numbers of claims have arisen from asbestos contained in the insulation and brakes used in the manufacturing of locomotives; and
- Claims brought by contractors who allege exposure to asbestos-containing products while working on premises Old GM owned.

Old GM had resolved many of the asbestos-related cases over the years for strategic litigation reasons such as avoiding defense costs and possible exposure to excessive verdicts. The amount expended on asbestos-related matters in any period depended on the number of claims filed, the amount of pre-trial proceedings and the number of trials and settlements in the period.

Old GM recorded the estimated liability associated with asbestos personal injury claims where the expected loss was both probable and could reasonably be estimated. Old GM retained a firm specializing in estimating asbestos claims to assist Old GM in determining the potential liability for pending and unasserted future asbestos personal injury claims. The analyses relied on and included the following information and factors:

- A third party forecast of the projected incidence of malignant asbestos-related disease likely to occur in the general population of individuals occupationally exposed to asbestos;
- Old GM's Asbestos Claims Experience, based on data concerning claims filed against Old GM and resolved, amounts paid, and the nature of the asbestos-related disease or condition asserted during approximately the four years prior;
- The estimated rate of asbestos-related claims likely to be asserted against MLC in the future based on Old GM's Asbestos Claims Experience and the projected incidence of asbestos-related disease in the general population of individuals occupationally exposed to asbestos;

- The estimated rate of dismissal of claims by disease type based on Old GM's Asbestos Claims Experience; and
- The estimated indemnity value of the projected claims based on Old GM's Asbestos Claims Experience, adjusted for inflation.

Old GM reviewed a number of factors, including the analyses provided by the firm specializing in estimating asbestos claims in order to determine a reasonable estimate of the probable liability for pending and future asbestos-related claims projected to be asserted over the next 10 years, including legal defense costs. Old GM monitored actual claims experience for consistency with this estimate and made periodic adjustments as appropriate.

Old GM believed that the analyses were based on the most relevant information available combined with reasonable assumptions, and that Old GM may prudently rely on their conclusions to determine the estimated liability for asbestos-related claims. Old GM noted, however, that the analyses were inherently subject to significant uncertainties. The data sources and assumptions used in connection with the analyses may not prove to be reliable predictors with respect to claims asserted against Old GM. Old GM's experience in the past included substantial variation in relevant factors, and a change in any of these assumptions — which include the source of the claiming population, the filing rate and the value of claims — could significantly increase or decrease the estimate. In addition, other external factors such as legislation affecting the format or timing of litigation, the actions of other entities sued in asbestos personal injury actions, the distribution of assets from various trusts established to pay asbestos claims and the outcome of cases litigated to a final verdict could affect the estimate.

Other Litigation-Related Liability

In connection with the 363 Sale, we assumed liabilities for various legal matters.

Various legal actions, governmental investigations, claims and proceedings are pending against one or more of us, Old GM or MLC, including a number of shareholder class actions, bondholder class actions and class actions under the Employee Retirement Income Security Act of 1974, as amended, and other matters arising out of alleged product defects, including asbestos-related claims; employment-related matters; governmental regulations relating to safety, emissions, and fuel economy; product warranties; financial services; dealer, supplier and other contractual relationships; tax-related matters not recorded pursuant to ASC 740-10 and environmental matters.

With regard to the litigation matters discussed in the previous paragraph, reserves have been established for matters in which it is believed that losses are probable and can be reasonably estimated, the majority of which are associated with tax-related matters not recorded pursuant to ASC 740-10 as well as various non U.S. labor-related matters. Tax related matters not recorded pursuant to ASC 740-10 are items being litigated globally pertaining to value added taxes, customs, duties, sales, property taxes and other non-income tax related tax exposures. The various non U.S. labor-related matters include claims from current and former employees related to alleged unpaid wage, benefit, severance, and other compensation matters. Some of the matters may involve compensatory, punitive, or other treble damage claims, environmental remediation programs, or sanctions, that if granted, could require us to pay damages or make other expenditures in amounts that could not be reasonably estimated at December 31, 2009. It is believed that appropriate accruals have been established for such matters in accordance with ASC 450, "Contingencies," based on information currently available. Reserves for litigation losses are recorded in Accrued expenses and Other liabilities and deferred income taxes. These accrued reserves represent the best estimate of amounts believed to be our and Old GM's liability in a range of expected losses. Litigation is inherently unpredictable, however, and unfavorable resolutions could occur. Accordingly, it is possible that an adverse outcome from such proceedings could exceed the amounts accrued in an amount that could be material to our or Old GM's financial condition, results of operations and cash flows in any particular reporting period.

In July 2008 Old GM reached a tentative settlement of the General Motors Securities Litigation suit and recorded an additional charge of $277 million, of which $139 million was paid in the year ended 2008. Also in the year ended 2008, Old GM recorded $215 million as a reduction to Selling, general and administrative expense associated with insurance-related indemnification proceeds for previously recorded litigation related costs, including the cost incurred to settle the General Motors Securities Litigation suit.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Asset Retirement Obligations

Conditional asset retirement obligations relate to legal obligations associated with retirement of tangible long-lived assets that result from acquisition, construction, development, or normal operation of a long-lived asset. An analysis is performed of such obligations associated with all real property owned or leased, including facilities, warehouses, and offices. Estimates of conditional asset retirement obligations relate, in the case of owned properties, to costs estimated to be necessary for the legally required removal or remediation of various regulated materials, primarily asbestos. Asbestos abatement was estimated using site-specific surveys where available and a per square foot estimate where surveys were unavailable. For leased properties, such obligations relate to the estimated cost of contractually required property restoration.

Recording conditional asset retirement obligations results in increased fixed asset balances with a corresponding increase to liabilities. Asset balances of $97 million and $132 million at December 31, 2009 and 2008 are recorded in buildings and land improvements, a component of Property, net, while the related liabilities are included in Other liabilities. The following table summarizes the activity related to asset retirement obligations (dollars in millions):

	Successor	Predecessor	
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Beginning balance	$ 97	$ 237	$ 222
Accretion expense	4	12	19
Liabilities incurred	21	5	2
Liabilities settled or disposed	(9)	(2)	(24)
Effect of foreign currency translation	3	5	(17)
Revisions to estimates	(14)	1	35
Reclassified to liabilities subject to compromise (a)	—	(121)	—
Ending balance	102	137	237
Effect of application of fresh-start reporting	—	(40)	—
Ending balance including effect of application of fresh-start reporting	$ 102	$ 97	$ 237

(a) Represents the asset retirement obligations associated with assets MLC retained.

Noncancelable Operating Leases

The following table summarizes our minimum commitments under noncancelable operating leases having remaining terms in excess of one year, primarily for property (dollars in millions):

	2010	2011	2012	2013	2014	2015 and after
Minimum commitments (a)(b)	$623*	$473*	$350*	$291*	$254*	$ 1,126*
Sublease income	(60)**	(54)**	(49)**	(45)**	(41)**	(344)**
Net minimum commitments	$563	$419	$301	$246	$213	$ 782

* Amounts originally reported as $552, $414, $309, $261, $226 and $960 in our 2009 Form 10-K. The column totals have been corrected accordingly. Refer to Note 3.

** Amounts originally reported as $(85), $(80), $(74), $(70), $(66), and $(634) in our 2009 Form 10-K. The column totals have been corrected accordingly. Refer to Note 3.

(a) Certain of the leases contain escalation clauses and renewal or purchase options.

(b) In March 2010 we renegotiated certain leases which will increase our 2010 minimum payments by $12 million and decrease our 2011 and after minimum payments by $195 million.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Rental expense under operating leases	$ 255	$ 369	$ 934	$ 812

Delphi Corporation

Benefit Guarantee

In 1999, Old GM spun-off Delphi Automotive Systems Corporation, which became Delphi. Prior to the consummation of the DMDA, Delphi was our and Old GM's largest supplier of automotive systems, components and parts, and we and Old GM were Delphi's largest customer. From 2005 to 2008 Old GM's annual purchases from Delphi ranged from approximately $6.5 billion to approximately $10.2 billion. At the time of the spin-off, employees of Delphi Automotive Systems Corporation became employees of Delphi. As part of the separation agreements, Delphi assumed the pension and other postretirement benefit obligations for the transferred U.S. hourly employees who retired after October 1, 2000 and Old GM retained pension and other postretirement obligations for U.S. hourly employees who retired on or before October 1, 2000. Additionally at the time of the spin-off, Old GM entered into the Delphi Benefit Guarantee Agreements with the UAW, the IUE-CWA and the USW providing contingent benefit guarantees whereby, under certain conditions, Old GM would make payments for certain pension and OPEB benefits to certain former U.S. hourly employees that became employees of Delphi. The Delphi Benefit Guarantee Agreements provided, in general, that in the event that Delphi or its successor companies ceased doing business, terminated its pension plan or ceased to provide credited service or OPEB benefits at certain levels due to financial distress, Old GM could be liable to provide the corresponding benefits at the required level. With respect to pension benefits, the guarantee arises only to the extent the pension benefits Delphi and the PBGC provided fall short of the guaranteed amount.

In October 2005 Old GM received notice from Delphi that it was more likely than not that Old GM would become obligated to provide benefits pursuant to the Delphi Benefit Guarantee Agreements, in connection with Delphi's commencement in October 2005 of Chapter 11 proceedings under the Bankruptcy Code. In June 2007 Old GM entered into a memorandum of understanding with Delphi and the UAW (Delphi UAW MOU) that included terms relating to the consensual triggering, under certain circumstances, of the Delphi Benefit Guarantee Agreements as well as additional terms relating to Delphi's restructuring. Under the Delphi UAW MOU, Old GM also agreed to pay for certain healthcare costs of Delphi retirees and their beneficiaries in order to provide a level of benefits consistent with those provided to Old GM's retirees and their beneficiaries under the Mitigation Plan, if Delphi terminated OPEB benefits. In August 2007 Old GM also entered into memoranda of understanding with Delphi and the IUE-CWA and with Delphi and the USW containing terms consistent with the comprehensive Delphi UAW MOU.

Delphi-GM Settlement Agreements

In September 2007 and as amended at various times through September 2008, Old GM and Delphi entered into the Delphi-GM Settlement Agreements consisting of the Global Settlement Agreement (GSA), the Master Restructuring Agreement (MRA) and the Implementation Agreements with the UAW, IUE-CWA and the USW (Implementation Agreements). The GSA was intended to resolve outstanding issues between Delphi and Old GM that arose before Delphi's emergence from its Chapter 11 proceedings. The MRA was intended to govern certain aspects of Old GM's ongoing commercial relationship with Delphi. The Implementation Agreements addressed a limited transfer of pension assets and liabilities, and the triggering of the benefit guarantees on the basis set forth in term sheets to the Implementation Agreements. In September 2008 the Bankruptcy Court entered an order in Delphi's Chapter 11 proceedings approving the Amended Delphi-GM Settlement Agreements which then became effective.

The more significant items contained in the Amended Delphi-GM Settlement Agreements included Old GM's commitment to:

- Reimburse Delphi for its costs to provide OPEB to certain of Delphi's hourly retirees from December 31, 2006 through the date that Delphi ceases to provide such benefits and assume responsibility for OPEB going forward;

- Reimburse Delphi for the normal cost of credited service in Delphi's pension plan between January 1, 2007 and the date its pension plans are frozen;
- First hourly pension transfer — Transfer net liabilities of $2.1 billion from the Delphi HRP to Old GM's U.S. hourly pension plan in September 2008;
- Second hourly pension transfer — Transfer the remaining Delphi HRP net liabilities upon Delphi's substantial consummation of its plan of reorganization (POR) subject to certain conditions being met;
- Reimburse Delphi for all retirement incentives and half of the buyout payments made pursuant to the various attrition program provisions and to reimburse certain U.S. hourly buydown payments made to certain hourly employees of Delphi;
- Award certain future product programs to Delphi, provide Delphi with ongoing preferential sourcing for other product programs, eliminate certain previously agreed upon price reductions, and restrict the ability to re-source certain production to alternative suppliers;
- Labor cost subsidy — Reimburse certain U.S. hourly labor costs incurred to produce systems, components and parts for GM vehicles from October 2006 through September 2015 at certain U.S. facilities owned or to be divested by Delphi;
- Production cash burn support — Reimburse Delphi's cash flow deficiency attributable to production at certain U.S. facilities that continue to produce systems, components and parts for GM vehicles until the facilities are either closed or sold by Delphi;
- Facilitation support — Pay Delphi $110 million in both 2009 and 2010 in quarterly installments in connection with certain U.S. facilities owned by Delphi until Delphi's emergence from its Chapter 11 proceedings;
- Temporarily accelerate payment terms for Delphi's North American sales to Old GM upon substantial consummation of its POR, until 2012;
- Reimburse Delphi, beginning in January 2009, for actual cash payments related to workers compensation, disability, supplemental unemployment benefits and severance obligations for all current and former UAW-represented hourly active and inactive employees; and
- Guarantee a minimum recovery of the net working capital that Delphi has invested in certain businesses held for sale.

The GSA also resolved all claims in existence at its effective date (with certain limited exceptions) that either Delphi or Old GM had or may have had against the other. The GSA and related agreements with Delphi's unions released us, Old GM and our related parties (as defined), from any claims of Delphi and its related parties (as defined), as well as any employee benefit related claims of Delphi's unions and hourly employees. Additionally, the GSA provided that Old GM would receive certain administrative claims against the Delphi bankruptcy estate or preferred stock in the emerged entity.

As a result of the September 2008 implementation of the Delphi-GM Settlement Agreements Old GM paid $1.0 billion and $1.4 billion to Delphi in the period January 1, 2009 through July 9, 2009 and the year ended 2008 in settlement of amounts accrued to date against Old GM commitments. We paid $288 million in 2009 prior to the consummation of the DMDA in settlement of amounts accrued to date against our commitments.

Upon consummation of the DMDA, the MRA was terminated with limited exceptions, and we and Delphi waived all claims against each other under the GSA.

IUE-CWA and USW Settlement Agreement

As more fully discussed in Note 19, in September 2009 we entered into a settlement agreement with MLC, the IUE-CWA and the USW that resolved the Delphi Benefit Guarantee Agreements with these unions. The settlement agreement provides for a measure of retiree health care and life insurance to be provided to certain retirees represented by these unions. The agreement also provides certain IUE-CWA and USW retirees from Delphi a pension "top up" equal to the difference between the amount of PBGC pension payments and the amount of pension benefits that otherwise would have been paid by the Delphi HRP according to its terms had it not been terminated. Further, the settlement agreement provided certain current employees of Delphi or Delphi divested units up to seven years credited service in Old GM's U.S. hourly defined benefit pension plan, commencing November 30, 2008, the date that Delphi froze the Delphi HRP. The agreement was approved by the Bankruptcy Court in November 2009.

Advance Agreements

In the years ended 2008 and 2009 Old GM entered into various agreements and amendments to such agreements to advance a maximum of $950 million to Delphi, subject to Delphi's continued satisfaction of certain conditions and milestones. Through the consummation of the DMDA, we entered into further amendments to the agreements, primarily to extend the deadline for Delphi to satisfy certain milestones, which if not met, would have prevented Delphi from continued access to the credit facility. At October 6, 2009 $550 million had been advanced under the credit facility. Upon consummation of the DMDA, we waived our rights to the advanced amounts that became consideration to Delphi and other parties under the DMDA. Refer to Note 5 for additional information on the consummation of the DMDA.

Payment Terms Acceleration Agreement

In October 2008 subject to Delphi obtaining an extension or other accommodation of its DIP financing through June 30, 2009, Old GM agreed to temporarily accelerate payment of North American payables to Delphi in the three months ended June 30, 2009. In January 2009 Old GM agreed to immediately accelerate $50 million in advances towards the temporary acceleration of North American payables. Additionally, Old GM agreed to accelerate $150 million and $100 million of North American payables to Delphi in March and April of 2009 bringing the total amount accelerated to the total agreed upon $300 million. Upon consummation of the DMDA, we waived our rights to the accelerated payments that became consideration to Delphi and other parties under the DMDA.

Delphi Master Disposition Agreement

In July 2009 we, Delphi and the PBGC negotiated an agreement to be effective upon consummation of the DMDA regarding the settlement of PBGC's claims from the termination of the Delphi pension plans and the release of certain liens with the PBGC against Delphi's foreign assets. In return, the PBGC received a payment of $70 million from us and was granted a 100% interest in Class C Membership Interests in New Delphi which provide for the PBGC to participate in predefined equity distributions. We maintain the obligation to provide the difference between pension benefits paid by the PBGC according to regulation and those originally guaranteed by Old GM under the Delphi Benefit Guarantee Agreements.

In October 2009 we consummated the transaction contemplated by the DMDA with Delphi, New Delphi, Old GM and other sellers and other buyers that are party to the DMDA, as more fully described in Note 5. Upon consummation of the DMDA, the MRA was terminated with limited exceptions, and we and Delphi waived all claims against each other under the GSA. Upon consummation of the DMDA we settled our commitments to Delphi accrued to date except for the obligation to provide the difference between pension benefits paid by the PBGC according to regulation and those originally guaranteed by Old GM under the Delphi Benefit Guarantee Agreements that we continue to maintain. In addition, the DMDA establishes an ongoing commercial relationship with New Delphi. We also agreed to continue all existing Delphi supply agreements and purchase orders for GMNA to the end of the related product program, and New Delphi agreed to provide us with access rights designed to allow us to operate specific sites on defined triggering events to provide us with protection of supply.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Delphi Charges

The following table summarizes charges that have been recorded with respect to the various agreements with Delphi (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Other expenses, net	$ 8	$ 184	$ 4,797	$ 1,547
Cost of sales	193	142	555	53
Reorganization gains, net	—	662	—	—
Total Delphi charges	$ 201	$ 988	$ 5,352	$ 1,600

These charges reflect the best estimate of obligations associated with the various Delphi agreements, including obligations under the Delphi Benefit Guarantee Agreements, updated to reflect the DMDA. At July 9, 2009 these charges reflect the obligation to the PBGC upon consummation of the DMDA, consisting of the estimated fair value of the PBGC Class C Membership Interests in New Delphi of $317 million and the payment of $70 million due from us. Further, at July 9, 2009 these charges reflect an estimated value of $966 million pertaining to claims we have against Delphi that were waived upon consummation of the DMDA. The estimated value of the claims represents the excess after settlement of certain pre-existing commitments to Delphi of the fair value of Nexteer, the four domestic facilities and the investment in New Delphi over the cash consideration paid under the DMDA. Refer to Note 5 for additional information on the total consideration paid under the DMDA and the allocation of such consideration to the various units of account.

The charges recorded in the year ended 2008 primarily related to estimated losses associated with the guarantee of Delphi's hourly pension plans and the write off of any estimated recoveries from Delphi. The charges also reflected a benefit of $622 million due to a reduction in the estimated liability associated with Delphi OPEB related costs for Delphi active employees and retirees, based on the terms of the New VEBA, who were not previously participants in Old GM's plans. The terms of the New VEBA also reduced Old GM's OPEB obligation for Delphi employees who returned to Old GM and became participants in the UAW hourly medical plan primarily in 2006. Such benefit is included in the actuarial gain recorded in our UAW hourly medical plan. Refer to Note 19 for additional information on the Delphi benefit plans.

Note 22. Income Taxes

The following table summarizes Income (loss) from continuing operations before income taxes and equity income (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
U.S. income (loss)	$ (6,647)	$ 105,420	$ (26,742)	$ (9,448)
Non-U.S. income (loss)	1,364	2,356	(2,729)	3,102
Income (loss) from continuing operations before income taxes and equity income	$ (5,283)	$ 107,776	$ (29,471)	$ (6,346)

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Provision (Benefit) for Income Taxes

The following table summarizes the provision (benefit) for income taxes (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Current income tax expense (benefit)				
U.S. federal	$ 7	$ (60)	$ (31)	$ (131)
Non-U.S.	421	(522)	668	295
U.S. state and local	(1)	16	(34)	21
Total current	427	(566)	603	185
Deferred income tax expense (benefit)				
U.S. federal	(1,204)	110	(163)	32,058
Non-U.S.	(52)	(716)	1,175	5,064
U.S. state and local	(171)	6	151	(444)
Total deferred	(1,427)	(600)	1,163	36,678
Total income tax expense (benefit)	$ (1,000)	$ (1,166)	$ 1,766	$ 36,863

Annual tax provisions include amounts considered sufficient to pay assessments that may result from examination of prior year tax returns.

The following table summarizes the cash paid (received) for income taxes (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Cash paid (received) for income taxes	$ (65)	$ (1,011)	$ 718	$ 404

Provisions are made for estimated U.S. and non-U.S. income taxes, less available tax credits and deductions, which may be incurred on the remittance of our and Old GM's share of basis differences in investments in foreign subsidiaries and corporate joint ventures not deemed to be permanently reinvested. Taxes have not been provided on basis differences in investments in foreign subsidiaries and corporate joint ventures which are deemed permanently reinvested, of $5.5 billion and $6.3 billion at December 31, 2009 and 2008. Quantification of the deferred tax liability, if any, associated with permanently reinvested earnings is not practicable.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes a reconciliation of the provision (benefit) for income taxes compared with the amounts at the U.S. federal statutory rate (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Tax at U.S. federal statutory income tax rate	$ (1,849)	$ 37,721	$ (10,315)	$ (2,222)
State and local tax expense	(559)	(260)	(1,151)	(275)
Foreign income taxed at rates other than 35%	412	—	314	418
Taxes on unremitted earnings of subsidiaries	(151)	(12)	(235)	(135)
Change in valuation allowance (a)	1,338	6,609	13,064	38,625
Change in statutory tax rates (b)	163	1	151	885
Medicare prescription drug adjustment	—	18	(104)	(199)
Other adjustments	(26)	321	42	(234)
VEBA contribution	(328)	—	—	—
Non-taxable reorganization gain	—	(45,564)	—	—
Total income tax expense (benefit)	$ (1,000)	$ (1,166)	$ 1,766	$ 36,863

(a) See analysis related to valuation allowances on certain deferred tax assets subsequently discussed.

(b) Changes in the tax laws of two jurisdictions in 2007 had a significant effect on Old GM's consolidated financial statements as follows:

- In December 2007 the Canadian government enacted legislation to reduce its combined statutory corporate tax rates by 3.5% in addition to a 0.5% rate reduction enacted in June 2007. The combined 4.0% reduction will be phased in gradually over a period of five years which began in 2008. The valuation allowance subsequently discussed has been adjusted to reflect this change in statutory rates.
- In July 2007 the German Parliament passed legislation to lower its statutory corporate tax rate. This legislation was signed into law in August 2007. This new law reduces by 9.0%, effective at January 1, 2008, the combined German business tax rate, which is comprised of the corporate tax rate, the local trade tax rate, and the solidarity levy tax rate. The effect of this change was a reduction in the carrying amount of Old GM's German deferred tax assets of $475 million, which is included in the charge related to the valuation allowance subsequently discussed.

Deferred Income Tax Assets and Liabilities

Deferred income tax assets and liabilities at December 31, 2009 and 2008 reflect the effect of temporary differences between amounts of assets, liabilities and equity for financial reporting purposes and the bases of such assets, liabilities and equity as measured by tax laws, as well as tax loss and tax credit carryforwards.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the components of temporary differences and carryforwards that give rise to deferred tax assets and liabilities (dollars in millions):

	Successor December 31, 2009 Deferred Tax		Predecessor December 31, 2008 Deferred Tax	
	Assets	Liabilities	Assets	Liabilities
Postretirement benefits other than pensions	$ 4,194	$ —	$ 11,610	$ —
Pension and other employee benefit plans	8,876	406	16,171	8,648
Warranties, dealer and customer allowances, claims and discounts	3,940	75	6,682	90
Property, plants and equipment	7,709	278	7,429	3,197
Intangible assets	1,650	4,984	780	—
Tax carryforwards	18,880	—	18,080	—
Miscellaneous U.S.	5,844	1,269	8,122	288
Miscellaneous non-U.S.	3,306	1,944	3,485	773
Subtotal	54,399	8,956	72,359	12,996
Valuation allowances	(45,281)	—	(59,777)	—
Total deferred taxes	9,118	$ 8,956	12,582	$12,996
Net deferred tax assets (liabilities)	$ 162		$ (414)	

The following table summarizes deferred tax assets and liabilities (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Current deferred tax assets	$ 462	$ 138
Current deferred tax liabilities	(57)	(87)
Non-current deferred tax assets	564	98
Non-current deferred tax liabilities	(807)	(563)
Net deferred tax assets (liabilities)	$ 162	$ (414)

The following table summarizes the amount and expiration dates of our operating loss and tax credit carryforwards at December 31, 2009 (dollars in millions):

	Expiration Dates	Amounts
U.S. federal and state net operating loss carryforwards	2010-2029	$ 9,115
Non-U.S. net operating loss and tax credit carryforwards	Indefinite	1,830
Non-U.S. net operating loss and tax credit carryforwards	2009-2029	3,027
U.S. alternative minimum tax credit	Indefinite	660
U.S. general business credits (a)	2012-2029	1,689
U.S. foreign tax credits	2011-2018	2,559
Total		$ 18,880

(a) The general business credits are principally comprised of research and experimentation credits.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Valuation Allowances

The valuation allowances recognized relate to certain net deferred tax assets in U.S. and non-U.S. jurisdictions. The following table summarizes the change in the valuation allowance and related considerations (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Beginning balance	$ 42,666	$ 59,777	$ 42,208	$ 6,523
Additions (Reversals)				
U.S.	2,226	(14,474)	14,146	31,072
Canada	405	(802)	759	2,435
Germany	67	(792)	140	1,927
Spain	(40)	(200)	1,109	31
Brazil	1	(442)	(135)	16
South Korea	(221)	321	724	—
Australia	7	190	340	—
U.K.	109	62	330	—
Sweden	33	(1,057)	(58)	1,232
Other	28	83	214	(1,028)
Ending balance	$ 45,281	$ 42,666	$ 59,777	$ 42,208

In July 2009, as a result of the 363 Sale and fresh-start reporting, adjustments were required to valuation allowances, which resulted in a net decrease in valuation allowances of $20.7 billion. The net decrease was primarily the result of a U.S. federal and state tax attribute reduction of $12.2 billion related to debt cancellation income, a net difference of $5.5 billion between the fresh-start reporting fair value and tax bases of assets and liabilities at entities with valuation allowances, net valuation allowances of $1.7 billion associated with assets and liabilities retained by Old GM, and a foreign tax attribute reduction of $0.9 billion and release of allowances of $0.7 billion.

Old GM Valuation Allowance Reversals

Brazil – In 2005 Old GM recorded full valuation allowances against its net deferred tax assets in Brazil. Old GM generated taxable income in Brazil in each of the years 2006 through 2008 and, accordingly, reversed a portion of these valuation allowances. Although Old GM was forecasting future taxable income for its Brazilian operation at the end of 2008, as a result of liquidity concerns at the U.S. parent company and the increasing instability of the global economic environment, Old GM concluded that it was more likely than not that it would not realize the net deferred tax assets in Brazil at December 31, 2008. The U.S. parent company liquidity concerns were resolved in connection with the Chapter 11 Proceedings and the 363 Sale, and the Brazilian operations continue to demonstrate the ability to generate taxable income. As it is now more likely than not that the net deferred tax assets in Brazil will be realized, Old GM reversed the associated valuation allowance of $465 million. This amount is included in Income tax expense (benefit) in the period January 1, 2009 through July 9, 2009.

Other jurisdictions – In the three months ended December 31, 2008 significant additional concerns arose related to the U.S. parent company's liquidity and the increasing instability of the global economic environment. As a result, Old GM determined that it was more likely than not that it would not realize the net deferred tax assets in most remaining jurisdictions, even though these entities were not in three-year adjusted cumulative loss positions. Old GM established additional valuation allowances of $481 million against net deferred tax assets of entities in Argentina, Austria, Belgium, Brazil (separate legal entity from that previously discussed), Chile, Colombia, Ecuador, Finland, Germany (separate legal entities from that subsequently discussed), Hungary, Indonesia, Ireland, Italy, Kenya, South Korea (separate legal entity from that subsequently discussed), Netherlands, New Zealand, Norway, Peru, Philippines,

Poland, Portugal, Russia, South Africa, Switzerland, Taiwan, Turkey, Uruguay, U.S. state jurisdiction (Texas), and Venezuela. The U.S. parent company liquidity concerns were resolved in connection with the Chapter 11 Proceedings and the 363 Sale, and many of these entities continue to generate and forecast taxable income. Therefore, to the extent there was no other significant negative evidence, Old GM concluded that it is more likely than not that Old GM will realize the deferred tax assets in these jurisdictions and reversed valuation allowances of $286 million. This amount is included in Income tax expense (benefit) in the period January 1, 2009 through July 9, 2009.

Other Valuation Allowances

South Korea – In the three months ended December 31, 2008 Old GM determined that it was more likely than not that it would not realize its net deferred tax assets, in whole or in part, in South Korea and recorded full valuation allowances of $725 million against its net deferred tax assets in South Korea. Old GM was in a three-year adjusted cumulative loss position and its near-term and mid-term financial outlook for automotive market conditions was more challenging than believed in the three months ended September 30, 2008.

Australia – In the three months ended December 31, 2008 Old GM determined that it was more likely than not that it would not realize its net deferred tax assets, in whole or in part, in Australia and recorded a full valuation allowance of $284 million against Old GM's net deferred tax assets in these tax jurisdictions. Old GM was in a three-year adjusted cumulative loss position in 2008 and anticipated being in such a position throughout the mid-term forecast period. The current economic downturn has affected Australian forecasted production volumes and caused significant actual and forecast pre-tax profit deterioration in the three months ended December 31, 2008.

United Kingdom and Spain – In the three months ended March 31, 2008 Old GM determined that it was more likely than not that it would not realize its net deferred tax assets, in whole or in part, in Spain and the United Kingdom and recorded full valuation allowances of $379 million against Old GM's net deferred tax assets in these tax jurisdictions.

In the United Kingdom, Old GM was in a three-year adjusted cumulative loss position and its near-term and mid-term financial outlook for automotive market conditions was more challenging than believed in the three months ended December 31, 2007. Old GM's outlook deteriorated based on its projections of the combined effects of the challenging foreign currency exchange environment and unfavorable commodity prices. Additionally, Old GM increased its estimate of the potential costs that may arise from the regulatory and tax environment relating to CO_2 emissions in the European Union (EU), including legislation enacted or announced in 2008.

In Spain, although Old GM was not in a three-year adjusted cumulative loss position its near-term and mid-term financial outlook deteriorated significantly in the three months ended March 31, 2008 such that Old GM anticipated being in a three-year adjusted cumulative loss position in the near- and mid-term. In Spain, as in the United Kingdom, Old GM's outlook deteriorated based on its projections of the combined effects of the foreign currency exchange environment and commodity prices, including its estimate of the potential costs that may arise from the regulatory and tax environment relating to CO_2 emissions.

Old GM established a valuation allowance in the year ended 2007 against its Spanish deferred tax assets related to investment tax credits, which Old GM does not expect will be realizable under a more likely than not threshold.

United States, Canada and Germany – In the three months ended September 30, 2007 Old GM recorded a charge of $39.0 billion related to establishing full valuation allowances against its net deferred tax assets in the U.S., Canada and Germany. Concluding that a valuation allowance is not required is difficult when there is significant negative evidence which is objective and verifiable, such as cumulative losses in recent years. Old GM utilized a rolling twelve quarters of results as a measure of its cumulative losses in recent years. Old GM then adjusted those historical results to remove certain unusual items and charges. In the U.S., Canada and Germany, Old GM's analysis performed in the three months ended September 30, 2007 indicated that it had cumulative three year historical losses on an adjusted basis. This is considered significant negative evidence which is objective and verifiable and therefore, difficult

to overcome. In addition, Old GM's near-term financial outlook in the U.S., Canada and Germany deteriorated in the three months ended December 31, 2007. While Old GM's long-term financial outlook in the U.S., Canada and Germany was positive at the time of the analysis, Old GM concluded that its ability to rely on its long-term outlook as to future taxable income was limited due to uncertainty created by the weight of the negative evidence, particularly:

- The possibility for continued or increasing price competition in the highly competitive U.S. market. This was seen in the three months ended September 30, 2007 when a competitor introduced its new fullsize trucks and offered customer incentives to gain market share. Accordingly, Old GM increased customer incentives on its recently launched fullsize trucks, which were not previously anticipated;

- Continued volatile oil prices and the possible effect that may have on consumer preferences related to Old GM's most profitable products, fullsize trucks and sport utility vehicles;

- Uncertainty over the effect on Old GM's cost structure from more stringent U.S. fuel economy and global emissions standards which may require Old GM to sell a significant volume of alternative fuel vehicles across its portfolio;

- Uncertainty as to the future operating results of GMAC's mortgage business, and

- Acceleration of tax deductions for OPEB liabilities as compared to prior expectations due to changes associated with the 2008 UAW Settlement Agreement.

Accordingly, based on these circumstances and uncertainty regarding Old GM's future taxable income, Old GM recorded full valuation allowances against these net deferred tax assets in the three months ended September 30, 2007.

Sweden – Saab filed for bankruptcy protection under the laws of Sweden in February 2009 and was deconsolidated. Though reconsolidated in August, Saab's assets and liabilities were classified as held for sale. As a result, Saab deferred income taxes and associated valuation allowances, included in our consolidated amounts in years prior to 2009, are not included subsequent to its February 2009 deconsolidation.

If, in the future, we generate three-year adjusted cumulative profits in tax jurisdictions where we have recorded full valuation allowances, our conclusion regarding the need for valuation allowances in these tax jurisdictions could change, resulting in the reversal of some or all of such valuation allowances. If we generate taxable income in tax jurisdictions prior to overcoming negative evidence such as a three-year adjusted cumulative loss, we would reverse a portion of the valuation allowance related to the corresponding realized tax benefit for that period, without changing our conclusions on the need for a full valuation allowance against the remaining net deferred tax assets.

Uncertain Tax Positions

At December 31, 2009 the amount of gross unrecognized tax benefits before valuation allowances and the amount that would favorably affect the effective income tax rate in future periods after valuation allowances was $5.4 billion and $618 million. At December 31, 2008 the amount of gross unrecognized tax benefits before valuation allowances and the amount that would favorably affect the effective income tax rate in future periods after valuation allowances was $2.8 billion and ($26) million. At December 31, 2009 and 2008 $4.0 billion and $1.2 billion of the liability for uncertain tax positions reduced deferred tax assets relating to the same tax jurisdictions. The remaining uncertain tax positions are classified as a non-current asset or liability.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes a reconciliation of the total amounts of unrecognized tax benefits (dollars in millions):

	Successor	Predecessor	
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Beginning balance	$ 4,096	$ 2,803	$ 2,754
Additions to tax positions recorded in the current year	1,454	1,493	208
Additions to tax positions recorded in prior years	22	594	751
Reductions to tax positions recorded in the current year	(44)	(25)	(47)
Reductions to tax positions recorded in prior years	(128)	(626)	(725)
Reductions in tax positions due to lapse of statutory limitations	—	(281)	—
Settlements	(111)	(16)	(275)
Other	121	154	137
Ending balance	$ 5,410	$ 4,096	$ 2,803

The following tables summarize information regarding interest and penalties (dollars in millions):

	Successor	Predecessor	
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Interest income	$ —	$ 249	$ 26
Interest expense (benefit)	$ 30	$ (31)	$ 13
Penalties	$ —	$ 30	$ 4

	Successor	Predecessor
	December 31, 2009	December 31, 2008
Accrued interest receivable	$ 10	$ 129
Accrued interest payable	$ 275	$ 198
Accrued penalties	$ 137	$ 90

Other Matters

Most of the tax attributes generated by Old GM and its domestic and foreign subsidiaries (net operating loss carryforwards and various income tax credits) survived the Chapter 11 Proceedings, and we expect to use the tax attributes to reduce future tax liabilities. The ability to utilize certain of the U.S. tax attributes in future tax periods could be limited by Section 382(a) of the Internal Revenue Code. In Germany, we have net operating loss carryforwards for corporate income tax and trade tax purposes. We have applied for, and expect approval of a ruling from the German tax authorities regarding the availability of those losses. If approved, we should be able to continue to carry over those losses despite the reorganizations that have taken place in Germany in 2008 and 2009. In Australia, we have net operating loss carryforwards which are now subject to meeting an annual “Same Business Test” requirement. We will have to assess the ability to utilize these carryforward losses annually.

In the U.S., Old GM federal income tax returns for 2004 through 2006 were audited by the Internal Revenue Service (IRS), and the review was concluded in February 2010. The IRS is currently auditing Old GM federal tax returns for 2007 and 2008. The IRS is also reviewing the January 1 through July 9, 2009 Old GM tax year as part of the IRS Compliance Assurance Process (CAP), a pre-file examination process. Our July 10, 2009 through December 31, 2009 tax year is also under IRS CAP review. In addition to the U.S., income tax returns are filed in multiple jurisdictions and are subject to examination by taxing authorities throughout the world. We

have open tax years from 2001 to 2009 with various significant tax jurisdictions. These open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations as they relate to the amount, character, timing or inclusion of revenue and expenses or the sustainability of income tax credits for a given audit cycle. We have continuing responsibility for Old GM's open tax years. We record, and Old GM previously recorded, a tax benefit only for those positions that meet the more likely than not standard.

In May 2009 the U.S. and Canadian governments resolved a transfer pricing matter for Old GM which covered the tax years 2001 through 2007. In the three months ended June 30, 2009 this resolution resulted in a tax benefit of $692 million and interest of $229 million. Final administrative processing of the Canadian case closing occurred in late 2009, and final administrative processing of the U.S. case closing occurred in February 2010. We do not anticipate significant adjustments will result from these final closings.

Within the next twelve months, we expect to reach agreement with the IRS on all issues affecting Old GM federal returns and our July 10, 2009 through December 31, 2009 federal return. We believe we have adequate reserves established, and any outcome will not have a material effect on our results of operations, financial position or cash flows. At December 31, 2009 it is not possible to reasonably estimate the expected change to the total amount of unrecognized tax benefits over the next 12 months.

Note 23. Fair Value Measurements

Fair Value Measurements on a Recurring Basis

The following tables summarize the financial instruments measured at fair value on a recurring basis (dollars in millions):

	Successor			
	Fair Value Measurements on a Recurring Basis at December 31, 2009			
	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents				
United States government and agency	$ —	$ 580	$ —	$ 580
Certificates of deposit	—	2,140	—	2,140
Money market funds	7,487	—	—	7,487
Commercial paper	—	969	—	969
Marketable securities				
Equity	15	17	—	32
United States government and agency	—	19	—	19
Mortgage and asset-backed	—	22	—	22
Certificates of deposit	—	8	—	8
Foreign government	—	24	—	24
Corporate debt	—	29	—	29
Restricted cash and marketable securities				
United States government and agency bonds	—	140*	—	140
Money market funds	13,083**	—	—	13,083
Government of Canada bonds	—	955	—	955
Other assets				
Equity	13	—	—	13
Derivatives				
Commodity	—	11	—	11
Foreign currency	—	90	33	123
Other	—	25	—	25
Total assets	$ 20,598	$ 5,029	$ 33	$25,660
Liabilities				
Derivatives				
Foreign currency	$ —	$ 9	$ 705	$ 714
Total liabilities	$ —	$ 9	$ 705	$ 714

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

* Amounts originally reported as $0 in our 2009 Form 10-K. The column and row totals have been corrected accordingly. Refer to Note 3.
** Amounts originally reported as $12,662 in our 2009 Form 10-K. The column and row totals have been corrected accordingly. Refer to Note 3.

	Predecessor			
	Fair Value Measurements on a Recurring Basis at December 31, 2008			
	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents				
Certificates of deposit	$ —	$ 2,375	$ —	$ 2,375
Commercial paper	—	1,645	—	1,645
Marketable securities				
Equity	9	15	—	24
United States government and agency	—	4	—	4
Mortgage- and asset-backed	—	—	66	66
Certificates of deposit	—	11	—	11
Foreign government	—	19	—	19
Corporate debt	—	17	—	17
Restricted cash				
Certificates of deposit	—	26	—	26
Commercial paper	—	59	—	59
Other assets				
Equity	5	—	—	5
Derivatives				
Interest rate swaps	—	368	3	371
Foreign currency	—	1,228	—	1,228
Commodity	—	35	1	36
Total assets	$ 14	$ 5,802	$ 70	$ 5,886
Liabilities				
Derivatives				
Cross currency swaps	$ —	$ 377	$ —	$ 377
Interest rate swaps	—	3	3	6
Foreign currency	—	258	2,144	2,402
Commodity	—	571	18	589
Other	—	—	164	164
Total liabilities	$ —	$ 1,209	$ 2,329	$ 3,538

Transfers In and/or Out of Level 3

At June 30, 2009 Old GM's mortgage- and asset-backed securities were transferred from Level 3 to Level 2 as the significant inputs used to measure fair value and quoted prices for similar instruments were determined to be observable in an active market.

For periods presented after June 1, 2009 nonperformance risk for us and Old GM was not observable through the credit default swap market as a result of the Chapter 11 Proceedings and the lack of traded instruments for us after the 363 Sale. As a result, foreign currency derivatives with a fair market value of $1.6 billion were transferred from Level 2 to Level 3. Our nonperformance risk remains not directly observable through the credit default swap market at December 31, 2009 and accordingly the derivative contracts for certain foreign subsidiaries remain classified in Level 3.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In the three months ended March 31, 2009 Old GM determined the credit profile of certain foreign subsidiaries was equivalent to Old GM's nonperformance risk which was observable through the credit default swap market and bond market based on prices for recent trades. Accordingly, foreign currency derivatives with a fair value of $2.1 billion were transferred from Level 3 into Level 2.

In December 2008 Old GM transferred foreign currency derivatives with a fair value of $2.1 billion from Level 2 to Level 3. These derivatives relate to certain of Old GM's foreign consolidated subsidiaries where Old GM was not able to determine observable credit ratings. Prior to December 31, 2008, these derivatives were valued based on our credit rating which was observable through the credit default swap market. At December 31, 2008 the fair value of these foreign currency derivative contracts was estimated based on the credit rating of comparable local companies with similar credit profiles and observable credit ratings together with internal bank credit ratings obtained from the subsidiary's lenders.

The following tables summarize the activity in the balance sheet accounts for financial instruments classified in Level 3 of the valuation hierarchy (dollars in millions):

	Successor					
	Level 3 Financial Assets and (Liabilities)					
	Mortgage-backed Securities(a)	Commodity Derivatives, Net(b)	Foreign Currency Derivatives(c)	Other Derivative Instruments(a)	Other Securities(a)	Total Net Assets (Liabilities)
Balance at July 10, 2009	$ —	$ —	$ (1,430)	$ —	$ —	$ (1,430)
Total realized/unrealized gains (losses)						
Included in earnings	—	—	238	—	—	238
Included in Other comprehensive loss	—	—	(103)	—	—	(103)
Purchases, issuances and settlements	—	—	623	—	—	623
Transfer in and/or out of Level 3	—	—	—	—	—	—
Balance at December 31, 2009	$ —	$ —	$ (672)	$ —	$ —	$ (672)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ —	$ —	$ 214	$ —	$ —	$ 214

	Predecessor					
	Level 3 Financial Assets and (Liabilities)					
	Mortgage-backed Securities(a)	Commodity Derivatives, Net(b)	Foreign Currency Derivatives(c)	Other Derivative Instruments(a)	Other Securities(a)	Total Net Assets (Liabilities)
Balance at January 1, 2009	$ 49	$ (17)	$ (2,144)	$ (164)	$ 17	$ (2,259)
Total realized/unrealized gains (losses)						
Included in earnings	(2)	13	26	164	(5)	196
Included in Other comprehensive loss	—	—	(2)	—	—	(2)
Purchases, issuances and settlements	(14)	4	105	—	(7)	88
Transfer in and/or out of Level 3	(33)	—	585	—	(5)	547
Balance at July 9, 2009	$ —	$ —	$ (1,430)	$ —	$ —	$ (1,430)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ —	$ —	$ 28	$ —	$ —	$ 28

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor						
	Level 3 Financial Assets and (Liabilities)						
	Mortgage-backed Securities(a)	Commodity Derivatives(b)	Foreign Currency Derivatives(c)	Corporate Debt Securities(a)	Other Derivative Instruments(a)	Other Securities(a)	Total Net Assets (Liabilities)
Balance at January 1, 2008	$ 283	$ 257	$ —	$ 28	$ —	$ 260	$ 828
Total realized/unrealized gains (losses)							
Included in earnings	(39)	28	—	23	—	(65)	(53)
Included in Other comprehensive loss	1	—	—	—	—	7	8
Purchases, issuances and settlements	(196)	(302)	—	(51)	(164)	(185)	(898)
Transfer in and/or out of Level 3	—	—	(2,144)	—	—	—	(2,144)
Balance at December 31, 2008	$ 49	$ (17)	$ (2,144)	$ —	$ (164)	$ 17	$ (2,259)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ (6)	$ 28	$ — *	$ —	$ —	$ (1)	$ 21

* Amount originally reported as $(775) in our 2009 Form 10-K. The row total has been corrected accordingly. Refer to Note 3.

(a) Realized gains (losses) and other than temporary impairments on marketable securities (including the UST warrants outstanding until the closing of the 363 Sale) are recorded in Interest income and other non-operating income, net.

(b) Prior to July 10, 2009 realized and unrealized gains (losses) on commodity derivatives are recorded in Cost of sales. Changes in fair value are attributable to changes in base metal and precious metal prices. Beginning July 10, 2009 realized and unrealized gains (losses) on commodity derivatives are recorded in Interest income and other non-operating income, net.

(c) Prior to July 10, 2009 realized and unrealized gains (losses) on foreign currency derivatives are recorded in the line item associated with the economically hedged item. Beginning July 10, 2009 realized and unrealized gains (losses) on foreign currency derivatives are recorded in Interest income and other non-operating income, net and foreign currency translation gains (losses) are recorded in Accumulated other comprehensive income (loss).

Short-Term and Long-Term Debt

We determined the fair value of debt based on a discounted cash flow model which used benchmark yield curves plus a spread that represented the yields on traded bonds of companies with comparable credit ratings and risk profiles.

Old GM determined the fair value of debt based on quoted market prices for the same or similar issues or based on the current rates offered for debt of similar remaining maturities.

The following table summarizes the carrying amount and estimated fair values of short-term and long-term debt including capital leases for which it is practical to estimate fair value (dollars in millions):

	Successor	Predecessor
	December 31, 2009	December 31, 2008
Carrying amount (a)	$ 15,783	$ 45,938
Fair value (a)	$ 16,024	$ 16,986

(a) Accounts and notes receivable, net and Accounts payable (principally trade) are not included because the carrying amount approximates fair value due to their short-term nature.

At December 31, 2009 we estimated the fair value of our investment in GMAC common stock using a market approach based on the average price to tangible book value multiples of comparable companies to each of GMAC's Auto Finance, Commercial Finance, Mortgage, and Insurance operations to determine the fair value of the individual operations. These values were aggregated to estimate the fair value of GMAC's common stock. The significant inputs used to determine the appropriate multiple for GMAC and used in our analysis were as follows:

- GMAC's December 31, 2009 financial statements, as well as the financial statements and price to tangible book value multiples of comparable companies in the Auto Finance, Commercial Finance and Insurance industries;
- Historical segment equity information separately provided by GMAC;
- Expected performance of GMAC, as well as our view on its ability to access capital markets; and
- The value of GMAC's mortgage operations, taking into consideration the continuing challenges in the housing markets and mortgage industry, and its need for additional liquidity to maintain business operations.

We calculated the fair value of our investment in GMAC's preferred stock using a discounted cash flow approach. The present value of the cash flows was determined using assumptions regarding the expected receipt of dividends on GMAC's preferred stock and the expected call date.

Note 24. Restructuring and Other Initiatives

We have and Old GM had previously executed various restructuring and other initiatives, and we plan to execute additional initiatives in the future, if necessary, in order to preserve adequate liquidity, to align manufacturing capacity and other costs with prevailing global automotive production and to improve the utilization of remaining facilities. Related charges are primarily recorded in Cost of sales and Selling, general and administrative expense.

In May 2009 Old GM and the UAW entered into an agreement that suspended the JOBS Program which was replaced with the SUB and TSP. These job security programs provide reduced wages and employees continue to receive coverage under certain employee benefit programs. The number of weeks that an employee receives these benefits depends on the employee's classification as well as the number of years of service that the employee has accrued. A similar tiered benefit is provided to CAW employees.

As part of achieving and sustaining long-term viability and the viability of our dealer network, we determined that a reduction in the number of GMNA dealerships was necessary. In determining which dealerships would remain in our network we performed careful analyses of volumes and consumer satisfaction indexes, among other criteria. Wind-down agreements with over 2,000 retail dealers have been executed. The retail dealers executing wind-down agreements have agreed to terminate their dealer agreements with us prior to October 31, 2010. Our plan was to reduce dealerships in the United States and Canada to approximately 3,600 to 4,000 and 450 to 480 in the long-term. However, in December 2009 President Obama signed legislation giving U.S. dealers access to neutral arbitration should they decide to contest the wind-down of their dealership. Under the terms of the legislation we have informed dealers as to why their dealership received a wind-down agreement. In turn, dealers were given a timeframe to file for reinstatement through the American Arbitration Association. Under the law decisions in these arbitration proceedings must generally be made by June 2010 and are binding and final. We have sent letters to over 2,000 of our dealers explaining the reasons for their wind-down agreements and over 1,100 dealers have filed for arbitration. In response to the arbitration filings we reviewed each of the dealer reinstatement claims filed with the American Arbitration Association. Our review resulted in over 600 letters of intent sent to dealers, containing our core business criteria for operation of a dealership, which upon compliance by the dealer, would result in reinstatement of the dealership. We expect to have the overall arbitration and reinstatement process fundamentally resolved in 2010. Due to the reinstatement of dealerships and the uncertainty of the outcome of the remaining binding arbitration cases we expect the number of dealerships in our network to exceed the previously estimated range.

Refer to Note 25 for asset impairment charges related to our restructuring initiatives and Note 19 for pension and other postretirement benefit charges resulting from our hourly and salaried employee separation initiatives, including special attrition programs.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes restructuring reserves (excluding restructuring reserves related to dealer wind-down agreements) and charges by segment, including postemployment benefit reserves and charges (dollars in millions):

	Successor			
	GMNA	GME	GMIO	Total
Balance at July 10, 2009	$2,905	$433	$ 48	$ 3,386
Additions	44	37	85	166
Interest accretion and other	15	35	—	50
Payments	(994)	(61)	(128)	(1,183)
Revisions to estimates	30	—	(2)	28
Effect of foreign currency	88	7	4	99
Balance at December 31, 2009 (a)	$2,088	$451	$ 7	$ 2,546

	Predecessor			
	GMNA	GME	GMIO	Total
Balance at January 1, 2007	$ 1,339	$ 407	$ 5	$ 1,751
Additions	382	537	63	982
Interest accretion and other	21	30	—	51
Payments	(872)	(439)	(65)	(1,376)
Revisions to estimates	(67)	(15)	—	(82)
Effect of foreign currency	65	60	1	126
Balance at December 31, 2007	868	580	4	1,452
Additions	2,165	242	130	2,537
Interest accretion and other	41	62	—	103
Payments	(745)	(368)	(53)	(1,166)
Revisions to estimates	320	(18)	(3)	299
Effect of foreign currency	(193)	(30)	(20)	(243)
Balance at December 31, 2008	2,456	468	58	2,982
Additions	1,835	20	65	1,920
Interest accretion and other	16	11	—	27
Payments	(1,014)	(65)	(91)	(1,170)
Revisions to estimates	(401)	—	9	(392)
Effect of foreign currency	50	(1)	7	56
Balance at July 9, 2009	2,942	433	48	3,423
Effect of application of fresh-start reporting	(37)	—	—	(37)
Ending balance including effect of application of fresh-start reporting	$ 2,905	$ 433	$ 48	$ 3,386

(a) The remaining cash payments related to these restructuring reserves primarily relate to postemployment benefits to be paid.

GM

GMNA recorded charges, interest accretion and other, and revisions to estimates that increased the restructuring reserves by $89 million in the period July 10, 2009 through December 31, 2009 for separation programs primarily related to the following initiatives:

- The restructuring reserves were increased by $213 million due to an increase in the SUB and TSP accrual of $183 million related to capacity actions, productivity initiatives, acquisition of Nexteer and four domestic facilities and Canadian restructuring activities of $30 million.

- The salaried and hourly workforce severance accruals were reduced by $146 million as a result of elections subsequently made by terminating employees, such amounts were reclassified as special termination benefits and were funded from the U.S. defined benefit pension plans and other applicable retirement benefit plans.

GME recorded charges, interest accretion and other, and revisions to estimates of $72 million in the period July 10, 2009 through December 31, 2009 primarily related to separation charges for early retirement programs and additional liability adjustments, primarily in Germany.

GMIO recorded charges, interest accretion and other, and revisions to estimates of $83 million in the period July 10, 2009 through December 31, 2009, which includes separation charges of $72 million related to restructuring programs in Australia for salaried and hourly employees.

The following table summarizes GMNA's restructuring reserves related to dealer wind-down agreements in the period July 10, 2009 through December 31, 2009 (dollars in millions):

	Successor		
	U.S.	Canada and Mexico	Total
Balance at July 10, 2009	$ 398	$ 118	$ 516
Additions	229	46	275
Payments	(167)	(118)	(285)
Transfer to legal reserve	—	(17)	(17)
Effect of foreign currency	—	12	12
Balance at December 31, 2009	$ 460	$ 41	$ 501

Restructuring reserves related to dealer wind-down agreements in the period July 10, 2009 through December 31, 2009 increased primarily due to additional accruals recorded for wind-down payments to Saturn dealerships related to the decision in September 2009 to wind-down the Saturn brand and dealership network in accordance with the deferred termination agreements that Saturn dealers have signed with us.

Old GM

GMNA recorded charges, interest accretion and other, and revisions to estimates of $1.5 billion in the period January 1, 2009 through July 9, 2009 for separation programs related to the following initiatives:

- Postemployment benefit charges in the U.S. of $825 million related to 13,000 hourly employees who participated in the 2009 Special Attrition Program and the Second 2009 Special Attrition Program.

- SUB and TSP related charges in the U.S. of $707 million, recorded as an additional liability determined by an actuarial analysis at the implementation of the SUB and TSP and related suspension of the JOBS Program.

- Revisions to estimates of $401 million to decrease the reserve, primarily related to $335 million for the suspension of the JOBS Program and $141 million for estimated future wages and benefits due to employees who participated in the 2009 Special Attrition Programs; offset by a net increase of $86 million related to Canadian salaried workforce reductions and other restructuring initiatives in Canada.

- Separation charges of $250 million for a U.S. salaried severance program to allow 6,000 terminated employees to receive ongoing wages and benefits for up to 12 months.

- Postemployment benefit charges in Canada of $38 million related to 380 hourly employees who participated in a special attrition program at the Oshawa Facility.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

GME recorded charges, interest accretion and other, and revisions to estimates of $31 million in the period January 1, 2009 through July 9, 2009 primarily related to separation charges for early retirement programs and additional liability adjustments, primarily in Germany.

GMIO recorded charges, interest accretion and other, and revisions to estimates of $74 million in the period January 1, 2009 through July 9, 2009 for separation programs primarily related to the following initiatives:

- Separation charges of $48 million related to voluntary and involuntary separation programs in South America affecting 3,300 salaried and hourly employees.
- Separation charges in Australia of $19 million related to a facility idling. The program affects employees who left through December 2009.

The following table summarizes GMNA's restructuring reserves related to dealer wind-down agreements in the period January 1, 2009 through July 9, 2009 (dollars in millions):

	Predecessor		
	U.S.	Canada and Mexico	Total
Balance at January 1, 2009	$ —	$ —	$ —
Additions	398	120	518
Payments	—	(2)	(2)
Balance at July 9, 2009	$398	$ 118	$516

GMNA recorded charges, interest accretion and other, and revisions to estimates of $2.5 billion in the year ended 2008 for separation programs related to the following initiatives:

- Postemployment benefit costs in the U.S. and Canada of $2.1 billion, which was comprised of $1.7 billion related to previously announced capacity actions and $407 million for special attrition programs.
- Revisions to estimates that increased the reserve of $320 million.
- Separation charges of $40 million for a U.S. salaried severance program, which allowed terminated employees to receive ongoing wages and benefits for up to 12 months.

GME recorded charges, interest accretion and other, and revisions to estimates of $286 million in the year ended 2008 for separation programs related to the following initiatives:

- Separation charges in Germany of $107 million related to early retirement programs, along with additional minor separations under other current programs.
- Separation charges in Belgium of $92 million related to current and previously announced programs, having previously recorded $341 million in the year ended 2007.
- Separation charges of $43 million related to separation programs and the cost of previously announced initiatives, which include voluntary separations, in Sweden, the United Kingdom, Spain and France.

GMIO recorded charges and revisions to estimates of $127 million in the year ended 2008 primarily related to separation charges of $51 million in South Africa and South America, and separation charges of $76 million related to a facility idling in Australia.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

GMNA recorded charges, interest accretion and other, and revisions to estimates of $336 million in the year ended 2007 for separation programs related to the following initiatives:

- Postemployment benefit costs of $364 million, which was comprised of $333 million for previously announced capacity actions in the U.S. and Canada and $31 million for special attrition programs.
- Revisions to estimates to decrease the reserve of $67 million.
- Separation charges of $18 million for a U.S. salaried severance program, which allowed terminated employees to receive ongoing wages and benefits for up to 12 months.

GME recorded charges, interest accretion and other, and revisions to estimates of $552 million in the year ended 2007 for separation programs related to the following initiatives:

- Separation charges in Belgium of $341 million related to current and previously announced programs.
- Separation charges in Germany of $151 million and postemployment liability adjustments of $21 million. These charges and adjustments were primarily related to early retirement programs, along with additional minor separations.
- Separation charges of $45 million related to initiatives announced in 2006. These included separations in Sweden and the United Kingdom and the closure of the Portugal assembly facility.
- Revisions to estimates to decrease the reserve of $15 million related to programs in Germany and Belgium.

GMIO recorded charges of $63 million in the year ended 2007 primarily related to charges of $22 million for employee separations in Brazil and charges of $41 million related to a voluntary employee separation program in Australia.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 25. Impairments

The following table summarizes impairment charges (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
GMNA				
Goodwill	$ —	$ —	$ 154	$ —
Intangibles assets	21	—	—	—
Product-specific tooling assets	1	278	291	240
Cancelled powertrain programs	—	42	120	—
Equity and cost method investments	4	28	119	—
Vehicles leased to rental car companies	—	11	160	44
Automotive retail leases (a)	—	—	220	—
Other than temporary impairment charges on debt and equity securities (b)	—	—	47	72
Total GMNA impairment charges	26	359	1,111	356
GME				
Goodwill	—	—	456	—
Product-specific tooling assets	—	237	497	—
Vehicles leased to rental car companies	18	36	222	90
Total GME impairment charges	18	273	1,175	90
GMIO				
Product-specific tooling assets	1	7	72	19
Asset impairment charges related to restructuring initiatives	—	—	30	—
Other long-lived assets	—	2	—	—
Total GMIO impairment charges	1	9	102	19
Corporate				
Other than temporary impairment charges on debt and equity securities (b)	—	11	15	—
Automotive retail leases	—	16	157	—
GMAC Common Membership Interests	—	—	7,099	—
GMAC common stock	270	—	—	—
GMAC Preferred Membership Interests	—	—	1,001	—
Total Corporate impairment charges	270	27	8,272	—
Total impairment charges	$ 315	$ 668	$ 10,660	$ 465

(a) The year ended 2008 includes an increase in intersegment residual support and risk sharing reserves of $220 million recorded as a reduction of revenue in GMNA.

(b) Refer to Note 6 and Note 23 for additional information on marketable securities and financial instruments measured at fair value on a recurring basis. The impairment charges were recorded in Interest income and other non-operating income, net.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following tables summarize assets measured at fair value (all of which utilized Level 3 inputs) on a nonrecurring basis subsequent to initial recognition (dollars in millions):

		Fair Value Measurements Using Successor			
	Period Ended December 31, 2009(a)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	July 10, 2009 Through December 31, 2009 Total Losses
Product-specific tooling assets (b)	$ —	—	—	$ —	$ (2)
Equity and cost method investments (other than GMAC)	$ 1	—	—	$ 1	$ (4)
Vehicles leased to rental car companies (c)	$ 543-567	—	—	$ 543-567	$ (18)
GMAC common stock	$ 970	—	—	$ 970	$ (270)
Intangible assets	$ —	—	—	$ —	$ (21)
					$ (315)

(a) Amounts represent the fair value measure (or range of measures) during the period.

(b) In the period July 10, 2009 through September 30, 2009 and in the fourth quarter of 2009 we recorded impairment charges of $1 million each to write down product-specific tooling assets to their fair value of $0.

(c) In the period July 10, 2009 through September 30, 2009 we recorded impairment charges of $12 million to write down vehicles leased to rental car companies to their fair value of $543 million. In the fourth quarter we recorded an impairment charge of $6 million to write down vehicles leased to rental car companies to their fair value of $567 million.

		Fair Value Measurements Using Predecessor			
	Period Ended July 9, 2009(a)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	January 1, 2009 Through July 9, 2009 Total Losses
Product-specific tooling assets (b)	$ 0-85	—	—	$ 0-85	$ (522)
Cancelled powertrain programs	$ —	—	—	$ —	$ (42)
Other long-lived assets	$ —	—	—	$ —	$ (2)
Equity and cost method investments (other than GMAC)	$ —	—	—	$ —	$ (28)
Vehicles leased to rental car companies (c)	$ 539-2,057	—	—	$ 539-2,057	$ (47)
Automotive retail leases	$ 1,519	—	—	$ 1,519	$ (16)
					$ (657)

(a) Amounts represent the fair value measure (or range of measures) during the period.

(b) In the first quarter we recorded impairment charges of $285 million to write down product-specific tooling assets to their fair value of $85 million. In the second quarter we recorded impairment charges of $237 million to write down product-specific tooling assets to their fair value of $0.

(c) In the first quarter we recorded impairment charges of $29 million to write down vehicles leased to rental car companies to their fair value $2.1 billion. In the second quarter we recorded impairment charges of $17 million to write down vehicles leased to rental car companies to their fair value of $543 million. In the period July 1, 2009 through July 9, 2009 we recorded impairment charges of $1 million to write down vehicles leased to rental car companies to their fair value of $539 million.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

		Fair Value Measurements Using Predecessor			
	Year Ended December 31, 2008(a)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Year Ended December 31, 2008 Total Losses
GMAC Common Membership interests (b)	$612-5,391	—	—	$612-5,391	$ (7,099)
GMAC Preferred Membership interests (c)	$ 43-902	—	—	$ 43-902	$ (1,001)
Equity and Cost Method Investments (other than GMAC) (d)	$ 0-6	—	—	$ 0-6	$ (119)
					$ (8,219)

(a) Amounts represent the fair value measure (or range of measures) during the period.

(b) In the first quarter we recorded an impairment charge of $1.3 billion to write down our investment in GMAC Common Membership Interests to its fair value of $5.4 billion. In the second quarter we recorded an impairment charge of $726 million to write down our investment in GMAC Common Membership Interests to its fair value of $3.5 billion. In the fourth quarter we recorded an impairment charge of $5.1 billion to write down our investment in GMAC Common Membership Interests to its fair value of $612 million.

(c) In the first quarter we recorded an impairment charge of $142 million to write down our investment in GMAC Preferred Membership Interests to its fair value of $902 million. In the second quarter we recorded an impairment charge of $608 million to write down our investment in GMAC Preferred Membership Interests to its fair value of $294 million. In the third quarter we recorded an impairment charge of $251 million to write down our investment in GMAC Preferred Membership Interests to its fair value of $43 million.

(d) In the fourth quarter, we recorded an impairment charge related to our investment in NUMMI of $94 million to write our investment down to its fair value of $0 and an impairment charge related to our investment in CAMI of $25 million to write our investment down to its fair value of $6 million.

As a result of the adoption of ASC 820-10 in January 2009 fair value disclosures related to nonfinancial assets and liabilities measured on a nonrecurring basis for the periods January 1, 2009 through July 9, 2009 and July 10, 2009 through December 31, 2009 are subsequently discussed.

GM

July 10, 2009 Through December 31, 2009

GMNA

Intangible assets related to product-specific technology were adjusted to their fair value at the time of impairment, resulting in impairment charges of $21 million in the period July 10, 2009 through December 31, 2009. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to technology.

GMNA recorded contract cancellation charges of $80 million related to the cancellation of certain product programs.

GME

Equipment on operating leases, net is comprised of vehicles leased to rental car companies, which were adjusted to their fair value at the time of impairment, resulting in impairment charges of $18 million in the period July 10, 2009 through December 31, 2009. Fair value measurements utilized projected cash flows from vehicle sales at auction.

GMIO

GMIO recorded contract cancellation charges of $2 million related to the cancellation of certain product programs.

Corporate

At July 10, 2009 our application of fresh-start reporting resulted in adjustments of $1.3 billion and $629 million to our investments in GMAC common and GMAC preferred stock to record these investments at their estimated fair value of $1.3 billion and $665 million. In the period July 10, 2009 through December 31, 2009 we received distributions on GMAC common stock of $72 million which decreased the carrying amount of our investment in GMAC common stock.

At December 31, 2009 we determined that indicators were present that suggested our investments in GMAC common and preferred stock could be impaired. Such indicators included the continuing deterioration in GMAC's mortgage operations, as evidenced by the strategic actions GMAC took in December 2009 to position itself to sell certain mortgage assets. These actions resulted in GMAC recording an increase in its provision for loan losses of $2.4 billion in the fourth quarter of 2009. These indicators also included GMAC's receipt of $3.8 billion of additional financial support from the UST on December 30, 2009, which diluted our investment in GMAC common stock from 24.5% to 16.6%.

As a result of these impairment indicators, we evaluated the fair value of our investments in GMAC common and preferred stock and recorded an impairment charge of $270 million related to our GMAC common stock to record the investment at its estimated fair value of $970 million. We determined the fair value of these investments using valuation methodologies that were consistent with those we used in our application of fresh-start reporting. In applying these valuation methodologies at December 31, 2009, however, we updated the analyses to reflect changes in market comparables and other relevant assumptions.

Old GM

January 1, 2009 Through July 9, 2009

GMNA

Product-specific tooling assets were adjusted to their fair value at the time of impairment, resulting in impairment charges of $278 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized projected cash flows, discounted at rates commensurate with the perceived business risks related to the assets involved.

Cancelled powertrain programs were adjusted to their fair value at the time of impairment, resulting in impairment charges of $42 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized discounted projected cash flows.

GMNA recorded contract cancellation charges of $157 million related to the cancellation of certain product programs.

CAMI at the time an equity method investee, was adjusted to its fair value, resulting in an impairment charge of $28 million in the three months ended March 31, 2009. The fair value measurement utilized projected cash flows discounted at a rate commensurate with the perceived business risks related to the investment. In March 2009 Old GM determined that due to changes in contractual arrangements, CAMI became a VIE and Old GM was the primary beneficiary, and therefore CAMI was consolidated.

Equipment on operating leases, net is comprised of vehicles leased to rental car companies, which were adjusted to their fair value at the time of impairment, resulting in impairment charges of $11 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized projected cash flows from vehicle sales at auction.

GME

Product-specific tooling assets were adjusted to their fair value at the time of impairments, resulting in impairment charges of $237 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized projected cash flows, discounted at rates commensurate with the perceived business risks related to the assets involved.

GME recorded contract cancellation charges of $12 million related to the cancellation of certain product programs.

Equipment on operating leases, net is comprised of vehicles leased to rental car companies, which were adjusted to their fair value at the time of impairment, resulting in impairment charges of $36 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized projected cash flows from vehicle sales at auction.

GMIO

Product-specific tooling assets were adjusted to their fair value at the time of impairments, resulting in impairment charges of $7 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized certain Level 3 inputs, which included projected cash flows, discounted at rates commensurate with the perceived business risks related to the assets involved.

GMIO recorded contract cancellation charges of $8 million related to the cancellation of certain product programs.

Corporate

Automotive retail leases were adjusted to their fair value at the time of impairment, resulting in impairment charges of $16 million in the period January 1, 2009 through July 9, 2009. Fair value measurements utilized discounted projected cash flows from lease payments and anticipated future auction proceeds.

2008

GMNA

Goodwill impairment charges of $154 million in the year ended 2008 related to sharply reduced forecasts of automotive sales in the near- and medium-term. Fair value measurements utilized discounted projected cash flows.

NUMMI and CAMI, at the time were equity method investees involved in various aspects of the development and production of vehicles, were adjusted to their fair value, resulting in impairment charges of $94 million and $25 million in the year ended 2008. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to the investments.

GME

Goodwill impairment charges of $456 million in the year ended 2008 related to sharply reduced forecasts of automotive sales in the near- and medium-term. Fair value measurements utilized discounted projected cash flows.

Corporate

In 2008 recessions in the United States and Western Europe and a slowdown in economic growth in the rest of the world negatively affected residential and homebuilding markets and consumer demand for less fuel efficient vehicles, particularly fullsize trucks and sport utility vehicles. In addition, instability of the credit and mortgage markets resulted in an extreme lack of liquidity resulting in prominent North American financial institutions declaring bankruptcy, being seized by the Federal Deposit Insurance Corporation or being sold at distressed valuations, and culminated in the U.S. and foreign governments providing various forms of capital infusions to financial institutions. These economic factors negatively affected GMAC’s global automotive business as well as GMAC’s mortgage operations, which resulted in significant losses including impairment charges of $1.2 billion on GMAC’s portfolio of automotive retail leases in the year ended 2008. As a result of these events, Old GM evaluated its investments in GMAC Common and Preferred Membership Interests, determined that they were impaired and recorded impairment charges on these investments of $7.1 billion and $1.0 billion in the year ended 2008.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In order to determine the fair value of Old GM's investment in GMAC Common Membership Interests at March 31, June 30 and September 30, 2008, Old GM determined GMAC's fair value by applying various valuation techniques, which used Level 3 inputs, to its significant business units and then applied its 49% equity interest to the resulting fair value.

- Auto Finance – Old GM obtained industry data, such as equity and earnings ratios for other industry participants, and developed average multiples for these companies based upon a comparison of their businesses to Auto Finance.
- Insurance – Old GM developed a peer group, based upon such factors as equity and earnings ratios and developed average multiples for these companies.
- Mortgage Operations – Old GM previously obtained industry data for an industry participant that Old GM believed to be comparable, and also utilized the implied valuation based on an acquisition of an industry participant who was believed to be comparable. Due to prevailing market conditions at September 30, 2008 Old GM did not believe that comparable industry participants existed; however, Old GM believed that previously available data, in conjunction with certain publicly available information incorporated into the analysis, resulted in an appropriate valuation at September 30, 2008.
- Commercial Finance Group – Old GM obtained industry data, such as price to earnings ratios, for other industry participants, and developed average multiples for these companies based upon a comparison of their businesses to the Commercial Finance Group.

At December 31, 2008 Old GM's determination of the fair value of GMAC Common Membership Interests used data from GMAC's discussions with the Board of Governors of the Federal Reserve System for approval to become a Bank Holding Company under the Bank Holding Company Act of 1956, as amended, in addition to Old GM's and GMAC's negotiations with the UST regarding potential borrowings or other capital infusions under the Automotive Industry Financing Program. As part of this process, Old GM and FIM Holdings agreed to convert Old GM's interests in the GMAC Participation Agreement to GMAC Common Membership Interests in December 2008, and to purchase additional GMAC Common Membership Interests subsequent to December 2008. The conversion of the GMAC Participation Agreement and the subsequent purchase of additional GMAC Common Membership Interests utilized a specified value per GMAC Common Membership Interest as determined and agreed to by the relevant parties to the various transactions, which Old GM subsequently utilized in its determination of GMAC's fair value, as it was believed the per share value was representative of fair value. Refer to Note 30 for additional information on the GMAC Participation Agreement.

In order to determine the fair value of Old GM's investment in GMAC Preferred Membership Interests at December 31, 2008, Old GM applied valuation techniques, which used certain Level 3 inputs, to various characteristics of the GMAC Preferred Membership Interests as follows:

- Using information as to the pricing on similar investments and changes in yields of other GMAC securities, Old GM developed a discount rate for the valuation.
- Using assumptions as to the receipt of dividends on the GMAC Preferred Membership Interests, the expected call date and a discounted cash flow model, Old GM developed a present value of the related cash flows.

At March 31, June 30, and September 30, 2008 Old GM also used these valuation techniques but the assumptions used at each valuation date varied due to differing market conditions in these periods.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 26. Other Expenses, net

The following table summarizes the components of Other expenses, net (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Operating and other expenses (income)	$ (35)	$ 22	$ 409	$ 545
Pension benefits for certain current and future retirees of Delphi	—	—	—	552
Deconsolidation of Saab expenses, net	(60)	824	—	—
Saab impairment charges	—	88	—	—
Delphi related charges (Note 21)	8	184	4,797	1,547
Depreciation and amortization expense	89	101	749	1,259
Goodwill impairment charges (Note 25)	—	—	610	—
Interest expense	13	16	134	405
Total other expenses, net	$ 15	$ 1,235	$ 6,699	$ 4,308

Interest expense and depreciation and amortization expense recorded in Other expenses, net relates to a portfolio of automotive retail leases.

Note 27. Stockholders' Equity (Deficit) and Noncontrolling Interests

GM

Common Stock

We have 5.0 billion shares of common stock authorized, with a par value of $0.01 per share. At December 31, 2009 we had 1.5 billion shares issued and outstanding. Holders of our common stock are entitled to dividends at the sole discretion of our Board of Directors. However, the terms of the Series A Preferred Stock prohibit, subject to exceptions, the payment of dividends on our common stock, unless all accrued and unpaid dividends on the Series A Preferred Stock are paid in full. Holders of common stock are entitled to one vote per share on all matters submitted to our stockholders for a vote. The liquidation rights of holders of our common stock are secondary to the payment or provision for payment of all our debts and liabilities and to holders of our preferred stock, if any such shares are then outstanding. Pursuant to the terms of a Stockholders Agreement we entered into with certain of our stockholders, certain holders of our common stock are entitled to preemptive rights under certain circumstances.

Warrants

In connection with the 363 Sale, we issued two warrants, each to acquire 136.4 million shares of common stock, to MLC and one warrant to acquire 45.5 million shares of common stock to the New VEBA. The first of the MLC warrants is exercisable at any time prior to July 10, 2016 at an exercise price of $10.00 per share, and the second of the MLC warrants is exercisable at any time prior to July 10, 2019 at an exercise price of $18.33 per share. The New VEBA warrant is exercisable at any time prior to December 31, 2015 at an exercise price of $42.31 per share. The number of shares of common stock underlying each of the warrants and the per share exercise price thereof are subject to adjustment as a result of certain events, including stock splits, reverse stock splits and stock dividends.

Noncontrolling Interests

In October 2009 we completed our participation in an equity rights offering in GM Daewoo, a majority-owned and consolidated subsidiary, for KRW 491 billion (equivalent to $417 million when entered into). As a result of the participation in the equity rights

offering, our ownership interest in GM Daewoo increased from 50.9% to 70.1%. Funds from our UST escrow were utilized for this rights offering.

In December 2009 we acquired the remaining noncontrolling interest of CAMI from Suzuki for $100 million increasing our ownership interest from 50% to 100%. This transaction resulted in no charge to Capital surplus.

The table below summarizes the changes in equity resulting from Net loss attributable to common stockholders and transfers from (to) noncontrolling interests (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Net loss attributable to common stockholders	$ (4,428)
Increase in capital surplus resulting from GM Daewoo equity rights offering	108
Changes from net loss attributable to common stockholders and transfers from (to) noncontrolling interests	$ (4,320)

Old GM

Preferred Stock

Old GM had 6 million shares of preferred stock authorized, without par value. The preferred stock ranked senior to its common stock and any other class of stock it previously issued. Holders of preferred stock were entitled to receive cumulative dividends, when and as declared by Old GM's Board of Directors on a quarterly basis. Old GM had no shares of preferred stock issued and outstanding at December 31, 2008.

Preference Stock

Old GM had 100 million shares of preference stock authorized, with a par value of $0.10. The preference stock was issuable in series with such voting powers, designations, powers, privileges, and rights and such qualifications, limits, or restrictions as may be determined by Old GM's Board of Directors, without stockholder approval. The preference stock ranked junior to Old GM's preferred stock and senior to its common stock. Holders of preference stock were entitled to receive dividends, which may or may not have been cumulative when and as declared by Old GM's Board of Directors. Old GM had no shares of preference stock issued and outstanding at December 31, 2008.

Common Stock

Old GM had 2.0 billion shares of common stock authorized, with a par value of $1 2/3. Old GM had 801 million shares issued and 610 million shares outstanding at December 31, 2008.

Warrants

As additional consideration for entering into the UST Loan Agreement, Old GM issued warrants to the UST for 122 million shares of common stock exercisable at $3.57 per share, which was 19.99% of the number of shares of common stock outstanding at December 31, 2008. The warrants were perpetual and were assigned a fair value of $164 million at December 31, 2008. In determining this value, Old GM utilized the observable market value of tradable call options on its common stock. The difference in terms between the warrants and the observable call options on its common stock was determined to have an insignificant effect on the value of the warrants. Key inputs in the value of the call options were Old GM's common stock price and its expected volatility on common stock returns. An increase of 10% in Old GM's common stock price would have increased the fair value of the warrants by

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

$28 million and a decrease of 10% in Old GM's common stock price would have decreased the fair value of the warrants by $26 million. An increase or decrease in volatility of 10% would have caused an increase or decrease in the fair value of the warrants of $16 million. As the warrants did not meet the accounting requirements to be classified as an equity instrument, the warrants were recorded in Other liabilities and because the warrants met the definition of a derivative, they were recorded at fair value prospectively, with changes in fair value recognized in earnings. Old GM was entitled to repurchase the warrants or shares issued through the exercise of the warrants at fair value once it had repaid amounts outstanding under the UST Loan Agreement. In connection with the 363 Sale, the UST returned the warrants previously issued to it from Old GM.

Treasury Stock

Old GM held 190 million shares of treasury stock, net of re-issuances, at December 31, 2008. Old GM accounted for treasury stock at cost, with the amount in excess of par value charged to Capital surplus (principally additional paid-in capital).

Accumulated Other Comprehensive Income (Loss)

The following table summarizes the components of Accumulated other comprehensive income (loss), net of taxes:

	Successor	Predecessor	
	December 31, 2009	December 31, 2008	December 31, 2007
Foreign currency translation adjustments	$ 157	$ (2,122)	$ (967)
Net unrealized gain (loss) on derivatives	(1)	(490)	321
Net unrealized gain (loss) on securities	2	(33)	265
Defined benefit plans, net	1,430	(29,694)	(13,606)
Accumulated other comprehensive income (loss)	$ 1,588	$ (32,339)	$ (13,987)

Other Comprehensive Income (Loss)

The following tables summarize the components of Other comprehensive income (loss) attributable to common stockholders:

	Successor		
	July 10, 2009 Through December 31, 2009		
	Pre-tax Amount	Tax Expense (Credit)	Net Amount
Foreign currency translation adjustments	$ 135	$ 11	$ 124
Net unrealized gain on derivatives	(1)	—	(1)
Unrealized gain on securities	7	5	2
Defined benefit plans			
Prior service cost from plan amendments	112	130	(18)
Actuarial gain from plan measurements	2,702	1,247	1,455
Less: amortization of actuarial loss included in net periodic benefit cost	(6)	1	(7)
Net actuarial amounts	2,696	1,248	1,448
Defined benefit plans, net	2,808	1,378	1,430
Other comprehensive income (loss)	2,949	1,394	1,555
Less: other comprehensive (income) loss attributable to noncontrolling interests	(33)	—	(33)
Other comprehensive income (loss) attributable to common stockholders	$ 2,982	$ 1,394	$ 1,588

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor								
	January 1, 2009 Through July 9, 2009			Years Ended December 31,					
				2008			2007		
	Pre-tax Amount	Tax Expense (Credit)	Net Amount	Pre-tax Amount	Tax Expense (Credit)	Net Amount	Pre-tax Amount	Tax Expense (Credit)	Net Amount
Foreign currency translation gain (loss)	$ 187	$ 40	$ 147	$ (1,289)	$ 27	$ (1,316)	$ 807	$ (220)	$ 1,027
Net unrealized gain (loss) on derivatives	145	(131)	276	(1,284)	(53)	(1,231)	(452)	(142)	(310)
Unrealized gain (loss) on securities	46	—	46	(298)	—	(298)	(23)	(6)	(17)
Defined benefit plans									
Prior service benefit (cost) from plan amendments	(3,882)	(1,551)	(2,331)	449	(1)	450	(2,813)	(700)	(2,113)
Amortization of prior service cost included in net periodic benefit cost	5,162	3	5,159	(5,063)	284	(5,347)	(5)	73	(78)
Net prior service benefit (cost)	1,280	(1,548)	2,828	(4,614)	283	(4,897)	(2,818)	(627)	(2,191)
Actuarial gain (loss) from plan measurements	(2,574)	1,532	(4,106)	(14,684)	(120)	(14,564)	8,910	2,066	6,844
Amortization of actuarial loss included in net periodic benefit cost	(2,109)	22	(2,131)	3,524	159	3,365	1,723	331	1,392
Net actuarial amounts	(4,683)	1,554	(6,237)	(11,160)	39	(11,199)	10,633	2,397	8,236
Net transition assets from plan initiations	6	1	5	—	—	—	—	—	—
Amortization of transition asset /obligation included in net periodic benefit cost	(5)	(1)	(4)	11	3	8	2	4	(2)
Net transition amounts	1	—	1	11	3	8	2	4	(2)
Defined benefit plans, net	(3,402)	6	(3,408)	(15,763)	325	(16,088)	7,817	1,774	6,043
Other comprehensive income (loss)	(3,024)	(85)	(2,939)	(18,634)	299	(18,933)	8,149	1,406	6,743
Less: other comprehensive (income) loss attributable to noncontrolling interests	92	—	92	(581)	—	(581)	(340)	(97)	(243)
Other comprehensive income (loss) attributable to common stockholders	$(3,116)	$ (85)	$(3,031)	$(18,053)	$ 299	$(18,352)	$ 8,489	$1,503	$ 6,986

Note 28. Earnings (Loss) Per Share

Basic and diluted earnings (loss) per share have been computed by dividing Income (loss) from continuing operations attributable to common stockholders, Income from discontinued operations attributable to common stockholders or Net income (loss) attributable to common stockholders by the weighted-average common shares outstanding in the period.

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The following table summarizes basic and diluted earnings (loss) per share (in millions, except for per share amounts):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009(a)	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Basic				
Income (loss) from continuing operations attributable to common stockholders (b)	$ (3.58)	$ 178.63	$ (53.47)	$ (76.16)
Income from discontinued operations attributable to common stockholders	—	—	—	8.04
Net income (loss) attributable to common stockholders (b)	$ (3.58)	$ 178.63	$ (53.47)	$ (68.12)
Weighted-average common shares outstanding	1,238	611	579	566
Diluted				
Income (loss) from continuing operations attributable to common stockholders (b)	$ (3.58)	$ 178.55	$ (53.47)	$ (76.16)
Income from discontinued operations attributable to common stockholders	—	—	—	8.04
Net income (loss) attributable to common stockholders (b)	$ (3.58)	$ 178.55	$ (53.47)	$ (68.12)
Weighted-average common shares outstanding	1,238	611	579	566

(a) All applicable Successor share, per share and related information has been adjusted retroactively for the three-for-one stock split effected on November 1, 2010.

(b) The period July 10, 2009 through December 31, 2009 includes accumulated but unearned dividends of $34 million on Series A Preferred Stock, which increases Net loss attributable to common stockholders, and excludes dividends of $252 million on Series A Preferred Stock, which were paid to the New VEBA prior to December 31, 2009. The 260 million shares of Series A Preferred Stock issued to the New VEBA were not considered outstanding until December 31, 2009 due to the terms of the 2009 Revised UAW Settlement Agreement.

GM

Due to our net loss in the period July 10, 2009 through December 31, 2009 the assumed exercise of warrants outstanding had an antidilutive effect and were therefore excluded from the computation of diluted loss per share. The number of such warrants not included in the computation of diluted loss per share was 318 million in the period July 10, 2009 through December 31, 2009.

In connection with the 363 Sale, we issued 263 million shares of our common stock to the New VEBA, which were not considered outstanding for accounting purposes until December 31, 2009 as they did not qualify as plan assets. Because these shares were not considered outstanding until December 31, 2009 they did not affect the calculation of the weighted-average common shares outstanding. Refer to Note 19 for additional information on the 2009 Revised UAW Settlement Agreement.

Under the Purchase Agreement, we are obligated to issue Adjustment Shares in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions). The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum Adjustment Shares issued if estimated general unsecured claims total $42.0 billion or more. We determined that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In that circumstance, under the terms of the Purchase Agreement, we would be required to issue 8.6 million Adjustment Shares to MLC as an adjustment to the purchase price. These Adjustment Shares were excluded from the computation of basic and diluted loss per share as they were not issued or outstanding at December 31, 2009 and the effect would have been anti-dilutive, however, they may be dilutive in the future.

In November and December 2009 we granted restricted stock units (RSUs) to certain global executives. Since awards will be payable in cash if settled prior to six months after a completion of a successful initial public offering, the salary stock awards are excluded from the computation of diluted loss per share. At December 31, 2009 1.1 million RSUs were outstanding. Refer to Note 29 for additional information on RSUs.

Old GM

In the period January 1, 2009 through July 9, 2009 diluted earnings per share included the potential effect of the assumed exercise of certain stock options. The number of stock options and warrants that were excluded in the computation of diluted earnings per share because the exercise price was greater than the average market price of the common shares was 208 million.

Due to Old GM's net losses in the years ended 2008 and 2007, the assumed exercise of stock options and warrants had an antidilutive effect and therefore was excluded from the computation of diluted loss per share. The number of such options and warrants not included in the computation of diluted loss per share was 101 million and 104 million in the years ended 2008 and 2007.

No shares potentially issuable to satisfy the in-the-money amount of Old GM's convertible debentures have been included in the computation of diluted income (loss) per share for the period January 1, 2009 through July 9, 2009 and in the years ended 2008 and 2007 as the conversion options in various series of convertible debentures were not in-the-money.

Note 29. Stock Incentive Plans

GM

Our stock incentive plans consist of the 2009 Long-Term Incentive Plan (2009 GMLTIP) and the Salary Stock Plan (GMSSP). Both plans are administered by the Executive Compensation Committee of our Board of Directors. No awards were granted under the 2009 GMLTIP in the year ended 2009.

The following table summarizes compensation expense and total Income tax expense recorded for the GMSSP (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Compensation expense	$ 23
Income tax expense	$ 8

Long-Term Incentive Plan

The 2009 GMLTIP consists of RSUs that may be granted to global executives. The RSUs provide participants with the opportunity to earn shares of stock determined by dividing the award value by the fair market value per share on the grant date. The aggregate number of shares that may be granted under this plan and the GMSSP discussed below shall not exceed 30 million shares. There were no RSUs granted under this plan in the year ended 2009.

Awards granted under the 2009 GMLTIP will generally vest over a three year service period. Compensation cost for these awards will be recorded on a straight line basis over the vesting period. The awards for the Top 25 highest compensated employees will settle in 25% increments in conjunction with each 25% of our Troubled Asset Relief Program (TARP) obligations that are repaid. The awards for the non-top 25 highest compensated employees will settle in 25% increments in conjunction with each 25% of the U.S. and Canadian Government loans that are repaid.

Retirement eligible participants that are non-top 25 highest compensated employees, who retire during the service period, will retain and vest a pro-rata portion of RSUs. The vested award will be payable on the third anniversary date of the grant. Compensation cost for these employees will be recognized on a straight-line basis over the requisite service period.

All awards will be payable in cash if settled prior to six months after completion of an initial public offering, therefore awards granted will be classified as a liability until the completion of an initial public offering. In the event an initial public offering is completed, awards expected to settle six months after the initial public offering will be accounted for as a modification from a liability to equity award since the awards will then be required to be settled in our common stock.

Salary Stock

In November 2009 we began granting salary stock to certain global executives under the GMSSP. Under the GMSSP, a portion of each participant's total annual compensation is accrued and converted to RSUs at each salary payment date. Effective in 2010, a portion of each participant's salary accrued on each salary payment date will be converted to RSUs on a quarterly basis. The aggregate number of shares that may be granted under this plan and the 2009 GMLTIP shall not exceed 30 million shares.

The awards are fully vested and nonforfeitable upon grant, therefore compensation cost is fully recognized on the date of grant. The awards will be settled on each of the second, third, and fourth anniversary dates of grant with each installment redeemable one year earlier if we repay the financial assistance we received from the UST under the TARP program. The awards will be payable in cash if settled prior to six months after completion of an initial public offering; therefore, these awards will be classified as a liability until the completion of an initial public offering. In the event an initial public offering is completed, awards expected to settle six months after the initial public offering will be accounted for as a modification from a liability to equity award since the awards will then be required to be settled in our common stock.

The fair value of each RSU under the 2009 GMLTIP and GMSSP is based on the fair value of our common stock. Since there currently is no observable publicly traded price for our common stock, we have developed a methodology to calculate the value of our common stock based on our discounted cash flow analysis updated through December 31, 2009. Refer to Note 2 for additional information on the key assumptions used to estimate our reorganization value at July 10, 2009 and our discounted cash flow analysis.

The following table summarizes our RSU activity under the GMSSP in the period July 10, 2009 through December 31, 2009 (RSUs in millions):

	Successor			
	RSUs			
	Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
RSUs outstanding at July 10, 2009	—	$ —		
Granted	1.1	$ 16.39		
Exercised	—	$ —		
Forfeited or expired	—	$ —		
RSUs outstanding at December 31, 2009	1.1	$ 16.39	—	$ —
RSUs expected to vest at December 31, 2009	1.1	$ 16.39	—	$ —
RSUs exercisable at December 31, 2009	—	$ —	—	$ —

Old GM

Old GM's stock incentive plans were comprised of the 2007 Old GM Long-Term Incentive Plan (GMLTIP), the 2002 Old GM Stock Incentive Plan (GMSIP), the 2002 GMLTIP, the 1998 Old GM Salaried Stock Option Plan (GMSSOP), the 2007 Old GM Cash-Based Restricted Stock Unit Plan (GMCRSU) and the 2006 GMCRSU, or collectively the Old GM Stock Incentive Plans. The

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GMLTIP, GMSIP and the GMCRSU plans were administered by Old GM's Executive Compensation Committee of its Board of Directors. The GMSSOP was administered by Old GM's Vice President of Global Human Resources. In connection with the 363 Sale, MLC retained the awards granted under the Old GM Stock Incentive Plans.

The following table summarizes compensation expense (benefit) and total Income tax expense (benefit) recorded for the Old GM Stock Incentive Plans (dollars in millions):

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Compensation expense (benefit)	$ (10)	$ (65)	$ 136
Income tax expense (benefit) (a)	$ —	$ 3	$ (21)

(a) Income tax expense (benefit) does not include U.S. and non-U.S. jurisdictions which have full valuation allowances.

In 2008 Old GM extended voluntary early retirement offers under its 2008 Salaried Window Program to certain of its U.S. salaried employees, including certain U.S. executives, as part of its plan to reduce salary related expenses. Under the terms of the 2008 Salaried Window Program, option awards granted to executives were modified to vest immediately and remain exercisable until the expiration date of the grant. Approximately 200 U.S. executives accepted the 2008 Salaried Window Program. The modifications of the stock option awards were accounted for as a cancellation of the original award and the issuance of a new award. The effect of this award modification on compensation expense was $6 million.

In August 2007 Old GM completed the sale of the commercial and military operations of its Allison business. Allison employees who participated in Old GM's stock incentive plans were considered terminated employees on the date of sale. Based on this change in employment status, certain outstanding nonvested share-based payment awards were forfeited. The remaining outstanding share-based payment awards were prorated for previous employment services as provided for under the original terms of the award and would remain exercisable for the earlier of three years from the date of termination, or the expiration of the option.

Stock Options

Under the GMSIP, 27 million shares of Old GM's common stock were eligible for grants from June 2002 through May 2007. Stock option grants awarded since 1997 were generally exercisable one-third after one year, another one-third after two years and fully exercisable three years from the date of grant. Option prices were 100% of fair value on the date of grant, and the options generally expired 10 years from the date of grant, subject to earlier termination under certain conditions. Old GM's policy was to issue treasury shares upon exercise of employee stock options.

In 2007 the GMSIP was replaced with the 2007 GMLTIP. Under the 2007 GMLTIP, 16 million shares of Old GM's common stock were eligible for grants from June 2007 through May 2012. Stock options granted under this plan were generally exercisable one-third after one year, another one-third after two years and fully exercisable three years from the date of grant. Option prices were 100% of fair value on the date of grant, and the options generally expired 10 years from the date of grant, subject to earlier termination under certain conditions. Old GM's policy was to issue treasury shares upon exercise of employee stock options.

The GMSSOP commenced in January 1998 and no shares were available for grants after December 2006. The number of shares that could be awarded each year was determined by Old GM's management and stock options awarded under this plan were exercisable two years from the date of grant. There were no option grants made under the plan after 2004. Option prices were 100% of fair value on the date of grant, and the options generally expired 10 years and two days from the date of grant subject to earlier termination under certain conditions.

The fair value of each option grant, except for the performance-contingent option awards as subsequently discussed, was estimated on the date of grant using the Black-Scholes option-pricing model with the weighted-average assumptions discussed in the following table. Expected volatility was based on both the implied and historical volatilities of Old GM's common stock. The expected term of

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options represented the period of time that the options were expected to be outstanding. Old GM used historical data to estimate option exercise and employee termination within the valuation model. For option grants made prior to 2008 Old GM used the modified prospective application method. The dividend yield was based on Old GM's stock price at the date of grant. The interest rate during the expected term of the option was based on the U.S. Treasury yield curve in effect at the time of the grant.

The following table summarizes assumptions used to estimate the date of grant fair value of Old GM's stock options:

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
	2007 GMLTIP	2007 GMLTIP	GMSIP
Interest rate	—%	3.0%	5.0%
Expected term (years)	—	7.3	6.0
Expected volatility	—%	44.6%	35.8%
Dividend yield	—%	4.3%	3.4%

The following table summarizes changes in the status of Old GM's outstanding stock options, including performance-contingent stock options which are subsequently discussed (options in millions):

	Predecessor			
	2007 GMLTIP			
	Shares Under Option	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding at January 1, 2009	76	$ 50.90		
Granted	—	$ —		
Exercised	—	$ —		
Forfeited or expired	(11)	$ 68.50		
Options outstanding at July 9, 2009	65	$ 47.92	3.5	$ —
Options expected to vest at July 9, 2009	4	$ 24.69	8.4	$ —
Options vested and exercisable at July 9, 2009	61	$ 49.24	3.2	$ —

	Predecessor			
	GMSSOP			
	Shares Under Option	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding at January 1, 2009	22	$ 55.44		
Granted	—	$ —		
Exercised	—	$ —		
Forfeited or expired	(4)	$ 67.40		
Options outstanding at July 9, 2009	18	$ 52.90	2.6	$ —
Options vested and exercisable at July 9, 2009	18	$ 52.90	2.6	$ —

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The following table summarizes Old GM's stock options granted or exercised under the 2007 GMLTIP and GMSIP (options in millions):

	Predecessor		
	2007 GMLTIP		GMSIP
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Options granted	—	4	3
Weighted-average grant date fair value	$ —	$ 7.29	$ 8.76
Options exercised	—	—	—
Intrinsic value of options exercised	$ —	$ —	$ 3

There were no GMSSOP options granted or exercised in the period January 1, 2009 through July 9, 2009, and the years ended 2008 and 2007. There were no tax benefits realized from the exercise of share-based payment arrangements in the period January 1, 2009 through July 9, 2009, and the years ended 2008 and 2007.

Market-Contingent Stock Options

In March 2008 Old GM granted market-contingent option awards under the 2007 GMLTIP. These awards had a minimum one-year service vesting period followed by a four-year performance period in which all options would vest once Old GM's common stock traded at or above $40 for any 10 days within a 30 day trading period. If both vesting conditions were met, the option would expire seven years from the date of grant. If, however, the market condition was not met, the option would expire five years from the date of grant. Option prices were 100% of the fair value on the date of grant.

Old GM recognized the fair value of these options over the weighted-average derived service period of 1.8 years in the year ended 2008. The interest rates that Old GM used to determine the grant date fair value of these options were based on the term structure of the U.S. Treasury yield curve on the grant date. The volatility used was a blend of implied and historical volatilities of Old GM's common stock. The expected term was derived using the Monte-Carlo simulation model to determine fair value. The dividend yield was based upon historical dividend yields.

The following table summarizes the assumptions used to estimate the grant date fair value of the market-contingent stock options:

	Predecessor	
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Interest rate	—	1.7% - 3.1%
Expected term (years)	—	1.8
Expected volatility	—	44.0%
Dividend yield	—	3.2%

The following tables summarize Old GM's market-contingent stock options (options in millions):

	Predecessor	
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008
Options granted	—	0.7
Weighted-average grant date fair value	—	$ 7.00
Options exercised	—	—
Weighted-average exercise price	—	$ 23.13
Options forfeited or expired	—	—

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	Predecessor July 9, 2009
Options outstanding	0.7
Aggregate intrinsic value	$ —
Weighted-average contractual term (years)	5.7

Summary of Nonvested Awards

The following table summarizes the status of Old GM's nonvested awards (option awards in millions):

	Predecessor	
	Shares	Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2009	7	$ 7.67
Granted	—	$ —
Vested	(3)	$ 7.65
Forfeited	—	$ 8.15
Nonvested at July 9, 2009	4	$ 7.68

At July 9, 2009 the total unrecognized compensation expense related to nonvested option awards granted under the Old GM Stock Incentive Plans was $2 million. This expense was expected to be recorded over a weighted-average period of 1.2 years.

The following table summarizes cash received from option exercises (dollars in millions):

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Cash received	$ —	$ —	$ 1

Stock Performance Plans

The 2007 GMLTIP, formerly the 2002 GMLTIP, was comprised of awards granted to participants based on a minimum percentile ranking of Old GM's total stockholder return compared to all other companies in the S&P 500 for the same performance period. The target number of shares of Old GM's common stock that could be granted each year was determined by Old GM's management. The 2008 and 2007 grants each had four separate performance periods consisting of three one-year performance periods and one three-year performance period. The final award payouts could vary based on Old GM's total shareholder return, as previously discussed. There were no stock performance plan shares granted in the period January 1, 2009 to July 9, 2009.

The following table summarizes outstanding stock performance plan shares at July 9, 2009 (shares in millions):

	Predecessor	
Granted	Shares(a)	Weighted-Average Grant-Date Fair Value
2007	1	$ 33.70
2008	1	$ 18.43
Total outstanding	2	

(a) Excludes shares that have not met performance condition.

Old GM was required to settle these awards in cash. As a result, these cash-settled awards were recorded as a liability until the date of final award payout. The fair value of each cash-settled award was remeasured at the end of each reporting period and the liability and expense adjusted based on the change in fair value. The shares indicated in the preceding table were the targeted number of shares that would be used in the final award calculation should the targeted performance condition have been achieved. Final payout was subject to approval by Old GM's Executive Compensation Committee of the Board of Directors.

The fair value of each cash-settled award under the GMLTIP plans was estimated on the date of grant, and for each subsequent reporting period, remeasured using a Monte-Carlo simulation model that used the multiple input variables. Expected volatility was based upon a combination of the implied volatility from Old GM's tradable options and historical volatility, including the historical volatilities of other stocks in the S&P 500. The expected term of these target awards represented the remaining time in the performance period. The risk-free rate for periods during the contractual life of the performance shares was based on the U.S. Treasury yield curve in effect at the time of valuation. Since the payout depended on Old GM's total stockholder return performance ranked with the total stockholder return performance of all other S&P 500 companies, the valuation also depended on the performance of all stocks in the S&P 500 from the date of grant to the exercise date as well as estimates of the correlations among their future performance. The fair value of the performance plan shares was $0 at July 9, 2009 for the awards granted in the years ended 2008 and 2007.

The weighted-average remaining contractual term was 0.8 years for target awards outstanding at July 9, 2009. As the threshold performance required for a payment under the 2006-2008 award was not achieved, there were no cash payments made for this award in the period January 1, 2009 through July 9, 2009. There will be no cash payments for the 2007-2009 and 2008-2010 performance periods.

Cash-Based Restricted Stock Units

The 2007 and 2006 GMCRSU plans provided cash equal to the value of underlying restricted share units to certain of Old GM's global executives at predetermined vesting dates. Awards under the plan vested and were paid in one-third increments on each anniversary date of the award. Compensation expense was recorded on a straight-line basis over the requisite service period for each separately vesting portion of the award. Since the awards were settled in cash, they were recorded as a liability until the date of payment. The fair value of each cash-settled award was remeasured at the end of each reporting period and the liability and related expense adjusted based on the new fair value.

The fair value of each GMCRSU was based on Old GM's common stock price on the date of grant and each subsequent reporting period until the date of settlement.

The following tables summarize GMCRSUs (GMCRSUs in millions):

	Predecessor		
	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Number of GMCRSUs granted	—	6	5
Weighted-average date of grant fair value	$ 2.24	$ 23.01	$ 29.39
Total payments made for GMCRSUs vested (millions)	$ 10	$ 60	$ 42

	Predecessor July 9, 2009
GMCRSUs outstanding	5
Fair value per share	$ 0.84
Weighted-average remaining contractual term (years)	1.4

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Note 30. Transactions with GMAC

Old GM entered into various operating and financing arrangements with GMAC (GMAC Services Agreements), a related party. In connection with the 363 Sale, we assumed the terms and conditions of the GMAC Services Agreements. The following tables describe the financial statement effects of and maximum obligations under these agreements (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Operating lease residuals		
Residual support (a)		
Liabilities recorded	$ 369	$ 705
Maximum obligation	$ 1,159	$ 1,432
Risk sharing (a)		
Liabilities recorded	$ 366	$ 1,233
Maximum obligation	$ 1,392	$ 1,724
Note payable to GMAC	$ 35	$ 35
Vehicle repurchase obligations		
Maximum obligations	$ 14,249*	$ 19,836
Fair value of guarantee	$ 46	$ 8

* Amount originally reported as $14,058 in our 2009 Form 10-K. Refer to Note 3.

(a) Represents liabilities recorded and maximum obligations for agreements entered into prior to December 31, 2008. Agreements entered into in 2009 do not include residual support or risk sharing programs.

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Marketing incentives and operating lease residual payments (a)	$ 695	$ 601	$ 3,400	$ 4,533
Exclusivity fee revenue	$ 47	$ 52	$ 105	$ 105
Royalty income	$ 7	$ 8	$ 16	$ 18

(a) Payments to GMAC related to U.S. marketing incentive and operating lease residual programs. Excludes payments to GMAC related to the contractual exposure limit, as subsequently discussed.

Marketing Incentives and Operating Lease Residuals

As a marketing incentive, interest rate support, residual support, risk sharing, capitalized cost reduction and lease pull-ahead programs are initiated as a way to lower customers' monthly lease and retail contractual payments.

Under an interest rate support program, GMAC is paid an amount at the time of lease or retail contract origination to adjust the interest rate in the retail contract or implicit in the lease below GMAC's standard interest rate. Such marketing incentives are referred to as rate support or subvention and the amount paid at contract origination represents the present value of the difference between the customer's contractual rate and GMAC's standard rate for a given program.

Under a residual support program, a customer's contract residual value is adjusted above GMAC's standard residual value. GMAC is reimbursed to the extent that sales proceeds are less than the customer's contract residual value, limited to GMAC's standard residual value. As it relates to GMAC's U.S. lease originations and U.S. balloon retail contract originations occurring after April 30, 2006, Old GM agreed to pay the present value of the expected residual support owed to GMAC at the time of contract origination as opposed to after contract termination when the off-lease vehicles are sold. The actual residual support amount owed to GMAC is calculated as the contracts terminate and, in cases where the actual amount differs from the expected amount paid at contract origination, the difference is paid to or paid by GMAC, depending if sales proceeds are lower or higher than estimated at contract origination.

Under a risk-sharing arrangement, residual losses are shared equally with GMAC to the extent that remarketing proceeds are below GMAC's standard residual value (limited to a floor). As a result of revisions to the risk-sharing arrangement, Old GM agreed to pay GMAC a quarterly fee through 2014. Old GM accrued $108 million in the year ended 2008 related to this arrangement.

In the event it is publicly announced that a GM vehicle brand will be discontinued, phased-out, sold or other strategic options are being considered, the residual value of the related vehicles may change. If such an announcement in the U.S. or Canada results in an estimated decrease in the residual value of the related vehicles, GMAC will be reimbursed for the estimated decrease for certain vehicles for a certain period of time. If such an announcement results in an increase in the residual value of the related vehicles, GMAC will pay the increase in the sale proceeds received at auction. Announcements made in the periods January 1, 2009 through July 9, 2009 and July 10, 2009 through December 31, 2009 to discontinue, phase-out or sell a GM vehicle brand did not have a significant effect on residual values of the related vehicles. In the year ended 2008 we recorded a liability of $148 million related to announcements to discontinue, phase-out or sell certain GM vehicle brands.

Under a capitalized cost reduction program, GMAC is paid an amount at the time of lease or retail contract origination to reduce the principal amount implicit in the lease or retail contract below the standard manufacturers' suggested retail price.

Under a lease pull-ahead program, a customer is encouraged to terminate their lease early and buy or lease a new GM vehicle. As part of such a program, GMAC waives the customer's remaining payment obligation under their current lease, and GMAC is compensated for any foregone revenue from the waived payments. Since these programs generally accelerate the resale of the vehicle, the proceeds are typically higher than if the vehicle had been sold at contract maturity. The reimbursement to GMAC for the foregone payments is reduced by the amount of this benefit. Anticipated payments are made to GMAC each month based on the estimated number of customers expected to participate in a lease-pull ahead program. These estimates are adjusted once all vehicles that could have been pulled-ahead have terminated and the vehicles have been sold. Any differences between the estimates and the actual amounts owed to or from GMAC are subsequently settled.

The terms and conditions of interest rate support, residual support, risk sharing, capitalized cost reduction, and lease pull-ahead programs are included in the GMAC Services Agreements. In December 2008 Old GM and GMAC agreed, among other things, to modify certain terms and conditions of the GMAC Services Agreements pursuant to a preliminary term sheet (GMAC Term Sheet). A primary objective of the GMAC Services Agreements continues to be supporting the distribution and marketing of our and previously Old GM's products. In May 2009 Old GM entered into the Amended and Restated United States Consumer Financing Services Agreement (Amended Financing Agreement) with an effective date of December 29, 2008. The terms of the Amended Financing Agreement were consistent with the GMAC Term Sheet.

Exclusivity Arrangement

In November 2006 Old GM granted GMAC exclusivity for U.S., Canadian and international GM-sponsored consumer and wholesale marketing incentives for products in specified markets around the world, with the exception of Saturn branded products. In return for exclusivity, GMAC paid an annual exclusivity fee of $105 million ($75 million for the U.S. retail business, $15 million for the Canadian retail business, $10 million for the international operations retail business, and $5 million for the dealer business).

As a result of the Amended Financing Agreement, Old GM and GMAC agreed to modify certain terms related to the exclusivity arrangements: (1) for a two-year period, retail financing incentive programs can be offered through a third party financing source under certain specified circumstances, and in some cases subject to the limitation that pricing offered by such third party meets certain restrictions, and after such two-year period any such incentive programs can be offered on a graduated basis through third parties on a non-exclusive, side-by-side basis with GMAC provided that pricing with such third parties meets certain requirements; (2) GMAC has no obligation to provide financing; and (3) GMAC has no targets against which it could be assessed penalties. After December 24, 2013, we will have the right to offer retail financing incentive programs through any third party financing source, including GMAC, without any restrictions or limitations.

Beginning in 2009 under the Amended Financing Agreement, Old GM agreed to pro-rate the exclusivity fee in the U.S. and Canada under certain circumstances if incentives were offered through a third party financing source. The international exclusivity fee arrangement remains unchanged and the dealer exclusivity fee was terminated.

Participation Agreement

In June 2008 Old GM, along with FIM Holdings entered into the GMAC Participation Agreement with GMAC, which provided that both parties would provide specified loan amounts to GMAC to fund ResCap. Through December 2008 Old GM funded the maximum obligation of $368 million. Old GM recorded interest income of $21 million in the year ended 2008 related to the GMAC Participation Agreement.

In December 2008 Old GM and FIM Holdings entered into the GMAC Exchange Agreement with GMAC. Pursuant to the GMAC Exchange Agreement, Old GM and FIM Holdings exchanged their respective amounts funded under the GMAC Participation Agreement for 79,368 Class B Common Membership Interests and 82,608 Class A Common Membership Interests. As the carrying amount of the amount funded under the GMAC Participation Agreement approximated fair value, Old GM did not recognize a gain or loss on the exchange.

Contractual Exposure Limit

An agreement between GMAC and Old GM limited certain unsecured obligations to GMAC in the U.S. arising from the GMAC Services Agreements to $1.5 billion. In accordance with the Amended Financing Agreement, Old GM and GMAC agreed to increase the probable potential unsecured exposure limit from $1.5 billion in the United States to $2.1 billion globally. In addition, GMAC's maximum potential unsecured exposure to us cannot exceed $4.1 billion globally. Old GM and GMAC also agreed to reduce the global unsecured obligation limit from $2.1 billion to $1.5 billion by December 30, 2010. Additionally, Old GM and GMAC agreed that the sum of the maximum unsecured and committed secured exposures at December 30, 2010 will not exceed the greater of $3.0 billion or 15% of GMAC's capital.

Vehicle Repurchase Obligations

In May 2009 Old GM and GMAC agreed to expand Old GM's repurchase obligations for GMAC financed inventory at certain dealers in Europe, Asia, Brazil and Mexico. In November 2008 Old GM and GMAC agreed to expand repurchase obligations for GMAC financed inventory at certain dealers in the United States and Canada. Prior to November 2008, Old GM was obligated, pursuant to dealer agreements, to repurchase certain GMAC financed inventory, limited to current model year vehicles and prior model year vehicles in dealer inventory less than 120 days, in the event of a termination of the related dealer's sales and service agreement. The current agreement with GMAC requires the repurchase of GMAC financed inventory invoiced to dealers after September 1, 2008, with limited exclusions, in the event of a qualifying voluntary or involuntary termination of the dealer's sales and service agreement. Repurchase obligations exclude vehicles which are damaged, have excessive mileage or have been altered. The repurchase obligation ended in August 2009 for vehicles invoiced through August 2008, ends in August 2010 for vehicles invoiced through August 2009 and ends August 2011 for vehicles invoiced through August 2010.

The maximum potential amount of future payments required to be made to GMAC under this guarantee would be based on the repurchase value of total eligible vehicles financed by GMAC in dealer stock. If vehicles are required to be repurchased under this arrangement, the total exposure would be reduced to the extent vehicles are able to be resold to another dealer. The fair value of the guarantee, which considers the likelihood of dealers terminating and estimated loss exposure for ultimate disposition of vehicles, was recorded as a reduction of revenue.

Automotive Retail Leases

In November 2006 GMAC transferred automotive retail leases to Old GM, along with related debt and other assets. GMAC retained an investment in a note, which is secured by the automotive retail leases. GMAC continues to service the portfolio of automotive retail leases and related debt and receives a servicing fee. GMAC is obligated, as servicer, to repurchase any equipment on

operating leases that are in breach of any of the covenants in the securitization agreements. In addition, in a number of the transactions securitizing the equipment on operating leases, the trusts issued one or more series of floating rate debt obligations and entered into derivative transactions to eliminate the market risk associated with funding the fixed payment lease assets with floating interest rate debt. To facilitate these securitization transactions, GMAC entered into secondary derivative transactions with the primary derivative counterparties, essentially offsetting the primary derivatives. As part of the transfer, Old GM assumed the rights and obligations of the primary derivative while GMAC retained the secondary, leaving both companies exposed to market value movements of their respective derivatives. Old GM subsequently entered into derivative transactions with GMAC that are intended to offset the exposure each party has to its component of the primary and secondary derivatives.

Royalty Arrangement

For certain insurance products, Old GM entered into 10-year intellectual property license agreements with GMAC giving GMAC the right to use the GM name on certain products. In exchange, GMAC pays a royalty fee of 3.25% of revenue, net of cancellations, related to these products with a minimum annual guarantee of $15 million in the United States.

Balance Sheet

The following table summarizes the balance sheet effects of transactions with GMAC (dollars in millions):

	Successor December 31, 2009	Predecessor December 31, 2008
Assets		
Accounts and notes receivable, net (a)	$ 404	$ 661
Restricted cash and marketable securities (b)	$ 127	$ 481
Other assets (c)	$ 27	$ 3
Liabilities		
Accounts payable (d)	$ 131	$ 294
Short-term debt and current portion of long-term debt (e)	$ 1,077	$ 2,295
Accrued expenses and other liabilities (f)	$ 817	$ 569
Long-term debt (g)	$ 59	$ 101
Other non-current liabilities (h)	$ 383	$ 1,389

(a) Represents wholesale settlements due from GMAC, amounts owed by GMAC with respect to automotive retail leases and receivables for exclusivity fees and royalties.

(b) Represents certificates of deposit purchased from GMAC that are pledged as collateral for certain guarantees provided to GMAC in Brazil in connection with dealer floor plan financing.

(c) Primarily represents distributions due from GMAC on our investments in GMAC preferred stock and Preferred Membership Interests.

(d) Primarily represents amounts billed to us and Old GM and payable related to incentive programs.

(e) Represents wholesale financing, sales of receivable transactions and the short-term portion of term loans provided to certain dealerships which Old GM owned and which we subsequently purchased or in which we have and Old GM had an equity interest. In addition, it includes borrowing arrangements with various foreign locations and arrangements related to GMAC's funding of company-owned vehicles, rental car vehicles awaiting sale at auction and funding of the sale of vehicles to which title is retained while the vehicles are consigned to GMAC or dealers, primarily in the United Kingdom. Financing remains outstanding until the title is transferred to the dealers. This amount also includes the short-term portion of a note payable related to automotive retail leases.

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(f) Primarily represents accruals for marketing incentives on vehicles which are sold, or anticipated to be sold, to customers or dealers and financed by GMAC in North America. This includes the estimated amount of residual support accrued under the residual support and risk sharing programs, rate support under the interest rate support programs, operating lease and finance receivable capitalized cost reduction incentives paid to GMAC to reduce the capitalized cost in automotive lease contracts and retail automotive contracts, and amounts owed under lease pull-ahead programs. In addition it includes interest accrued on the transactions in (e) above.

(g) Primarily represents the long-term portion of term loans from GMAC to certain consolidated dealerships and a note payable with respect to automotive retail leases.

(h) Primarily represents long-term portion of liabilities for marketing incentives on vehicles financed by GMAC.

Statement of Operations

The following table summarizes the income statement effects of transactions with GMAC (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Net sales revenue (reduction) (a)	$ (259)	$ 207	$ (2,350)	$ (4,041)
Cost of sales and other expenses (b)	$ 113	$ 180	$ 688	$ 590
Interest income and other non-operating income, net (c)	$ 127	$ 166	$ 192	$ 433
Interest expense (d)	$ 121	$ 100	$ 221	$ 229
Servicing expense (e)	$ 22	$ 16	$ 144	$ 167
Derivative gains (losses) (f)	$ (1)	$ (2)	$ (4)	$ 19

(a) Primarily represents the (reduction) or increase in net sales and revenues for marketing incentives on vehicles which are sold, or anticipated to be sold, to customers or dealers and financed by GMAC. This includes the estimated amount of residual support accrued under residual support and risk sharing programs, rate support under the interest rate support programs, operating lease and finance receivable capitalized cost reduction incentives paid to GMAC to reduce the capitalized cost in automotive lease contracts and retail automotive contracts, and costs under lease pull-ahead programs. This amount is offset by net sales for vehicles sold to GMAC for employee and governmental lease programs and third party resale purposes.

(b) Primarily represents cost of sales on the sale of vehicles to GMAC for employee and governmental lease programs and third party resale purposes. Also includes miscellaneous expenses on services performed by GMAC.

(c) Represents income on our investments in GMAC preferred stock and Preferred Membership Interests, exclusivity and royalty fee income and reimbursements by GMAC for certain services provided to GMAC. Included in this amount is rental income related to GMAC's primary executive and administrative offices located in the Renaissance Center in Detroit, Michigan. The lease agreement expires in November 2016.

(d) Represents interest incurred on term loans, notes payable and wholesale settlements.

(e) Represents servicing fees paid to GMAC on certain automotive retail leases.

(f) Represents amounts recorded in connection with a derivative transaction entered into with GMAC as the counterparty.

Note 31. Transactions with MLC

In connection with the 363 Sale, we and MLC entered into a Transition Services Agreement (TSA), pursuant to which, among other things, we provide MLC with certain transition services and support functions in connection with their operation and ultimate liquidation in bankruptcy. MLC is required to pay the applicable usage fees specified with respect to various types of services under

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the TSA. The obligation to provide services under the TSA will terminate on the applicable dates specified in the agreement with respect to each such service, the latest such date being December 31, 2013. Types of services provided under the TSA included: (1) property management; (2) assistance in idling certain facilities; (3) provisions of access rights and storage of personal property at certain facilities; (4) security; (5) administrative services including accounting, treasury and tax; (6) purchasing; (7) information systems and services support; (8) communication services to the public; and (9) splinter union services including payroll and benefits administration. Services MLC provides to us under the TSA include: (1) provisions of access rights and storage of personal property at certain facilities; (2) assistance in obtaining certain permits and consents to permit us to own and operate purchased assets in connection with the 363 Sale; (3) allowing us to manage and exercise our rights under the TSA; and (4) use of certain real estate and equipment while we are in negotiation to assume or renegotiate certain leases or enter into agreements to purchase certain lease-related assets. At December 31, 2009 we are only obligated to provide tax services under the TSA.

Statement of Operations

The following table summarizes the income statement effects of transactions with MLC (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Cost of sales (a)	$ (8)
Interest income and other non-operating income, net	$ 1

(a) Primarily related to royalty income partially offset by reimbursements for engineering expenses incurred by MLC.

Balance Sheet

The following table summarizes the balance sheet effects of transactions with MLC (dollars in millions):

	Successor December 31, 2009
Accounts and notes receivable, net (a)	$ 16
Other assets	$ 1
Accounts payable (a)	$ 59
Accrued expenses and other liabilities	$ (1)

(a) Primarily related to the purchase and sale of component parts.

Cash Flow

The following table summarizes the cash flow effects of transactions with MLC (dollars in millions):

	Successor July 10, 2009 Through December 31, 2009
Operating (a)	$ (88)
Financing (b)	$ 25

(a) Primarily includes payments to and from MLC related to the purchase and the sale of component parts.

(b) Funding provided to a facility in Strasbourg, France, that MLC retained. We have reserved $16 million against the advanced amounts.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 32. Supplementary Quarterly Financial Information (Unaudited)

The following tables summarize supplementary quarterly financial information (dollars in millions, except for per share amounts):

	Successor		Predecessor		
	July 10, 2009 Through September 30, 2009	4th Quarter	1st Quarter	2nd Quarter	July 1, 2009 Through July 9, 2009
2009					
Net sales and revenue	$ 25,147	$ 32,327	$ 22,431	$ 23,047	$ 1,637
Gross margin (loss)	$ 1,593	$ (500)	$ (2,180)	$ (6,337)	$ (182)
Net income (loss)	$ (571)	$ (3,215)	$ (5,899)	$ (13,237)	$ 128,139
Net income (loss) attributable to common stockholders	$ (908)	$ (3,520)	$ (5,975)	$ (12,905)	$ 127,998
Net income (loss) attributable to common stockholders, per share, basic	$ (0.73)	$ (2.84)	$ (9.78)	$ (21.12)	$ 209.49
Net income (loss) attributable to common stockholders, per share, diluted	$ (0.73)	$ (2.84)	$ (9.78)	$ (21.12)	$ 209.38

	Predecessor Quarters			
	1st	2nd	3rd	4th
2008				
Net sales and revenue	$42,383	$ 38,010	$37,808	$30,778
Gross margin (loss)	$ 4,231	$ (5,482)	$ 3,287	$ (2,314)
Net loss	$ (3,209)	$ (15,580)	$ (2,610)	$ (9,652)
Net loss attributable to common stockholders	$ (3,282)	$ (15,513)	$ (2,552)	$ (9,596)
Net loss attributable to common stockholders, per share, basic and diluted	$ (5.80)	$ (27.40)	$ (4.47)	$ (15.71)

GM

Results for the three months ended December 31, 2009 included:

- Impairment charges of $270 million related to our investment in GMAC common stock.
- Settlement loss of $2.6 billion related to the 2009 UAW Settlement Agreement.

Results for the period July 10, 2009 through September 30, 2009 included:

- Charges of $195 million related to dealer wind-down agreements.

Old GM

Results for the period July 1, 2009 through July 9, 2009 included:

- Accelerated debt discount amortization of $600 million on the DIP Facility.
- Reorganization gains, net of $129.3 billion. Refer to Note 2 for additional information on these gains.
- Charges of $398 million related to dealer wind-down agreements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Results for the three months ended June 30, 2009 included:

- Gain of $2.5 billion on the disposition of GMAC Common Membership Interests partially offset by a loss on extinguishment of the UST GMAC Loan of $2.0 billion.
- Accelerated debt discount amortization of $1.6 billion on the DIP Facility.
- Charges of $1.9 billion related to U.S. salaried and hourly headcount reduction programs.
- Restructuring charges of $1.1 billion related to SUB and TSP.
- Reorganization costs of $1.1 billion, primarily related to loss on extinguishment of debt of $958 million.
- Impairment charges of $239 million related to product-specific tooling assets.

Results for the three months ended March 31, 2009 included:

- Old GM amended the terms of its U.S. term loan and recorded a gain of $906 million on the extinguishment of the original loan facility.
- Upon Saab's filing for reorganization, Old GM recorded charges of $618 million related to its net investment in, and advances to, Saab and other commitments and obligations.
- Impairment charges of $327 million related to product-specific tooling assets and cancelled powertrain programs.

Results for the three months ended December 31, 2008 included:

- Impairment charges of $5.1 billion related to Old GM's investment in GMAC Common Membership Interests and its proportionate share of GMAC's net income of $3.7 billion which included a $5.6 billion gain related to GMAC's bond exchange.
- Charges of $1.1 billion related to establishing valuation allowances against Old GM's net deferred tax assets in various tax jurisdictions.
- Impairment charges of $2.5 billion related to long-lived assets, Equipment on operating leases, net and goodwill.
- Charges of $662 million related to Old GM's estimated obligations under the Delphi-GM Settlement Agreements and Delphi Benefit Guarantee Agreements.
- Charges of $604 million related to capacity actions in the U.S. and Canada.

Results for the three months ended September 30, 2008 included:

- Impairment charges of $251 million related to Old GM's investment in GMAC Preferred Membership Interests.
- Charges of $652 million related to Old GM's estimated obligations under the Delphi-GM Settlement Agreements and Delphi Benefit Guarantee Agreements.

- A net curtailment gain of $4.9 billion related to the accelerated recognition of unamortized net prior service credit due to the 2008 UAW Settlement Agreement becoming effective.
- Charges of $1.7 billion related to the settlement loss associated with the elimination of healthcare coverage for U.S. salaried retirees over age 65.
- Charges of $591 million related to capacity actions in the U.S. and Canada.

Results for the three months ended June 30, 2008 included:

- Impairment charges of $1.3 billion related to Old GM's investment in GMAC Common and Preferred Membership Interests.
- Charges of $2.8 billion related to Old GM's estimated obligations under the Delphi-GM Settlement Agreements and Delphi Benefit Guarantee Agreements.
- Curtailment and other charges of $3.3 billion related to the 2008 UAW and IUE-CWA Special Attrition Programs.
- Charges of $1.1 billion related to capacity actions in the U.S. and Canada.
- An immaterial correction of Old GM's previous accounting for derivatives by recording in Net sales and revenue losses of $407 million which had been inappropriately deferred in Accumulated other comprehensive income (loss). Of this amount, $250 million should have been recorded in earnings in the three months ended March 31, 2008 and the remainder should have been recorded in prior periods, predominantly in the year ended 2007.

Results for the three months ended March 31, 2008 included:

- Impairment charges of $1.5 billion related to Old GM's investment in GMAC Common and Preferred Membership Interests.
- Charges of $394 million related to deferred tax asset valuation allowances in Spain and the United Kingdom.

Note 33. Segment Reporting

We design, build and sell cars, trucks and parts worldwide. We manage our operations on a geographic basis through our three geographically-based segments: GMNA, GME and GMIO. Each segment has a manager responsible for executing our strategies within each geographic region. Our manufacturing operations are integrated within each of our segments, benefit from broad-based trade agreements and are subject to regulatory requirements, such as Corporate Average Fuel Economy (CAFE) regulations. While not all vehicles within a segment are individually profitable on a fully loaded cost basis, those vehicles are needed in our product mix in order to attract customers to dealer showrooms and to maintain sales volumes for other, more profitable vehicles. Because of these factors, we do not manage our business on an individual brand or vehicle basis.

In the three months ended June 30, 2010 we changed our managerial reporting structure so that certain entities geographically located within Russia and Uzbekistan were transferred from our GME segment to our GMIO segment. We have revised the segment presentation for all periods presented.

Substantially all of the cars, trucks and parts produced are marketed through retail dealers in North America, and through distributors and dealers outside of North America, the substantial majority of which are independently owned.

In addition to the products sold to dealers for consumer retail sales, cars and trucks are also sold to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. Sales to fleet customers are completed

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through the network of dealers and in some cases sold directly to fleet customers. Retail and fleet customers can obtain a wide range of aftersale vehicle services and products through the dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories and extended service warranties.

GMNA primarily meets the demands of customers in North America with vehicles developed, manufactured and/or marketed under the following core brands:

- Buick
- Cadillac
- Chevrolet
- GMC

The demands of customers outside of North America are primarily met with vehicles developed, manufactured and/or marketed under the following brands:

- Buick
- Cadillac
- Chevrolet
- Daewoo
- GMC
- Holden
- Isuzu
- Opel
- Vauxhall

At December 31, 2009 we also had equity ownership stakes directly or indirectly through various regional subsidiaries, including GM Daewoo, SGM, SGMW and FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM). These companies design, manufacture and market vehicles under the following brands:

- Buick
- Cadillac
- Chevrolet
- Daewoo
- FAW
- GMC
- Holden
- Jiefang
- Wuling

Nonsegment operations are classified as Corporate. Corporate includes investments in GMAC, certain centrally recorded income and costs, such as interest, income taxes and corporate expenditures, certain nonsegment specific revenues and expenses, including costs related to the Delphi Benefit Guarantee Agreements and a portfolio of automotive retail leases.

All intersegment balances and transactions have been eliminated in consolidation.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following tables summarize key financial information by segment (dollars in millions):

	Successor					
	GMNA	GME	GMIO	Eliminations	Corporate	Total
At and For the Period July 10, 2009 Through December 31, 2009						
Sales						
External customers	$31,454	$11,340	$14,535	$ —	$ —	$ 57,329
Intersegment	972	139	981	(2,092)	—	—
Total sales	32,426	11,479	15,516	(2,092)	—	57,329
Other revenue	—	—	—	—	145	145
Total net sales and revenue	$32,426	$11,479	$15,516	$ (2,092)	$ 145	$ 57,474
Income (loss) attributable to common stockholders before interest and income taxes	$ (4,719)	$ (814)	$ 1,196	$ (26)	$ (323)	$ (4,686)
Interest income	—	—	—	—	184	184
Interest expense	—	—	—	—	694	694
Loss on extinguishment of debt	(101)	—	—	—	—	(101)
Income (loss) attributable to stockholders before income taxes	(4,820)	(814)	1,196	(26)	(833)	(5,297)
Income tax expense (benefit)	—	—	—	—	(1,000)	(1,000)
Net income (loss) attributable to stockholders	$ (4,820)	$ (814)	$ 1,196	$ (26)	$ 167	$ (4,297)
Equity in net assets of nonconsolidated affiliates	$ 1,928	$ 180	$ 5,801	$ —	$ 27	$ 7,936
Total assets	$78,719	$18,824	$26,673	$ (25,187)	$ 37,266	$136,295
Goodwill	$26,409	$ 3,335	$ 928	$ —	$ —	$ 30,672
Expenditures for property	$ 959	$ 547	$ 407	$ —	$ 1	$ 1,914
Depreciation, amortization and impairment	$ 2,732	$ 938	$ 461	$ —	$ 110	$ 4,241
Equity income (loss), net of tax	$ (7)	$ 8	$ 496	$ —	$ —	$ 497
Significant noncash charges						
Impairment charges related to investment in GMAC common stock	$ —	$ —	$ —	$ —	$ 270	$ 270
UAW OPEB healthcare settlement	2,571	—	—	—	—	2,571
Total significant noncash charges	$ 2,571	$ —	$ —	$ —	$ 270	$ 2,841

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor					
	GMNA	GME	GMIO	Eliminations	Corporate	Total
At and For the Period January 1, 2009 Through July 9, 2009						
Sales						
External customers	$ 23,490	$12,419	$10,878	$ —	$ —	$ 46,787
Intersegment	701	133	820	(1,654)	—	—
Total sales	24,191	12,552	11,698	(1,654)	—	46,787
Other revenue	—	—	—	—	328	328
Total net sales and revenue	$ 24,191	$12,552	$11,698	$ (1,654)	$ 328	$ 47,115
Income (loss) attributable to common stockholders before interest and income taxes	$(11,092)	$ (2,815)	$ (964)	$ 102	$ 899	$ (13,870)
Interest income	—	—	—	—	183	183
Interest expense	—	—	—	—	5,428	5,428
Reorganization gains, net (a)	—	—	—	—	128,155	128,155
Loss on extinguishment of debt	—	—	—	—	(1,088)	(1,088)
Income (loss) attributable to stockholders before income taxes	(11,092)	(2,815)	(964)	102	122,721	107,952
Income tax expense (benefit)	—	—	—	—	(1,166)	(1,166)
Net income (loss) attributable to stockholders	$(11,092)	$ (2,815)	$ (964)	$ 102	$ 123,887	$ 109,118
Expenditures for property	$ 2,282	$ 795	$ 416	$ —	$ 24	$ 3,517
Depreciation, amortization and impairment	$ 4,759	$ 1,492	$ 480	$ —	$ 142	$ 6,873
Equity in income (loss) of and disposition of interest in GMAC	$ —	$ —	$ —	$ —	$ 1,380	$ 1,380
Equity income (loss), net of tax	$ (277)	$ 3	$ 334	$ —	$ 1	$ 61
Significant noncash charges (gains)						
Gain on extinguishment of debt	$ —	$ —	$ —	$ —	$ (906)	$ (906)
Loss on extinguishment of UST GMAC Loan	—	—	—	—	1,994	1,994
Gain on conversion of UST GMAC Loan	—	—	—	—	(2,477)	(2,477)
Reversal of valuation allowances against deferred tax assets	—	—	—	—	(751)	(751)
Impairment charges related to equipment on operating leases	11	36	—	—	16	63
Impairment charges related to long-lived assets	320	237	9	—	—	566
Reorganization gains, net (a)	—	—	—	—	(128,563)	(128,563)
Total significant noncash charges (gains)	$ 331	$ 273	$ 9	$ —	$(130,687)	$(130,074)

(a) Refer to Note 2 for additional information on Reorganization gains, net.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor					
	GMNA	GME	GMIO	Eliminations	Corporate	Total
At and For the Year Ended December 31, 2008						
Sales						
External customers	$ 82,938	$32,440	$32,354	$ —	$ —	$147,732
Intersegment	3,249	2,207	4,990	(10,446)	—	—
Total sales	86,187	34,647	37,344	(10,446)	—	147,732
Other revenue	—	—	—	—	1,247	1,247
Total net sales and revenue	$ 86,187	$34,647	$37,344	$ (10,446)	$ 1,247	$148,979
Income (loss) attributable to common stockholders before interest and income taxes	$(12,203)	$ (2,625)	$ 471	$ 41	$(13,034)	$ (27,350)
Interest income	—	—	—	—	655	655
Interest expense	—	—	—	—	2,525	2,525
Gain on extinguishment of debt	—	—	—	—	43	43
Income (loss) attributable to stockholders before income taxes	(12,203)	(2,625)	471	41	(14,861)	(29,177)
Income tax expense (benefit)	—	—	—	—	1,766	1,766
Net income (loss) attributable to stockholders	$(12,203)	$ (2,625)	$ 471	$ 41	$(16,627)	$ (30,943)
Equity in net assets of nonconsolidated affiliates	$ 32	$ 207	$ 1,393	$ —	$ 514	$ 2,146
Total assets	$ 63,207	$22,378	$18,731	$ (70,704)	$ 57,427	$ 91,039
Expenditures for property	$ 4,242	$ 1,345	$ 1,406	$ —	$ 537	$ 7,530
Depreciation, amortization and impairment	$ 5,910	$ 2,353	$ 943	$ —	$ 808	$ 10,014
Equity in income (loss) of and disposition of interest in GMAC	$ —	$ —	$ —	$ —	$ (6,183)	$ (6,183)
Equity income (loss), net of tax	$ (201)	$ 31	$ 354	$ —	$ 2	$ 186
Significant noncash charges (gains)						
Impairment charges related to investment in GMAC Common Membership Interests	$ —	$ —	$ —	$ —	$ 7,099	$ 7,099
Impairment charges related to investment in GMAC Preferred Membership Interests	—	—	—	—	1,001	1,001
Impairment charges related to equipment on operating leases	380	222	—	—	157	759
Impairment charges related to investments in NUMMI and CAMI	119	—	—	—	—	119
Other than temporary impairment charges related to debt and equity securities	47	—	—	—	15	62
Impairment charges related to goodwill	154	456	—	—	—	610
Impairment charges related to long-lived assets	411	497	102	—	—	1,010
Net curtailment gain related to finalization of Settlement Agreement	(4,901)	—	—	—	—	(4,901)
Salaried post-65 healthcare settlement	1,704	—	—	—	—	1,704
CAW settlement	340	—	—	—	—	340
Valuation allowances against deferred tax assets	—	—	—	—	1,450	1,450
Total significant noncash charges (gains)	$ (1,746)	$ 1,175	$ 102	$ —	$ 9,722	$ 9,253

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor					
	GMNA	GME	GMIO	Eliminations	Corporate	Total
At and For the Year Ended December 31, 2007						
Sales						
External customers	$109,024	$35,562	$33,008	$ —	$ —	$177,594
Intersegment	3,424	1,775	4,052	(9,251)	—	—
Total sales	112,448	37,337	37,060	(9,251)	—	177,594
Other revenue	—	—	—	—	2,390	2,390
Total net sales and revenue	$112,448	$37,337	$37,060	$ (9,251)	$ 2,390	$179,984
Income (loss) attributable to common stockholders before interest and income taxes	$ (2,673)	$ (447)	$ 1,947	$ (34)	$ (3,173)	$ (4,380)
Interest income	—	—	—	—	1,228	1,228
Interest expense	—	—	—	—	3,076	3,076
Loss on extinguishment of debt	—	—	—	—	—	—
Income (loss) attributable to stockholders before income taxes	(2,673)	(447)	1,947	(34)	(5,021)	(6,228)
Income tax expense (benefit)	—	—	—	—	36,863	36,863
Income from discontinued operations, net of tax	256	—	—	—	—	256
Gain on sale of discontinued operations, net of tax	4,293	—	—	—	—	4,293
Net income (loss) attributable to stockholders	$ 1,876	$ (447)	$ 1,947	$ (34)	$(41,884)	$ (38,542)
Expenditures for property	$ 5,029	$ 1,234	$ 1,196	$ —	$ 83	$ 7,542
Depreciation, amortization and impairment	$ 5,660	$ 1,679	$ 878	$ —	$ 1,296	$ 9,513
Equity in income (loss) of and disposition of interest in GMAC	$ —	$ —	$ —	$ —	$ (1,245)	$ (1,245)
Equity income (loss), net of tax	$ 22	$ 25	$ 475	$ —	$ 2	$ 524
Significant noncash charges						
Impairment charges related to equipment on operating leases	$ 44	$ 90	$ —	$ —	$ —	$ 134
Impairment charges related to long-lived assets	240	—	19	—	—	259
Other than temporary impairment charges related to debt and equity securities	72	—	—	—	—	72
Change in amortization period for pension prior service cost	1,561	—	—	—	—	1,561
Valuation allowances against deferred tax assets	—	—	—	—	37,770	37,770
Total significant noncash charges	$ 1,917	$ 90	$ 19	$ —	$ 37,770	$ 39,796

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Revenue is attributed to geographic areas based on the country in which the product is sold, except for revenue from certain joint ventures. In such case, the revenue is attributed based on the geographic location of the joint venture. The following table summarizes information concerning principal geographic areas (dollars in millions):

	Successor		Predecessor					
	At and For the Period July 10, 2009 Through December 31, 2009		At and For the Period January 1, 2009 Through July 9, 2009		At and For the Year Ended 2008		At and for the Year Ended 2007	
	Net Sales & Revenue	Long Lived Assets	Net Sales & Revenue	Long Lived Assets	Net Sales & Revenue	Long Lived Assets	Net Sales & Revenue	Long Lived Assets
North America								
U.S.	$28,007	$ 9,487	$21,152	$20,742	$ 75,382	$25,105	$100,144	$32,293
Canada and Mexico	4,682	2,728	3,486	5,943	12,983	5,898	14,758	5,772
Total North America	32,689	12,215	24,638	26,685	88,365	31,003	114,902	38,065
Europe								
France	923	17	1,024	67	2,629	264	2,699	309
Germany	2,851	2,299	3,817	3,670	6,663	4,013	6,147	4,172
Italy	1,119	192	1,221	169	3,169	183	3,671	256
Russia	246	118	430	264	2,061	237	1,516	81
Spain	862	778	609	1,206	1,711	1,230	2,911	1,359
Sweden	—	—	76	—	1,195	833	2,330	1,207
United Kingdom	2,531	815	2,749	1,189	7,142	1,066	7,950	1,214
Other	2,800	797	2,518	1,557	7,939	1,332	8,273	2,266
Total Europe	11,332	5,016	12,444	8,122	32,509	9,158	35,497	10,864
International Operations								
Brazil	4,910	1,142	3,347	1,081	8,329	890	6,477	1,026
Venezuela	850	46	981	43	2,107	43	3,169	41
Australia	1,653	388	1,201	1,066	3,355	1,014	3,744	1,452
Korea	3,014	982	2,044	1,941	7,131	2,115	9,219	2,443
Thailand	166	151	103	383	560	395	457	433
Other	2,210	411	1,825	580	5,201	501	5,072	514
Total International Operations	12,803	3,120	9,501	5,094	26,683	4,958	28,138	5,909
All Other	650	1,066	532	92	1,422	130	1,447	187
Total consolidated	$57,474	$21,417	$47,115	$39,993	$148,979	$45,249	$179,984	$55,025

The following table summarizes the aggregation of principal geographic information by U.S. and non-U.S. (dollars in millions):

	Successor		Predecessor					
	At and For the Period July 10, 2009 Through December 31, 2009		At and For the Period January 1, 2009 Through July 9, 2009		At and For the Year Ended 2008		At and For the Year Ended 2007	
	Net Sales & Revenue	Long Lived Assets	Net Sales & Revenue	Long Lived Assets	Net Sales & Revenue	Long Lived Assets	Net Sales & Revenue	Long Lived Assets
U.S.	$28,007	$ 9,487	$21,152	$20,742	$ 75,382	$25,105	$100,144	$32,293
Non-U.S.	29,467	11,930	25,963	19,251	73,597	20,144	79,840	22,732
Total U.S. and non-U.S.	$57,474	$21,417	$47,115	$39,993	$148,979	$45,249	$179,984	$55,025

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 34. Supplemental Information for Consolidated Statements of Cash Flows

The following table summarizes the sources (uses) of cash provided by changes in other operating assets and liabilities (dollars in millions):

	Successor	Predecessor		
	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007
Accounts receivable	$ 660*	$ (268)	$ 1,315	$ (821)
Prepaid expenses and other deferred charges	315*	1,416	(287)	(660)
Inventories	(315)*	3,509	77	(768)
Accounts payable	5,363*	(8,846)	(4,556)	1,119
Income taxes payable	401*	606	1,044	(1,311)
Accrued expenses and other liabilities	(3,225)*	(6,815)	1,607	(851)
Fleet rental — acquisitions	(1,198)	(961)	(4,157)	(6,443)
Fleet rental — liquidations	1,371	1,130	5,051	6,323
Total	$ 3,372	$ (10,229)	$ 94	$ (3,412)
Cash paid for interest	$ 618	$ 2,513	$ 2,484	$ 3,346

* Amounts originally reported as $178, $433, $(906), $5,051, $589 and $(2,913) in our 2009 Form 10-K. The column total has been corrected accordingly. Refer to Note 3.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)
(Unaudited)

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Net sales and revenue	$ 64,650	$ 45,478
Costs and expenses		
Cost of sales	56,350	53,995
Selling, general and administrative expense	5,307	5,433
Other expenses, net	85	1,154
Total costs and expenses	61,742	60,582
Operating income (loss)	2,908	(15,104)
Equity in income of and disposition of interest in Ally Financial	—	1,380
Interest expense	(587)	(4,605)
Interest income and other non-operating income, net	544	833
Loss on extinguishment of debt	(1)	(1,088)
Reorganization expenses, net (Note 2)	—	(1,157)
Income (loss) before income taxes and equity income	2,864	(19,741)
Income tax expense (benefit)	870	(559)
Equity income (loss), net of tax	814	46
Net income (loss)	2,808	(19,136)
Less: Net income (loss) attributable to noncontrolling interests	204	(256)
Net income (loss) attributable to stockholders	2,604	(18,880)
Less: Cumulative dividends on preferred stock	405	—
Net income (loss) attributable to common stockholders	$ 2,199	$ (18,880)
Earnings (loss) per share (Note 22)		
Basic		
Net income (loss) attributable to common stockholders	$ 1.47	$ (30.91)
Weighted-average common shares outstanding	1,500	611
Diluted		
Net income (loss) attributable to common stockholders	$ 1.40	$ (30.91)
Weighted-average common shares outstanding	1,567	611
Pro forma earnings per share (Note 27)		
Basic		
Net income attributable to common stockholders	$ 1.01	
Weighted-average common shares outstanding	1,500	
Diluted		
Net income attributable to common stockholders	$ 0.97	
Weighted-average common shares outstanding	1,567	

Reference should be made to the notes to the condensed consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share amounts)
(Unaudited)

	Successor	
	June 30, 2010	December 31, 2009
ASSETS		
Current Assets		
Cash and cash equivalents	$ 26,773	$ 22,679
Marketable securities	4,761	134
Total cash, cash equivalents and marketable securities	31,534	22,813
Restricted cash and marketable securities	1,393	13,917
Accounts and notes receivable (net of allowance of $272 and $250)	8,662	7,518
Inventories	11,533	10,107
Assets held for sale	—	388
Equipment on operating leases, net	3,008	2,727
Other current assets and deferred income taxes	1,677	1,777
Total current assets	57,807	59,247
Non-Current Assets		
Equity in net assets of nonconsolidated affiliates	8,296	7,936
Assets held for sale	—	530
Property, net	18,106	18,687
Goodwill	30,186	30,672
Intangible assets, net	12,820	14,547
Other assets	4,684	4,676
Total non-current assets	74,092	77,048
Total Assets	$131,899	$ 136,295
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable (principally trade)	$ 20,755	$ 18,725
Short-term debt and current portion of long-term debt (including debt at GM Daewoo of $1,021 at June 30, 2010; Note 10)	5,524	10,221
Liabilities held for sale	—	355
Accrued expenses (including derivative liabilities at GM Daewoo of $352 at June 30, 2010; Note 10)	24,068	23,134
Total current liabilities	50,347	52,435
Non-Current Liabilities		
Long-term debt (including debt at GM Daewoo of $722 at June 30, 2010; Note 10)	2,637	5,562
Liabilities held for sale	—	270
Postretirement benefits other than pensions	8,649	8,708
Pensions	25,990	27,086
Other liabilities and deferred income taxes	13,377	13,279
Total non-current liabilities	50,653	54,905
Total Liabilities	101,000	107,340
Commitments and contingencies (Note 17)		
Preferred stock, $0.01 par value (2,000,000,000 shares authorized, 360,000,000 shares issued and outstanding (each with a $25.00 liquidation preference) at June 30, 2010 and December 31, 2009)	6,998	6,998
Equity		
Common stock, $0.01 par value (5,000,000,000 shares authorized, 1,500,000,000 shares issued and outstanding at June 30, 2010 and December 31, 2009)	15	15
Capital surplus (principally additional paid-in capital)	24,042	24,040
Accumulated deficit	(2,195)	(4,394)
Accumulated other comprehensive income	1,153	1,588
Total stockholders' equity	23,015	21,249
Noncontrolling interests	886	708
Total equity	23,901	21,957
Total Liabilities and Equity	$131,899	$ 136,295

Reference should be made to the notes to the condensed consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT)
(In millions)
(Unaudited)

	Common Stockholders'						
	Common Stock(a)	Capital Surplus(a)	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Comprehensive Income (Loss)	Total Equity (Deficit)
Balance December 31, 2008, Predecessor	$ 1,017	$ 16,489	$ (70,727)	$ (32,339)	$ 484		$ (85,076)
Net income (loss)	—	—	(18,880)	—	(256)	$ (19,136)	(19,136)
Other comprehensive income (loss)							
Foreign currency translation adjustments	—	—	—	115	1	116	
Cash flow hedging gain, net	—	—	—	81	193	274	
Unrealized gain on securities	—	—	—	48	—	48	
Defined benefit plans							
Net prior service benefit	—	—	—	2,869	—	2,869	
Net actuarial loss	—	—	—	(6,317)	—	(6,317)	
Net transition asset / obligation	—	—	—	1	—	1	
Other comprehensive income (loss)	—	—	—	(3,203)	194	(3,009)	(3,009)
Comprehensive income (loss)						$ (22,145)	
Dividends declared or paid to noncontrolling interests	—	—	—	—	(17)		(17)
Other	1	6	(1)	—	(39)		(33)
Balance June 30, 2009, Predecessor	$ 1,018	$ 16,495	$ (89,608)	$ (35,542)	$ 366		$(107,271)
Balance December 31, 2009, Successor	$ 15	$ 24,040	$ (4,394)	$ 1,588	$ 708		$ 21,957
Net income (loss)	—	—	2,604	—	204	$ 2,808	2,808
Other comprehensive income (loss)							
Foreign currency translation adjustments	—	—	—	(189)	(27)	(216)	
Cash flow hedging loss, net	—	—	—	(15)	—	(15)	
Unrealized loss on securities	—	—	—	(1)	—	(1)	
Defined benefit plans							
Net prior service cost	—	—	—	(5)	—	(5)	
Net actuarial loss	—	—	—	(225)	—	(225)	
Other comprehensive income (loss)	—	—	—	(435)	(27)	(462)	(462)
Comprehensive income (loss)						$ 2,346	
Effects of adoption of amendments to ASC 810-10 regarding variable interest entities (Note 3)	—	—	—	—	76		76
Cash dividends paid to GM preferred stockholders	—	—	(405)	—	—		(405)
Dividends declared or paid to noncontrolling interests	—	—	—	—	(59)		(59)
Repurchase of noncontrolling interest shares	—	2	—	—	(9)		(7)
Other	—	—	—	—	(7)		(7)
Balance June 30, 2010, Successor	$ 15	$ 24,042	$ (2,195)	$ 1,153	$ 886		$ 23,901

(a) Common stock and Capital surplus as of December 31, 2009 and June 30, 2010 are restated to reflect a three-for-one stock split effected on November 1, 2010.

Reference should be made to the notes to the condensed consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Net cash provided by (used in) operating activities	$ 5,695	$ (15,086)
Cash flows from investing activities		
Expenditures for property	(1,851)	(3,134)
Investments in available-for-sale marketable securities, acquisitions	(4,621)	(202)
Investments in trading marketable securities, acquisitions	(178)	—
Investments in available-for-sale marketable securities, liquidations	—	185
Investments in trading marketable securities, liquidations	163	—
Investment in Ally Financial	—	(884)
Investment in companies, net of cash acquired	(50)	—
Operating leases, liquidations	298	1,122
Change in restricted cash and marketable securities	12,616	(643)
Other	33	27
Net cash provided by (used in) investing activities	6,410	(3,529)
Cash flows from financing activities		
Net decrease in short-term debt	(223)	(1,033)
Proceeds from debt owed to UST, EDC and German government	—	29,937
Proceeds from other debt	434	335
Payments on debt owed to UST and EDC	(7,153)	—
Payments on other debt	(438)	(7,446)
Payments to acquire noncontrolling interest	(6)	(5)
Fees paid for debt modification	—	(63)
Dividends paid to GM preferred stockholders	(405)	—
Net cash provided by (used in) financing activities	(7,791)	21,725
Effect of exchange rate changes on cash and cash equivalents	(611)	207
Net increase (decrease) in cash and cash equivalents	3,703	3,317
Cash and cash equivalents reclassified (to) from assets held for sale	391	—
Cash and cash equivalents at beginning of the period	22,679	14,053
Cash and cash equivalents at end of the period	$ 26,773	$ 17,370

Reference should be made to the notes to the condensed consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Nature of Operations

General Motors Company was formed by the United States Department of the Treasury (UST) in 2009 originally as a Delaware limited liability company, Vehicle Acquisition Holdings LLC, and subsequently converted to a Delaware corporation, NGMCO, Inc. This company, which on July 10, 2009 acquired substantially all of the assets and assumed certain liabilities of General Motors Corporation (363 Sale) and changed its name to General Motors Company, is sometimes referred to in this Quarterly Report on Form 10-Q for the periods on or subsequent to July 10, 2009 as “we,” “our,” “us,” “ourselves,” the “Company,” “General Motors,” or “GM,” and is the successor entity solely for accounting and financial reporting purposes (Successor). General Motors Corporation is sometimes referred to in this Quarterly Report on Form 10-Q, for the periods on or before July 9, 2009, as “Old GM.” Prior to July 10, 2009 Old GM operated the business of the Company, and pursuant to the agreement with the Securities and Exchange Commission (SEC) Staff, as described in a no-action letter issued to Old GM by the SEC Staff on July 9, 2009, regarding GM filing requirements and those of MLC, the accompanying condensed consolidated financial statements include the financial statements and related information of Old GM as it is our predecessor entity solely for accounting and financial reporting purposes (Predecessor). In connection with the 363 Sale, General Motors Corporation changed its name to Motors Liquidation Company, which is sometimes referred to in this Quarterly Report on Form 10-Q, for the periods on or after July 10, 2009, as “MLC.” MLC continues to exist as a distinct legal entity for the sole purpose of liquidating its remaining assets and liabilities.

We develop, produce and market cars, trucks and parts worldwide. We analyze the results of our business through our three segments: General Motors North America (GMNA), General Motors International Operations (GMIO) and General Motors Europe (GME). Nonsegment operations are classified as Corporate. Corporate includes investments in Ally Financial Inc., formerly GMAC Inc. (Ally Financial), certain centrally recorded income and costs, such as interest, income taxes and corporate expenditures, certain nonsegment specific revenues and expenses, including costs related to the Delphi Benefit Guarantee Agreements (as subsequently defined in Note 17) and a portfolio of automotive retail leases.

Note 2. Chapter 11 Proceedings and the 363 Sale

Background

As a result of historical unfavorable economic conditions and a rapid decline in sales in the three months ended December 31, 2008 Old GM determined that, despite the previous actions it had then taken to restructure its U.S. business, it would be unable to pay its obligations in the normal course of business in 2009 or service its debt in a timely fashion, which required the development of a new plan that depended on financial assistance from the U.S. government.

In December 2008 Old GM requested and received financial assistance from the U.S. government and entered into a loan and security agreement with the UST, which was subsequently amended (UST Loan Agreement). In early 2009 Old GM’s business results and liquidity continued to deteriorate, and, as a result, Old GM obtained additional funding from the UST under the UST Loan Agreement. Old GM, through its wholly owned subsidiary GMCL, also received funding from Export Development Canada (EDC), a corporation wholly-owned by the Government of Canada, under a loan and security agreement entered into in April 2009 (EDC Loan Facility).

As a condition to obtaining the loans under the UST Loan Agreement, Old GM was required to submit a plan in February 2009 that included specific actions intended to demonstrate that it was a viable entity and to use its best efforts to achieve certain debt reduction, labor modification and VEBA modification targets.

On March 30, 2009 the Presidential Task Force on the Auto Industry (Auto Task Force) determined that the plan was not viable and required substantial revisions. In conjunction with the March 30, 2009 announcement, the administration announced that it would offer Old GM adequate working capital financing for a period of 60 days while it worked with Old GM to develop and implement a more accelerated and aggressive restructuring that would provide a sound long-term foundation.

Old GM made further modifications to its plan in an attempt to satisfy the Auto Task Force requirement that Old GM undertake a substantially more accelerated and aggressive restructuring plan. The additional significant cost reduction and restructuring actions included reducing Old GM’s indebtedness and VEBA obligations in addition to other cost reduction and restructuring actions.

Our audited consolidated financial statements included elsewhere in this prospectus for the year ended December 31, 2009 provide additional detail on Old GM’s liquidity constraints, the terms and conditions of its various funding arrangements with U.S. and Canadian governmental entities, and its various cost reduction and restructuring activities.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Chapter 11 Proceedings

Old GM was not able to complete the cost reduction and restructuring actions, including the debt reductions and VEBA modifications, which resulted in extreme liquidity constraints. As a result, on June 1, 2009 Old GM and certain of its direct and indirect subsidiaries filed voluntary petitions for relief under Chapter 11 (Chapter 11 Proceedings) of the U.S. Bankruptcy Code (Bankruptcy Code) in the U.S. Bankruptcy Court for the Southern District of New York (Bankruptcy Court).

In connection with the Chapter 11 Proceedings, Old GM entered into a secured superpriority debtor-in-possession credit agreement with the UST and EDC (DIP Facility) and received additional funding commitments from EDC to support Old GM's Canadian operations.

363 Sale

On July 10, 2009 we completed the acquisition of substantially all of the assets and assumed certain liabilities of Old GM and certain of its direct and indirect subsidiaries (collectively, the Sellers). The 363 Sale was consummated in accordance with the Amended and Restated Master Sale and Purchase Agreement, dated June 26, 2009, as amended, (Purchase Agreement) between us and the Sellers, and pursuant to the Bankruptcy Court's sale order dated July 5, 2009.

Accounting for the Effects of the Chapter 11 Proceedings and the 363 Sale

Chapter 11 Proceedings

Accounting Standards Codification (ASC) 852, "Reorganizations," (ASC 852) is applicable to entities operating under Chapter 11 of the Bankruptcy Code. ASC 852 generally does not affect the application of U.S. GAAP that we and Old GM followed to prepare the consolidated financial statements, but it does require specific disclosures for transactions and events that were directly related to the Chapter 11 Proceedings and transactions and events that resulted from ongoing operations.

Old GM prepared its consolidated financial statements in accordance with the guidance in ASC 852 in the period June 1, 2009 through June 30, 2009. Revenues, expenses, realized gains and losses, and provisions for losses directly related to the Chapter 11 Proceedings were recorded in Reorganization expenses, net. Reorganization expenses, net do not constitute an element of operating loss due to their nature and due to the requirement of ASC 852 that they be reported separately. Old GM's balance sheet prior to the 363 Sale distinguished prepetition liabilities subject to compromise from prepetition liabilities not subject to compromise and from postpetition liabilities.

Application of Fresh-Start Reporting

The Bankruptcy Court did not determine a reorganization value in connection with the 363 Sale. Reorganization value is defined as the value of our assets without liabilities. In order to apply fresh-start reporting, ASC 852 requires that total postpetition liabilities and allowed claims be in excess of reorganization value and prepetition stockholders receive less than 50.0% of our common stock. Based on our estimated reorganization value, we determined that on July 10, 2009 both the criteria of ASC 852 were met and, as a result, we applied fresh-start reporting. In applying fresh-start reporting at July 10, 2009, which generally follows the provisions of ASC 805, "Business Combinations," (ASC 805) we recorded the assets acquired and the liabilities assumed from Old GM at fair value except for deferred income taxes and certain liabilities associated with employee benefits. Our consolidated balance sheet at July 10, 2009, which includes the adjustments to Old GM's consolidated balance sheet as a result of the 363 Sale and the application of fresh-start reporting, and related disclosures are discussed in Note 2 to our consolidated financial statements in our 2009 Form 10-K. These adjustments are final and no determinations of fair value are considered provisional.

Reorganization Expenses, net

The following table summarizes Old GM's Reorganization expenses, net in the six months ended June 30, 2009 prior to the 363 Sale (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Loss from the extinguishment of debt resulting from Old GM's repayment of credit facilities and U.S. term loan	$ (958)
Loss on contract rejections, settlements of claims and other lease terminations	(408)
Professional fees	(38)
Gain related to release of accumulated other comprehensive income (loss) associated with derivatives	247
Total reorganization expenses, net	$ (1,157)

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 3. Basis of Presentation and Recent Accounting Standards

We filed a Registration Statement on Form 10 on April 7, 2010, as amended on May 17, 2010, pursuant to an agreement with the SEC Staff, as described in a no-action letter issued to Old GM by the SEC Staff on July 9, 2009 regarding our filing requirements and those of MLC. On June 7, 2010 our Registration Statement on Form 10 became effective and we became subject to the filing requirements of Section 13 and 15(d) of the Securities Exchange Act of 1934. In accordance with the agreement with the SEC Staff, the accompanying unaudited condensed consolidated financial statements include the financial statements and related information of Old GM, for the period prior to July 10, 2009, our predecessor entity solely for accounting and financial purposes and the entity from whom we purchased substantially all of its assets and assumed certain of its liabilities.

The 363 Sale resulted in a new entity, General Motors Company, which is the successor entity solely for accounting and financial reporting purposes. Because we are a new reporting entity, our financial statements are not comparable to the financial statements of Old GM.

The accompanying condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the SEC for interim financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The accompanying condensed consolidated financial statements include all adjustments, comprised of normal recurring adjustments, considered necessary by management to fairly state our results of operations, financial position and cash flows. The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year.

In the three months ended June 30, 2010 we changed our managerial reporting structure so that certain entities geographically located within Russia and Uzbekistan were transferred from our GME segment to our GMIO segment. We have revised the segment presentation for all periods presented.

On October 5, 2010 our Board of Directors recommended a three-for-one stock split on shares of our common stock, which was approved by our stockholders on November 1, 2010. The stock split was effected on November 1, 2010.

Each stockholder’s percentage ownership in us and proportional voting power remained unchanged after the stock split. All applicable Successor share, per share and related information in the consolidated financial statements and notes has been adjusted retroactively to give effect to the three-for-one stock split.

On October 5, 2010, our Board of Directors recommended that we amend our Certificate of Incorporation to increase the number of shares of common stock that we are authorized to issue from 2,500,000,000 shares to 5,000,000,000 shares and to increase the number of preferred shares that we are authorized to issue from 1,000,000,000 shares to 2,000,000,000 shares. Our stockholders approved these amendments on November 1, 2010, and they were effected on November 1, 2010.

Use of Estimates in the Preparation of the Financial Statements

The condensed consolidated financial statements are prepared in conformity with U.S. GAAP, which requires the use of estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Principles of Consolidation

Our condensed consolidated financial statements include our accounts and those of our subsidiaries that we control due to ownership of a majority voting interest. In addition, we consolidate variable interest entities (VIEs) when we are the VIE's primary beneficiary. Our share of earnings or losses of nonconsolidated affiliates are included in our consolidated operating results using the equity method of accounting when we are able to exercise significant influence over their operating and financial decisions. When we are not able to exercise significant influence over such affiliates, we use the cost method of accounting. All intercompany balances and transactions have been eliminated in consolidation. Old GM utilized the same principles of consolidation in its condensed consolidated financial statements.

Correction of Presentation in Condensed Consolidated Statement of Cash Flows

In the three months ended June 30, 2010 we identified several items which had not been properly classified in our condensed consolidated statement of cash flows for the three months ended March 31, 2010. We determined that we had not properly classified the effects of the devaluation of Venezuelan Bolivar Fuerte (BsF), which reduced our cash balance by $199 million. This reduction should have been presented as part of the Effect of exchange rate changes on cash and cash equivalents rather than a reduction of Net cash provided by operating activities. Additionally, the change in the cash component of the Saab Automobile AB (Saab) assets classified as held for sale of $330 million should have been presented as part of Cash and cash equivalents reclassified (to) from assets held for sale rather than an increase in Net cash flows from operating activities. The net effects of the remaining corrections are included in the table below. For the six months ended June 30, 2010, we have correctly presented these items in our condensed consolidated statement of cash flows. Although we do not consider the effects of these errors to be material, we intend to correct our condensed consolidated statement of cash flows for the three months ended March 31, 2010 in our Quarterly Report on Form 10-Q for the three months ending March 31, 2011 when filed. The originally reported and corrected amounts are summarized in the following table (dollars in millions):

	As Originally Reported	Adjustments	As Corrected
Net cash provided by (used in) operating activities	$ 1,746	$ 104	$ 1,850
Net cash provided by (used in) investing activities	646	(195)	451
Net cash provided by (used in) financing activities	(1,688)	(50)	(1,738)
Effect of exchange rate changes on cash and cash equivalents	(53)	(250)	(303)
Cash and cash equivalents reclassified (to) from assets held for sale	(20)	391	371
Cash and cash equivalents at beginning of the period	22,679	—	22,679
Cash and cash equivalents at end of the period	$ 23,310	$ —	$ 23,310

Venezuelan Exchange Regulations

Our Venezuelan subsidiaries changed their functional currency from the BsF, the local currency, to the U.-S. Dollar, our reporting currency, on January 1, 2010 because of the hyperinflationary status of the Venezuelan economy. Further, pursuant to the official devaluation of the Venezuelan currency and establishment of the dual fixed exchange rates in January 2010, we remeasured the BsF denominated monetary assets and liabilities held by our Venezuelan subsidiaries at the nonessential rate of 4.30 BsF to $1.00. The remeasurement resulted in a charge of $25 million recorded in Cost of sales in the six months ended June 30, 2010. During the six months ended June 30, 2010 all BsF denominated transactions have been remeasured at the nonessential rate of 4.30 BsF to $1.00.

In June 2010, the Venezuelan government introduced additional foreign currency exchange control regulations, which imposed restrictions on the use of the parallel foreign currency exchange market, thereby making it more difficult to convert BsF to U.S. Dollars. We periodically accessed the parallel exchange market, which historically enabled entities to obtain foreign currency for transactions that could not be processed by the Commission for the Administration of Currency Exchange (CADIVI). The restrictions on the foreign currency exchange market could affect our Venezuelan subsidiaries' ability to pay its non-BsF denominated obligations that do not qualify to be processed by CADIVI at the official exchange rates as well as our ability to benefit from those operations.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table provides condensed financial information for our Venezuelan subsidiaries at and for the six months ended June 30, 2010, which includes amounts receivable from and payable to, and transactions with, affiliated entities (dollars in millions):

Total assets (a)	$1,347
Total liabilities (b)	$1,116
Revenue for six months ended June 30, 2010	$ 443
Net income attributable to stockholders for six months ended June 30, 2010 (c)	$ 215

(a) Includes BsF denominated and non-BsF denominated monetary assets of $273 million and $720 million.

(b) Includes BsF denominated and non-BsF denominated monetary liabilities of $553 million and $518 million.

(c) Includes a gain of $119 million related to the devaluation of the Bolivar in January 2010 and a gain of $125 million due to favorable foreign currency exchanges that were processed by CADIVI in the three months ended June 30, 2010. The $119 million gain on the devaluation was offset by a $144 million loss recorded in the U.S. on BsF denominated assets, which is not included in the net income reported above.

In addition, the total amount pending government approval for settlement is BsF 1.2 billion (equivalent to $428 million), for which the requests have been pending starting from 2007. The amount includes payables to affiliated entities of $287 million, which includes dividends payable of $144 million.

Recently Adopted Accounting Principles

Transfers of Financial Assets

In January 2010 we adopted certain amendments to ASC 860-10, “Transfers and Servicing” (ASC 860-10). ASC 860-10 eliminates the concept of a qualifying special-purpose entity (SPE), establishes a new definition of participating interest that must be met for transfers of portions of financial assets to be eligible for sale accounting, clarifies and amends the derecognition criteria for a transfer of financial assets to be accounted for as a sale, and changes the amount that can be recorded as a gain or loss on a transfer accounted for as a sale when beneficial interests are received by the transferor. The adoption of these amendments did not have a material effect on the condensed consolidated financial statements.

Variable Interest Entities

In January 2010 we adopted amendments to ASC 810-10, “Consolidation” (ASC 810-10). These amendments require an enterprise to qualitatively assess the determination of the primary beneficiary of a VIE based on whether the enterprise: (1) has the power to direct the activities of a VIE that most significantly affect the entity’s economic performance; and (2) has the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. These amendments also require, among other considerations, an ongoing reconsideration of the primary beneficiary. In February 2010 the Financial Accounting Standards Board (FASB) issued guidance that permitted an indefinite deferral of these amendments for entities that have all the attributes of an investment company or that apply measurement principles consistent with those followed by investment companies. An entity that qualifies for the deferral will continue to be assessed under the overall guidance on the consolidation of VIEs in effect prior to the adoption of these amendments. This deferral was applicable to certain investment funds associated with our employee benefit plans and investment funds managing investments on behalf of unrelated third parties.

The amendments were adopted prospectively. Upon adoption, we consolidated General Motors Egypt (GM Egypt) which resulted in an increase in Total assets of $254 million, an increase in Total liabilities of $178 million, and an increase in Noncontrolling interests of $76 million. Due to our application of fresh-start reporting on July 10, 2009 and because our investment in GM Egypt was accounted for using the equity method of accounting, there was no difference between the net assets added to the condensed consolidated balance sheet upon consolidation and the amount of previously recorded interest in GM Egypt. As a result, there was no cumulative effect of a change in accounting principle to Accumulated deficit. The effect of these amendments was measured based on

the amount at which the asset, liability and noncontrolling interest would have been carried or recorded in the condensed consolidated financial statements if these amendments had been effective since inception of our relationship with GM Egypt. Refer to Note 10 for additional information on the effect of the adoption of these amendments.

Accounting Standards Not Yet Adopted

In September 2009 the FASB issued Accounting Standards Update (ASU) 2009-13, "Multiple-Deliverable Revenue Arrangements" (ASU 2009-13). ASU 2009-13 addresses the unit of accounting for multiple-element arrangements. In addition, ASU 2009-13 revises the method by which consideration is allocated among the units of accounting. The overall consideration is allocated to each deliverable by establishing a selling price for individual deliverables based on a hierarchy of evidence, including vendor-specific objective evidence, other third party evidence of the selling price, or the reporting entity's best estimate of the selling price of individual deliverables in the arrangement. ASU 2009-13 will be effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. We are currently evaluating the effects, if any, that ASU 2009-13 will have on the condensed consolidated financial statements.

Note 4. Acquisition and Disposals of Businesses

Acquisition of Delphi Businesses

In July 2009 we entered into the Delphi Master Disposition Agreement (DMDA) with Delphi Corporation (Delphi) and other parties, which was consummated in October 2009. Under the DMDA, we agreed to acquire Delphi's global steering business (Nexteer) and four domestic component manufacturing facilities as well as make an investment in a new entity, New Delphi, which acquired substantially all of Delphi's remaining assets. At October 6, 2009 the fair value of Nexteer and the four domestic facilities was $287 million and the assets acquired and liabilities assumed were consolidated and included in the results of our GMNA segment. Total assets of $1.2 billion were comprised primarily of accounts and notes receivables, inventories and property, plant and equipment. Total liabilities of $0.9 billion were comprised primarily of accounts payable, accrued expenses, short-term debt and other liabilities.

We funded the acquisitions, transaction-related costs and settlements of certain pre-existing arrangements through net cash payments of $2.7 billion. We also assumed liabilities and wind-down obligations of $120 million, waived our claims associated with the Delphi liquidity support agreements of $850 million and waived our rights to claims associated with previously transferred pension costs for hourly employees. Of these amounts, we contributed $1.7 billion to New Delphi and paid the Pension Benefit Guarantee Corporation (PBGC) $70 million in October 2009. Our investment in New Delphi is accounted for using the equity method.

In January 2010 we announced that we intended to pursue a sale of Nexteer. In July 2010 we entered into a definitive agreement for the sale of Nexteer as discussed in Note 27 to our condensed consolidated financial statements.

Sale of India Operations

In December 2009 we and SAIC Motor Hong Kong Investment Limited (SAIC-HK) entered into a joint venture, SAIC GM Investment Limited (HKJV) to invest in automotive projects outside of markets in China, initially focusing on markets in India. On February 1, 2010 we sold certain of our operations in India (India Operations), part of our GMIO segment, in exchange for a promissory note due in 2013. The amount due under the promissory note may be partially reduced, or increased, based on the India Operation's cumulative earnings before interest and taxes for the three year period ending December 31, 2012. In connection with the sale we recorded net consideration of $190 million and an insignificant gain. The sale transaction resulted in a loss of control and the deconsolidation of the India Operations on February 1, 2010. Accordingly, we removed the assets and liabilities of the India Operations from our consolidated financial statements and recorded an equity interest in HKJV to reflect cash of $50 million we contributed to HKJV and a $123 million commitment to provide additional capital that we are required to make in accordance with the terms of the joint venture agreement. We have recorded a corresponding liability to reflect our obligation to provide additional capital.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Saab Bankruptcy and Sale

In February 2009 Saab, part of the GME segment, filed for protection under the reorganization laws of Sweden in order to reorganize itself into a stand-alone entity. Old GM determined that the reorganization proceeding resulted in a loss of the elements of control necessary for consolidation and therefore Old GM deconsolidated Saab in February 2009. Old GM recorded a loss of $824 million in Other expenses, net related to the deconsolidation. The loss reflects the remeasurement of Old GM's net investment in Saab to its estimated fair value of $0, costs associated with commitments and obligations to suppliers and others, and a commitment to provide up to $150 million of DIP financing. We acquired Old GM's investment in Saab in connection with the 363 Sale. In August 2009 Saab exited its reorganization proceeding, and we regained the elements of control and consolidated Saab at an insignificant fair value.

In February 2010 we completed the sale of Saab and in May 2010 we completed the sale of Saab Automobile GB (Saab GB) to Spyker Cars NV. Of the negotiated cash purchase price of $74 million, we received $50 million at closing and received the remaining $24 million in July 2010. We also received preference shares in Saab with a face value of $326 million and an estimated fair value that is insignificant and received $114 million as repayment of the DIP financing that we provided to Saab during 2009. In the six months ended June 30, 2010 we recorded a gain of $123 million in Interest income and other non-operating income, net reflecting cash received of $166 million less net assets with a book value of $43 million.

Sale of 1% Interest in Shanghai General Motors Co., Ltd.

In February 2010 we sold a 1% ownership interest in Shanghai General Motors Co., Ltd. (SGM) to SAIC-HK, reducing our ownership interest to 49%. The sale of the 1% ownership interest to SAIC was predicated on our ability to work with SAIC to obtain a $400 million line of credit from a commercial bank to us. We also received a call option to repurchase the 1% which is contingently exercisable based on events which we do not unilaterally control. As part of the loan arrangement SAIC provided a commitment whereby, in the event of default, SAIC will purchase the ownership interest in SGM that we pledged as collateral for the loan. We recorded an insignificant gain on this transaction in the six months ended June 30, 2010.

Acquisition of AmeriCredit Corp.

Refer to Note 27 for information on the acquisition of AmeriCredit Corp.

Note 5. Marketable Securities

The following tables summarize information regarding investments in Marketable securities (dollars in millions):

	Successor		
	Six Months Ended June 30, 2010		June 30, 2010
	Unrealized		
	Gains	Losses	Fair Value
Trading securities:			
Equity	$ —	$ 5	$ 30
United States government and agencies	—	—	12
Mortgage — and asset-backed	1	—	29
Foreign government	1	1	30
Corporate debt	1	1	29
Total trading securities	$ 3	$ 7	$ 130

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Successor							
	June 30, 2010				December 31, 2009			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale securities:								
United States government and agencies	$ 939	$ —	$ —	$ 939	$ 2	$ —	$ —	$ 2
Certificates of deposit	1,326	—	—	1,326	8	—	—	8
Corporate debt	2,366	—	—	2,366	—	—	—	—
Total available-for-sale securities	$4,631	$ —	$ —	$4,631	$10	$ —	$ —	$ 10

We maintained $79 million of the available-for-sale securities as compensating balances to support letters of credit of $66 million at June 30, 2010 and December 31, 2009. We have access to these securities in the normal course of business; however, the letters of credit may be withdrawn if the minimum collateral balance is not maintained.

In addition to the securities previously discussed, securities of $16.2 billion and $11.2 billion with original maturities of 90 days or less were classified as cash equivalents and marketable securities of $1.5 billion and $14.2 billion were classified as Restricted cash and marketable securities at June 30, 2010 and December 31, 2009.

The following table summarizes proceeds from and realized gains and losses on disposals of investments in marketable securities classified as available-for-sale (dollars in millions):

	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Sales proceeds	$ 1	$ 185
Realized gains	$ —	$ 3
Realized losses	$ —	$ 10

The following table summarizes the fair value of investments classified as available-for-sale securities by contractual maturity at June 30, 2010 (dollars in millions):

	Successor	
	Amortized Cost	Fair Value
Due in one year or less	$ 4,630	$4,630
Due after one year through five years	1	1
Due after five years through ten years	—	—
Due after ten years	—	—
Total contractual maturities of available-for-sale securities	$ 4,631	$4,631

Refer to Note 21 for the amounts recorded as a result of other than temporary impairments on debt and equity securities.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 6. Inventories

The following table summarizes the components of our Inventories (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Productive material, work in process, and supplies	$ 5,199	$ 4,201
Finished product, including service parts	6,334	5,906
Total inventories	$11,533	$ 10,107

Note 7. Equity in Net Assets of Nonconsolidated Affiliates

Nonconsolidated affiliates are entities in which an equity ownership interest is maintained and for which the equity method of accounting is used, due to the ability to exert significant influence over decisions relating to their operating and financial affairs.

The following table summarizes information regarding equity in income (loss) of and disposition of interest in nonconsolidated affiliates (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
SGM and SGMW (a)	$ 734	$ 289
Ally Financial (b)	—	(1,097)
Gain on Conversion of UST Ally Financial Loan (c)	—	2,477
Total equity in income of and disposition of interest in Ally Financial (b)	—	1,380
New United Motor Manufacturing, Inc. (d)	—	(243)
Others	80	—
Total equity in income of nonconsolidated affiliates	$ 814	$ 1,426

(a) Includes SGM (49%) in the six months ended June 30, 2010 and (50%) in the six months ended June 30, 2009 and SAIC-GM-Wuling Automobile Co., Ltd. (SGMW) (34%).

(b) Ally Financial converted its status to a C corporation effective June 30, 2009. At that date, Old GM began to account for its investment in Ally Financial using the cost method rather than the equity method as Old GM could not exercise significant influence over Ally Financial. Prior to converting to a C corporation, Old GM's investment in Ally Financial was accounted for in a manner similar to an investment in a limited partnership and the equity method was applied because Old GM's influence was more than minor. In connection with Ally Financial's conversion into a C corporation, each unit of each class of Ally Financial Membership Interests was converted into shares of capital stock of Ally Financial with substantially the same rights and preferences as such Membership Interests.

(c) In May 2009 the UST exercised its option to convert the outstanding amounts owed on the UST Ally Financial Loan (as subsequently defined) into shares of Ally Financial's Class B common Membership Interests.

(d) New United Motor Manufacturing (NUMMI) (50%) was retained by MLC as part of the 363 Sale.

Investment in Chinese Joint Ventures

SGM is a joint venture established by Shanghai Automotive Industry Corporation (SAIC) (51%) and us (49%) in 1997. SGM has interests in three other joint ventures in China—Shanghai GM (Shenyang) Norsom Motor Co., Ltd (SGM Norsom), Shanghai GM Dong Yue Motors Co., Ltd (SGM DY) and Shanghai GM Dong Yue Powertrain (SGM DYPT). These three joint ventures are jointly held by SGM (50%), SAIC (25%) and us (25%). The four joint ventures (SGM Group) are engaged in the production, import, and sale of a comprehensive range of products under the brands of Buick, Chevrolet, and Cadillac.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

SGMW, of which we own 34%, SAIC owns 50% and Liuzhou Wuling Motors Co., Ltd. (Wuling) owns 16%, produces mini-commercial vehicles and passenger cars utilizing local architectures under the Wuling and Chevrolet brands. FAW-GM, of which we own 50% and China FAW Group Corporation (FAW) owns 50%, produces light commercial vehicles under the Jiefang brand and medium vans under the FAW brand. Our joint venture agreements allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM production volume in China. SAIC, one of our joint venture partners, currently produces vehicles under its own name for sale in the Chinese market. At present, vehicles that SAIC produces primarily serve markets that are different from markets served by our joint ventures.

The following table summarizes certain key financial data for the SGM Group, which excludes SGMW and FAW-GM (dollars in millions):

	Six Months Ended	
	June 30, 2010	June 30, 2009
Total net sales and revenues	$9,093	$5,067
Net income	$1,303	$ 456
Cash and cash equivalents	$2,563	$1,420
Debt	$ 7	$ 6

Investment in Ally Financial

As part of the approval process for Ally Financial to obtain Bank Holding Company status in December 2008, Old GM agreed to reduce its ownership in Ally Financial to less than 10% of the voting and total equity of Ally Financial by December 24, 2011. At June 30, 2010 our equity ownership in Ally Financial was 16.6% as subsequently discussed.

In December 2008 Old GM and FIM Holdings, an assignee of Cerberus ResCap Financing LLC, entered into a subscription agreement with Ally Financial under which each agreed to purchase additional Common Membership Interests in Ally Financial, and the UST committed to provide Old GM with additional funding in order to purchase the additional interests. In January 2009 Old GM entered into the UST Ally Financial Loan Agreement pursuant to which Old GM borrowed $884 million (UST Ally Financial Loan) and utilized those funds to purchase 190,921 Class B Common Membership Interests in Ally Financial. The UST Ally Financial Loan was scheduled to mature in January 2012 and bore interest, payable quarterly, at the same rate of interest as the UST Loans. The UST Ally Financial Loan Agreement was secured by Old GM's Common and Preferred Membership Interests in Ally Financial. As part of this loan agreement, the UST had the option to convert outstanding amounts into a maximum of 190,921 shares of Ally Financial's Class B Common Membership Interests on a pro rata basis.

In May 2009 the UST exercised this option, the outstanding principal and interest under the UST Ally Financial Loan was extinguished, and Old GM recorded a net gain of $483 million. The net gain was comprised of a gain on the disposition of Ally Financial Common Membership Interests of $2.5 billion recorded in Equity in income of and disposition of interest in Ally Financial and, a loss on extinguishment of the UST Ally Financial Loan of $2.0 billion recorded in Loss on extinguishment of debt. After the exchange, Old GM's ownership was reduced to 24.5% of Ally Financial's Common Membership Interests.

Ally Financial converted its status to a C corporation effective June 30, 2009. At that date, Old GM began to account for its investment in Ally Financial using the cost method rather than the equity method as Old GM could not exercise significant influence over Ally Financial. Prior to converting to a C corporation, Old GM's investment in Ally Financial was accounted for in a manner similar to an investment in a limited partnership and the equity method was applied because Old GM's influence was more than minor. In connection with Ally Financial's conversion into a C corporation, each unit of each class of Ally Financial Membership Interests was converted into shares of capital stock of Ally Financial with substantially the same rights and preferences as such Membership Interests. On July 10, 2009 we acquired the investment in Ally Financial's common and preferred stocks in connection with the 363 Sale.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In December 2009 the UST made a capital contribution to Ally Financial of $3.8 billion consisting of the purchase of trust preferred securities of $2.5 billion and mandatory convertible preferred securities of $1.3 billion. The UST also exchanged all of its existing Ally Financial non-convertible preferred stock for newly issued mandatory convertible preferred securities valued at $5.3 billion. In addition the UST converted mandatory convertible preferred securities valued at $3.0 billion into Ally Financial common stock. These actions resulted in the dilution of our investment in Ally Financial common stock from 24.5% to 16.6%, of which 6.7% is held directly and 9.9% is held in an independent trust. Pursuant to previous commitments to reduce influence over and ownership in Ally Financial, the trustee, who is independent of us, has the sole authority to vote and is required to dispose of our 9.9% ownership in Ally Financial common stock held in the trust by December 24, 2011.

The following tables summarize financial information of Ally Financial for the period Ally Financial was accounted for as a nonconsolidated affiliate (dollars in millions):

	Six Months Ended June 30, 2009
Consolidated Statements of Loss	
Total financing revenue and other interest income	$ 6,916
Total interest expense	$ 3,936
Depreciation expense on operating lease assets	$ 2,113
Gain on extinguishment of debt	$ 657
Total other revenue	$ 2,117
Total noninterest expense	$ 3,381
Loss from continuing operations before income tax expense	$ (2,260)
Income tax expense from continuing operations	$ 972
Net loss from continuing operations	$ (3,232)
Loss from discontinued operations, net of tax	$ (1,346)
Net loss	$ (4,578)

	June 30, 2009
Condensed Consolidated Balance Sheet	
Loans held for sale	$ 11,440
Total finance receivables and loans, net	$ 87,520
Investment in operating leases, net	$ 21,597
Other assets	$ 22,932
Total assets	$ 181,248
Total debt	$ 105,175
Accrued expenses and other liabilities	$ 41,363
Total liabilities	$ 155,202
Preferred stock held by UST	$ 12,500
Preferred stock	$ 1,287
Total equity	$ 26,046

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Ally Financial – Preferred and Common Membership Interests

The following tables summarize the activity with respect to the investment in Ally Financial Common and Preferred Membership Interests for the period Ally Financial was accounted for as a nonconsolidated affiliate (dollars in millions):

	Predecessor	
	Ally Financial Common Membership Interests	Ally Financial Preferred Membership Interests
Balance at January 1, 2009	$ 491	$ 43
Old GM's proportionate share of Ally Financial's losses	(1,130)	(7)
Investment in Ally Financial Common Membership Interests (a)	884	—
Gain on disposition of Ally Financial Common Membership Interests (b)	2,477	—
Conversion of Ally Financial Common Membership Interests (b)	(2,885)	—
Other, primarily accumulated other comprehensive loss	163	—
Balance at June 30, 2009	$ —	$ 36

(a) Due to impairment charges and Old GM's proportionate share of Ally Financial's losses, the carrying amount of Old GM's investments in Ally Financial Common Membership Interests was reduced to $0. Old GM recorded its proportionate share of Ally Financial's remaining losses to its investment in Ally Financial Preferred Membership Interests.

(b) Due to the exercise of the UST's option to convert the UST Ally Financial Loan into Ally Financial Common Membership Interests, in connection with the UST Ally Financial Loan conversion, Old GM recorded a gain of $2.5 billion on disposition of Ally Financial Common Membership Interests and a $2.0 billion loss on extinguishment based on the carrying amount of the UST Ally Financial Loan and accrued interest of $0.9 billion.

Transactions with Nonconsolidated Affiliates

Nonconsolidated affiliates are involved in various aspects of the development, production and marketing of cars, trucks and parts, and we purchase component parts and vehicles from certain nonconsolidated affiliates for resale to dealers. The following tables summarize the effects of transactions with nonconsolidated affiliates which are not eliminated in consolidation (dollars in millions):

	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Results of Operations		
Net sales and revenue	$ 909	$ 549
Cost of sales	$ 1,570	$ 233
Selling, general and administrative expense	$ (3)	$ (5)
Interest income and other non-operating income, net	$ —	$ 1

	Successor	
	June 30, 2010	December 31, 2009
Financial Position		
Accounts and notes receivable, net	$ 271	$ 594
Accounts payable (principally trade)	$ 341	$ 396

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Cash Flows		
Operating	$ 701	$ 258
Investing	$ 654	$ 278
Financing	$ —	$ —

Note 8. Goodwill

The following table summarizes the changes in the carrying amount of Goodwill (dollars in millions):

	Successor			
	GMNA	GMIO	GME	Total
Balance at January 1, 2010	$26,409	$ 928	$3,335	$30,672
Effect of foreign currency translation	—	(29)	(457)	(486)
Balance at June 30, 2010	$26,409	$ 899	$2,878	$30,186

We recorded Goodwill of $30.5 billion upon application of fresh-start reporting. If all identifiable assets and liabilities had been recorded at fair value upon application of fresh-start reporting, no goodwill would have resulted. However, when applying fresh-start reporting, certain accounts, primarily employee benefit plan and income tax related, were recorded at amounts determined under specific U.S. GAAP rather than fair value and the difference between the U.S. GAAP and fair value amounts gave rise to goodwill, which is a residual. Our employee benefit related accounts were recorded in accordance with ASC 712, “Compensation — Nonretirement Postemployment Benefits” and ASC 715, “Compensation — Retirement Benefits” and deferred income taxes were recorded in accordance with ASC 740, “Income Taxes.” Further, we recorded valuation allowances against certain of our deferred tax assets, which under ASC 852 also resulted in Goodwill. These valuation allowances were due in part to Old GM’s history of recurring operating losses, and our projections at the 363 Sale date of continued near-term operating losses in certain jurisdictions. While the 363 Sale constituted a significant restructuring that eliminated many operating and financing costs, Old GM had undertaken significant restructurings in the past that failed to return certain jurisdictions to profitability. At the 363 Sale date, we concluded that there was significant uncertainty as to whether the recent restructuring actions would return these jurisdictions to sustained profitability, thereby necessitating the establishment of a valuation allowance against certain deferred tax assets. None of the goodwill from this transaction is deductible for tax purposes.

In the three months ended June 30, 2010 there were event-driven changes in circumstances within our GME reporting unit that warranted the testing of goodwill for impairment. Anticipated competitive pressure on our margins in the near- and medium-term led us to believe that the goodwill associated with our GME reporting unit may be impaired. Utilizing the best available information as of June 30, 2010 we performed a step one goodwill impairment test for our GME reporting unit, and concluded that goodwill was not impaired. The fair value of our GME reporting unit was estimated to be approximately $325 million over its carrying amount. If we had not passed step one, we believe the amount of any goodwill impairment would approximate $140 million representing the net decrease, from July 9, 2009 through June 30, 2010, in the fair value to U.S. GAAP differences attributable to those assets and liabilities that gave rise to goodwill.

We utilized a discounted cash flow methodology to estimate the fair value of our GME reporting unit. The valuation methodologies utilized were consistent with those used in our application of fresh-start reporting on July 10, 2009, as discussed in Note 2 to our audited consolidated financial statements, and in our 2009 annual and event-driven GME impairment tests and result in Level 3 measures within the valuation hierarchy. Assumptions used in our discounted cash flow analysis that had the most significant effect on the estimated fair value of our GME reporting unit include:

- Our estimated weighted-average cost of capital (WACC);

- Our estimated long-term growth rates; and
- Our estimate of industry sales and our market share.

We used a WACC of 22.0% that considered various factors including bond yields, risk premiums, and tax rates; a terminal value that was determined using a growth model that applied a long-term growth rate of 0.5% to our projected cash flows beyond 2015; and industry sales of 18.4 million vehicles and a market share for Opel/Vauxhall of 6.45% based on vehicle sales volume in 2010 increasing to industry sales of 22.0 million vehicles and a market share of 7.4% in 2015.

Our fair value estimate assumes the achievement of the future financial results contemplated in our forecasted cash flows, and there can be no assurance that we will realize that value. The estimates and assumptions used are subject to significant uncertainties, many of which are beyond our control, and there is no assurance that anticipated financial results will be achieved.

Note 9. Intangible Assets, net

The following table summarizes the components of Intangible assets, net (dollars in millions):

	Successor					
	June 30, 2010			December 31, 2009		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizing Intangibles						
Technology and intellectual property	$ 7,729	$ 2,670	$ 5,059	$ 7,741	$ 1,460	$ 6,281
Brands	5,348	143	5,205	5,508	72	5,436
Dealer network and customer relationships	2,067	129	1,938	2,205	67	2,138
Favorable contracts	509	79	430	542	39	503
Other	19	6	13	17	3	14
Total amortizing intangible assets	15,672	3,027	12,645	16,013	1,641	14,372
Non amortizing in-process research and development	175	—	175	175	—	175
Total intangible assets	$15,847	$ 3,027	$12,820	$16,188	$ 1,641	$14,547

The following table summarizes amortization expense related to Intangible assets, net (dollars in millions):

	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Amortization expense related to intangible assets, net	$ 1,403	$ 43

The following table summarizes estimated amortization expense related to Intangible assets, net in each of the next five fiscal years (dollars in millions):

	Estimated Amortization Expense
2011	$ 1,785
2012	$ 1,560
2013	$ 1,227
2014	$ 611
2015	$ 314

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 10. Variable Interest Entities

Consolidated VIEs

VIEs that we do not control through a majority voting interest that are consolidated because we are or Old GM was the primary beneficiary primarily include: (1) previously divested suppliers for which we provide or Old GM provided guarantees or financial support; (2) a program announced by the UST in March 2009 to provide financial assistance to automotive suppliers (Receivables Program); (3) vehicle sales and marketing joint ventures that manufacture, market and sell vehicles in certain markets; (4) leasing SPEs which held real estate assets and related liabilities for which Old GM provided residual guarantees; and (5) an entity which manages certain private equity investments held by our and Old GM's defined benefit plans, along with six associated general partner entities.

Certain creditors and beneficial interest holders of these VIEs have or had limited, insignificant recourse to our general credit or Old GM's general credit. In the event that creditors or beneficial interest holders were to have such recourse to our or Old GM's general credit, we or Old GM could be held liable for certain of the VIEs' obligations. GM Daewoo Auto & Technology Co. (GM Daewoo), a non-wholly owned consolidated subsidiary that we control through a majority voting interest, is also a VIE because in the future it may require additional subordinated financial support. The creditors of GM Daewoo's short-term debt of $1.0 billion, long-term debt of $722 million and current derivative liabilities of $352 million at June 30, 2010 do not have recourse to our general credit.

The following table summarizes the carrying amount of assets and liabilities of consolidated VIEs that we do not also control through a majority voting interest (dollars in millions):

	Successor	
	June 30, 2010 (a)(b)	December 31, 2009 (a)
Assets:		
Cash and cash equivalents	$ 81	$ 15
Restricted cash	3	191
Accounts and notes receivable, net	121	14
Inventories	77	15
Other current assets	29	—
Property, net	52	5
Other assets	37	33
Total assets	$ 400	$ 273
Liabilities:		
Accounts payable (principally trade)	$ 196	$ 17
Short-term debt and current portion of long-term debt	1	205
Accrued expenses	22	10
Other liabilities and deferred income taxes	47	23
Total liabilities	$ 266	$ 255

(a) Amounts exclude GM Daewoo.

(b) Amounts at June 30, 2010 reflect the effect of our adoption of amendments to ASC 810-10 in January 2010, which resulted in the consolidation of GM Egypt. At June 30, 2010 GM Egypt had Total assets of $344 million and Total liabilities of $238 million.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the amounts recorded in earnings related to consolidated VIEs that we do not also control through a majority voting interest (dollars in millions):

	Successor Six Months Ended June 30, 2010 (a)(b)	Predecessor Six Months Ended June 30, 2009 (a)
Net sales and revenue	$ 370	$ 30
Cost of sales	287	6
Selling, general and administrative expense	17	28
Other expenses, net	2	2
Interest expense	4	1
Interest (income) and other non-operating (income), net	(3)	—
Income tax expense	8	—
Net income (loss)	$ 55	$ (7)

(a) Amounts exclude GM Daewoo.

(b) Amounts recorded in the six months ended June 30, 2010 reflect our adoption of amendments to ASC 810-10 in January 2010, which resulted in the consolidation of GM Egypt. In the six months ended June 30, 2010 GM Egypt recorded Net sales and revenue of $349 million.

GM Egypt

GM Egypt is a 31% owned automotive manufacturing organization that was previously accounted for using the equity method. GM Egypt was founded in March 1983 to assemble and manufacture vehicles in Egypt. Certain voting and other rights permit us to direct those activities of GM Egypt that most significantly affect its economic performance. In connection with our adoption of amendments to ASC 810-10, we consolidated GM Egypt in January 2010.

Receivables Program

We determined that the Receivables Program was a VIE and that we and Old GM were the primary beneficiary. At December 31, 2009 our equity contributions were $55 million and the UST had outstanding loans of $150 million to the Receivables Program. In the three months ended March 31, 2010 we repaid these loans in full. The Receivables Program was terminated in accordance with its terms in April 2010. Upon termination, we shared residual capital of $25 million in the program equally with the UST and paid a termination fee of $44 million.

Nonconsolidated VIEs

VIEs that are not consolidated because we are not or Old GM was not the primary beneficiary primarily include: (1) troubled suppliers for which we provide or Old GM provided guarantees or financial support; (2) vehicle sales and marketing joint ventures that manufacture, market and sell vehicles and related services; (3) leasing entities for which residual value guarantees were made; (4) certain research entities for which annual ongoing funding requirements exist; and (5) Ally Financial.

Guarantees and financial support are provided to certain current or previously divested suppliers in order to ensure that supply needs for production are not disrupted due to a supplier's liquidity concerns or possible shutdowns. Types of financial support that we provide and Old GM provided include, but are not limited to: (1) funding in the form of a loan; (2) guarantees of the supplier's debt or credit facilities; (3) one-time payments to fund prior losses of the supplier; (4) indemnification agreements to fund the suppliers' future losses or obligations; (5) agreements to provide additional funding or liquidity to the supplier in the form of price increases or changes in payment terms; and (6) assisting the supplier in finding additional investors. The maximum exposure to loss related to these VIEs is not expected to be in excess of the amount of net accounts and notes receivable recorded with the suppliers and any related guarantees and loan commitments.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

We have and Old GM had investments in joint ventures that manufacture, market and sell vehicles in certain markets. The majority of these joint ventures are typically self-funded and financed with no contractual terms that require us to provide future financial support. However, future funding is required for HKJV, as subsequently discussed. The maximum exposure to loss is not expected to be in excess of the carrying amount of the investments recorded in Equity in net assets of nonconsolidated affiliates, and any related capital funding requirements.

The following table summarizes the amounts recorded for nonconsolidated VIEs and the related off-balance sheet guarantees and maximum contractual exposure to loss, excluding Ally Financial, which is disclosed in Note 23 (dollars in millions):

	Successor			
	June 30, 2010		December 31, 2009	
	Carrying Amount	Maximum Exposure to Loss (a)	Carrying Amount	Maximum Exposure to Loss (b)
Assets:				
Accounts and notes receivable, net	$ 60	$ 60	$ 8	$ 8
Equity in net assets of nonconsolidated affiliates	285	285	96	50
Other assets	73	73	26	26
Total assets	$ 418	$ 418	$ 130	$ 84
Liabilities:				
Accounts payable	$ 48	$ (48)	$ —	$ —
Accrued expenses	12	15	—	—
Other liabilities	225	—	—	—
Total liabilities	$ 285	$ (33)	$ —	$ —
Off-Balance Sheet:				
Residual value guarantees		$ —		$ 32
Loan commitments (c)		102		115
Other guarantees		3		4
Other liquidity arrangements (d)		230		—
Total guarantees and liquidity arrangements		$ 335		$ 151

(a) Amounts at June 30, 2010 included $128 million related to troubled suppliers.

(b) Amounts at December 31, 2009 included $139 million related to troubled suppliers.

(c) Amount at June 30, 2010 included a second lien term facility provided to American Axle and Manufacturing Holdings, Inc. (American Axle) of $100 million and other undrawn loan commitments of $2 million. Amount at December 31, 2009 included a second lien term facility provided to American Axle of $100 million and undrawn loan commitments of $15 million.

(d) Amounts at June 30, 2010 included capital funding requirements, primarily an additional contingent future funding requirement of up to $223 million related to HKJV.

Stated contractual voting or similar rights for certain of our joint venture arrangements provide various parties with shared power over the activities that most significantly affect the economic performance of certain nonconsolidated VIEs. Such nonconsolidated VIEs are operating joint ventures located in developing international markets.

American Axle

In September 2009 we paid $110 million to American Axle, a former subsidiary and current supplier, to settle and modify existing commercial arrangements and acquire warrants to purchase 4 million shares of American Axle's common stock. This payment was

made in response to the liquidity needs of American Axle and our desire to modify the terms of our ongoing commercial arrangement. Under the new agreement, we also provided American Axle with a second lien term loan facility of up to $100 million. Additional warrants will be granted if amounts are drawn on the second lien term loan facility.

As a result of these transactions, we concluded that American Axle was a VIE for which we were not the primary beneficiary. This conclusion did not change upon our adoption of amendments to ASC 810-10 in January 2010 because we lack the power through voting or similar rights to direct those activities of American Axle that most significantly affect its economic performance. Our variable interests in American Axle include the warrants we received and the second lien term loan facility, which expose us to possible future losses depending on the financial performance of American Axle. At June 30, 2010 no amounts were outstanding under the second lien term loan. At June 30, 2010 our maximum contractual exposure to loss related to American Axle was $125 million, which represented the fair value of the warrants of $25 million recorded in Non-current assets and the potential exposure of $100 million related to the second lien term loan facility.

Ally Financial

We own 16.6% of Ally Financial's common stock and preferred stock with a liquidation preference of $1.0 billion. We have previously determined that Ally Financial is a VIE as it does not have sufficient equity at risk; however, we are not the primary beneficiary. This conclusion did not change upon our adoption of amendments to ASC 810-10 in January 2010 because we lack the power through voting or similar rights to direct those activities of Ally Financial that most significantly affect its economic performance. Refer to Notes 7 and 23 for additional information on our investment in Ally Financial, our significant agreements with Ally Financial and our maximum exposure under those agreements.

Saab

In February 2010 we completed the sale of Saab and in May 2010 we completed the sale of Saab GB to Spyker Cars NV. Our primary variable interest in Saab is the preference shares that we received in connection with the sale, which have a face value of $326 million and were recorded at an estimated fair value that is insignificant. We concluded that Saab is a VIE as it does not have sufficient equity at risk. We also determined that we are not the primary beneficiary because we lack the power to direct those activities that most significantly affect its economic performance. We continue to be obligated to fund certain Saab related liabilities, primarily warranty obligations related to vehicles sold prior to the disposition of Saab. At June 30, 2010 our maximum exposure to loss related to Saab was $60 million. Refer to Note 4 for additional information on the sale of Saab.

HKJV

In December 2009 we established the HKJV operating joint venture to invest in automotive projects outside of China, initially focusing on markets in India. HKJV purchased our India Operations in February 2010. We determined that HKJV is a VIE because it will require additional subordinated financial support, and we determined that we are not the primary beneficiary because we share the power with SAIC-HK to direct the activities that most significantly affect HKJV's economic performance. We recorded a liability of $123 million for our future capital funding commitment to HKJV and we have an additional contingent future funding requirement of up to $223 million should certain conditions be met. Refer to Note 4 for additional information on HKJV.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 11. Depreciation and Amortization

The following table summarizes depreciation and amortization, including asset impairment charges, included in Cost of sales and Selling, general and administrative expense (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Depreciation and impairment of plants and equipment	$ 1,010	$ 3,870
Amortization and impairment of special tools	787	2,072
Depreciation and impairment of equipment on operating leases	253	319
Amortization of intangible assets	1,403	43
Total depreciation, amortization and asset impairment charges	$ 3,453	$ 6,304

Old GM initiated restructuring plans prior to the 363 Sale to reduce the total number of powertrain, stamping and assembly plants and to eliminate certain brands and nameplates. As a result, Old GM recorded incremental depreciation and amortization on certain of these assets as they were expected to be utilized over a shorter period of time than their previously estimated useful lives. We record incremental depreciation and amortization for changes in useful lives subsequent to the initial determination. In the six months ended June 30, 2009 Old GM recorded incremental depreciation and amortization of approximately $2.3 billion.

Note 12. Restricted Cash and Marketable Securities

Cash and marketable securities subject to contractual restrictions and not readily available are classified as Restricted cash and marketable securities. Restricted cash and marketable securities are invested in accordance with the terms of the underlying agreements. Funds previously held in the UST Credit Agreement (as subsequently defined in Note 13) and currently held in the Canadian Health Care Trust (HCT) escrow and other accounts have been invested in government securities and money market funds in accordance with the terms of the escrow agreements. At June 30, 2010 and December 31, 2009 we held $1.5 billion and $13.6 billion of the Restricted cash and marketable securities balance in marketable securities. Refer to Note 19 for additional information. The following table summarizes the components of Restricted cash and marketable securities (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Current		
UST Credit Agreement (a)	$ —	$ 12,475
Canadian Health Care Trust (b)	956	955
Receivables Program (c)	—	187
Securitization trusts	37	191
Pre-funding disbursements	235	94
Other (d)	165	15
Total current restricted cash and marketable securities	1,393	13,917
Non-current (e)		
Collateral for insurance related activities	638	658
Other non-current (d)	623	831
Total restricted cash and marketable securities	$ 2,654	$ 15,406

(a) In April 2010 the UST Loans and Canadian Loan (as subsequently defined in Note 13) were paid in full and funds remaining in escrow were no longer subject to restrictions.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(b) Under the terms of an escrow agreement between General Motors of Canada Limited (GMCL), the EDC and an escrow agent, GMCL established a CAD $1.0 billion (equivalent to $893 million when entered into) escrow to fund certain of its healthcare obligations.

(c) The Receivables Program provided financial assistance to automotive suppliers by guaranteeing or purchasing certain receivables payable by us. In April 2010 the Receivable Program was terminated in accordance with its terms.

(d) Includes amounts related to various letters of credit, deposits, escrows and other cash collateral requirements.

(e) Non-current restricted cash and marketable securities is recorded in Other assets.

Note 13. Short-Term and Long-Term Debt

The following table summarizes the components of short-term and long-term debt (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Short-Term		
UST Loans (a)	$ —	$ 5,712
Canadian Loan (a)	—	1,233
VEBA Notes	2,908	—
GM Daewoo Revolving Credit Facility	931	1,179
Short-term debt — third parties	120	296
Short-term debt — related parties (b)	893	1,077
Current portion of long-term debt	672	724
Total short-term debt and current portion of long-term debt	5,524	10,221
Long-Term		
VEBA Notes	—	2,825
Other long-term debt	2,637	2,737
Total debt	$ 8,161	$ 15,783
Available under GM Daewoo Revolving Credit Facility (c)	$ 207	$ —
Available under other line of credit agreements (d)	$ 908	$ 618

(a) In April 2010 the UST Loans and Canadian Loan were paid in full.

(b) Dealer financing from Ally Financial for dealerships we own.

(c) Classified as long-term as credit facility is outstanding until October 2014.

(d) Commitment fees are paid on credit facilities at rates negotiated in each agreement. Amounts paid and expensed for these commitment fees are insignificant.

UST Loans and VEBA Notes

As disclosed in our audited consolidated financial statements included elsewhere in this prospectus, Old GM received total proceeds of $19.4 billion from the UST under the UST Loan Agreement entered into on December 31, 2008. In connection with the Chapter 11 Proceedings, Old GM obtained additional funding of $33.3 billion from the UST and EDC under its DIP Facility. From these proceeds, there was no deposit remaining in escrow at June 30, 2010.

On July 10, 2009 we entered into the UST Credit Agreement and assumed debt of $7.1 billion (UST Loans) maturing on July 10, 2015 which Old GM incurred under its DIP Facility. Immediately after entering into the UST Credit Agreement, we made a partial

repayment due to the termination of the U.S. government sponsored warranty program, reducing the UST Loans principal balance to $6.7 billion. In March 2010 and December 2009 we made quarterly payments of $1.0 billion on the UST Loans. In April 2010 we repaid the full outstanding amount of $4.7 billion using funds from our escrow account.

While we have repaid the UST Loans in full, certain of the covenants in the UST Credit Agreement and the executive compensation and corporate governance provisions of Section 111 of the Emergency Stabilization Act of 2008, as amended (the EESA), including the Interim Final Rule implementing Section 111 (the Interim Final Rule), remain in effect until the earlier to occur of the UST ceasing to own direct or indirect equity interests in us or our ceasing to be a recipient of Exceptional Financial Assistance, as determined pursuant to the Interim Final Rule, and impose obligations on us with respect to, among other things, certain expense policies, executive privileges and compensation requirements.

In connection with the 363 Sale, we entered into the VEBA Note Agreement and issued VEBA Notes of $2.5 billion to the UAW Retiree Medical Benefits Trust (New VEBA). The VEBA Notes have an implied interest rate of 9.0% per annum. The VEBA Notes and accrued interest are scheduled to be repaid in three equal installments of $1.4 billion on July 15 of 2013, 2015 and 2017; however, we may prepay the VEBA Notes at any time prior to maturity.

We have entered into negotiations with financial institutions regarding a credit facility. If we successfully execute a credit facility, we expect to prepay the VEBA Notes with available cash. Accordingly, at June 30, 2010 we reclassified the VEBA Notes from long-term debt to short-term debt in the amount of $2.9 billion (including unamortized premium of $209 million).

The obligations under the VEBA Note Agreement are secured by substantially all of our U.S. assets, subject to certain exceptions, including our equity interests in certain of our foreign subsidiaries, limited in most cases to 65% of the equity interests of the pledged foreign subsidiaries due to tax considerations.

The following table summarizes interest expense and interest paid on the UST Loans and the loans under the UST Loan Agreement (UST Loan Facility) in the six months ended June 30, 2009 (dollars in millions):

	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Interest expense	$ 117	$ 3,336
Interest paid	$ 206	$ 144

The following table summarizes interest expense on the VEBA Notes (dollars in millions):

	Successor
	Six Months Ended June 30, 2010
Interest expense	$ 99

Canadian Loan Agreement and EDC Loan Facility

As disclosed in our audited consolidated financial statements included elsewhere in this prospectus, on July 10, 2009 we entered into the Canadian Loan Agreement and assumed a CAD $1.5 billion (equivalent to $1.3 billion when entered into) term loan (Canadian Loan) maturing on July 10, 2015. In March 2010 and December 2009 we made quarterly payments of $194 million and $192 million on the Canadian Loan. In April 2010 GMCL repaid in full the outstanding amount of the Canadian Loan of $1.1 billion.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes interest expense and interest paid on the Canadian Loan in the six months ended June 30, 2010 and the EDC Loan Facility in the six months ended June 30, 2009 (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Interest expense	$ 26	$ 62
Interest paid	$ 26	$ 6

GM Daewoo Revolving Credit Facility

GM Daewoo's revolving credit facility is our largest such facility. The borrowings under this Korean Won denominated facility are secured by substantially all of GM Daewoo's property, plant, and equipment located in Korea. Amounts borrowed under this facility accrue interest based on the Korean Won denominated 91-day certificate of deposit rate. The average interest rate on outstanding amounts under this facility at June 30, 2010 was 5.6%. The facility is used by GM Daewoo for general corporate purposes, including working capital needs. In November 2010, any remaining amounts outstanding under this credit facility will convert to a term-loan. Prior to conversion into a term-loan, amounts borrowed under this facility are classified as short-term debt. These amounts will be repaid in four equal annual installments beginning in November 2011 and ending in October 2014. In April 2010 GM Daewoo repaid KRW 250 billion (equivalent to $225 million at the time of payment) of its KRW 1.4 trillion (equivalent of $1.2 billion at the time of payment) revolving credit facility.

German Revolving Bridge Facility

In May 2009 Old GM entered into a revolving bridge facility with the German federal government and certain German states (German Facility) with a total commitment of up to Euro 1.5 billion (equivalent to $2.1 billion when entered into). In November 2009 the debt was paid in full and extinguished.

The following table summarizes interest expense and interest paid by Old GM on the German Facility during the six months ended June 30, 2009 including amortization of related discounts (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Interest expense	$ 3
Interest paid	$ —

Other Debt

In March 2009 Old GM entered into an agreement to amend its $1.5 billion U.S. term loan. Because the terms of the amended U.S. term loan were substantially different than the original terms, primarily due to the revised borrowing rate, Old GM accounted for the amendment as a debt extinguishment. As a result, Old GM recorded the amended U.S. term loan at fair value and recorded a gain on the extinguishment of the original loan facility of $906 million in the six months ended June 30, 2009.

In connection with the Chapter 11 Proceedings, Old GM's $4.5 billion secured revolving credit facility, $1.5 billion U.S. term loan and $125 million secured credit facility were paid in full on June 30, 2009. Old GM recorded a loss of $958 million in Reorganization expenses, net related to the extinguishments of the debt primarily due to the face value of the U.S. term loan exceeding the carrying amount.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Technical Defaults and Covenant Violations

Several of our loan facilities include clauses that may be breached by a change in control, a bankruptcy or failure to maintain certain financial metric limits. The Chapter 11 Proceedings and the change in control as a result of the 363 Sale triggered technical defaults in certain loans for which we have assumed the obligations. The total amount of the two loan facilities in technical default for these reasons at June 30, 2010 was $203 million. We have classified these loans as short-term debt at June 30, 2010. In July 2010 we executed an agreement with the lenders of the $150 million loan facility, which resulted in early repayment of the loan on July 26, 2010. On July 27, 2010 we executed an amendment with the lender of the second loan facility of $53 million which cured the defaults.

Two of our loan facilities had financial covenant violations at December 31, 2009 related to exceeding financial ratios limiting the amount of debt held by the subsidiaries. One of these violations was cured within the 30 day cure period through the combination of an equity injection and the capitalization of intercompany loans. In May 2010 we obtained a waiver and cured the remaining financial covenant violation on a loan facility of $70 million related to our 50% owned powertrain subsidiary in Italy.

Note 14. Product Warranty Liability

The following table summarizes activity for policy, product warranty, recall campaigns and certified used vehicle warranty liabilities (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Beginning balance	$ 7,030	$ 8,491
Warranties issued and assumed in period	1,534	1,077
Payments	(1,711)	(1,833)
Adjustments to pre-existing warranties	67	(138)
Effect of foreign currency translation	(160)	89
Liability adjustment, net due to the deconsolidation of Saab	—	(77)
Ending balance	$ 6,760	$ 7,609

Note 15. Pensions and Other Postretirement Benefits

The following tables summarize the components of pension and other postemployment benefits (OPEB) (income) expense (dollars in millions):

	U.S. Plans Pension Benefits	
	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Components of (income) expense		
Service cost	$ 259	$ 233
Interest cost	2,676	2,934
Expected return on plan assets	(3,275)	(3,641)
Amortization of prior service cost (credit)	(1)	411
Amortization of transition obligation	—	—
Recognized net actuarial loss	—	676
Curtailments, settlements and other	—	1,718
Net periodic pension (income) expense	$ (341)	$ 2,331

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Non-U.S. Plans Pension Benefits	
	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Components of (income) expense		
Service cost	$ 189	$ 151
Interest cost	596	566
Expected return on plan assets	(491)	(342)
Amortization of prior service credit	(1)	(7)
Amortization of transition obligation	—	1
Recognized net actuarial loss	5	182
Curtailments, settlements and other	39	92
Net periodic pension expense	$ 337	$ 643

	U.S. Plans Other Benefits	
	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Components of (income) expense		
Service cost	$ 10	$ 66
Interest cost	144	1,541
Expected return on plan assets	—	(423)
Amortization of prior service credit	—	(992)
Amortization of transition obligation	—	—
Recognized net actuarial loss	—	29
Curtailments, settlements and other	—	19
Net periodic OPEB expense	$ 154	$ 240

	Non-U.S. Plans Other Benefits	
	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Components of (income) expense		
Service cost	$ 16	$ 11
Interest cost	98	98
Expected return on plan assets	—	—
Amortization of prior service credit	(4)	(59)
Amortization of transition obligation	—	—
Recognized net actuarial loss	—	21
Curtailments, settlements and other	3	(123)
Net periodic OPEB (income) expense	$ 113	$ (52)

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Significant Plan Amendments, Benefit Modifications and Related Events

Six Months Ended June 30, 2010

Remeasurement

In the three months ended June 30, 2010 certain pension plans in GME were remeasured as part of our Goodwill impairment analysis, resulting in an increase of $388 million to Pensions and Other comprehensive loss.

Patient Protection and Affordable Care Act

The Patient Protection and Affordable Care Act was signed into law in March 2010 and contains provisions that require all future reimbursement receipts under the Medicare Part D retiree drug subsidy program to be included in taxable income. This taxable income inclusion will not significantly affect us because effective January 1, 2010 we no longer provide prescription drug coverage to post-age 65 Medicare-eligible participants and we have a full valuation allowance against our net deferred tax assets in the U.S. We have assessed the other provisions of this new law, based on information known at this time, and we believe that the new law will not have a significant effect on our consolidated financial statements.

Six Months Ended June 30, 2009

The following table summarizes the significant defined benefit plan interim remeasurements, the related changes in accumulated postretirement benefit obligations (APBO), projected benefit obligations (PBO) and the associated curtailments, settlements and termination benefits recorded in the earnings of Old GM in the six months ended June 30, 2009 (dollars in millions):

		Predecessor					
		Change in Discount Rate		Increase (Decrease) Since the Most Recent Remeasurement Date	Gain (Loss)		
Event and Remeasurement Date When Applicable	Affected Plans	From	To	PBO/APBO	Curtailments	Settlements	Termination Benefits and Other
2009 Special Attrition Programs — June 30	U.S. hourly defined benefit pension plan	6.15%	6.25%	$ 7	$ (1,390)	$ —	$ (12)
Global salaried workforce reductions — June 1	U.S. salaried defined benefit pension plan	—	—	24	(327)	—	—
U.S. salaried benefits changes — February 1	U.S. salaried retiree life insurance plan	7.25%	7.15%	(420)	—	—	—
U.S. salaried benefits changes — June 1	U.S. salaried retiree health care program	—	—	(265)	—	—	—
2009 CAW Agreement — June 1	Canadian hourly defined benefit pension plan	6.75%	5.65%	340	—	—	(26)
2009 CAW Agreement — June 1	CAW hourly retiree healthcare plan and CAW retiree life plan	7.00%	5.80%	(143)	93	—	—
Total				$ (457)	$ (1,624)	$ —	$ (38)

2009 Special Attrition Programs

In February and June 2009 Old GM announced the 2009 Special Attrition Programs for eligible International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) represented employees, offering cash and other incentives for individuals who elected to retire or voluntarily terminate employment. In the six months ended June 2009 Old GM recorded postemployment benefit charges for 13,000 employees. Refer to Note 20 for additional information on the postemployment benefit charges.

Old GM remeasured the U.S. hourly defined benefit pension plan in June 2009 based on the 7,800 irrevocable acceptances through that date as these acceptances of the special attrition programs yielded a significant reduction in the expected future years of service of active participants.

Global Salaried Workforce Reductions

In February and June 2009 Old GM announced its intention to reduce global salaried headcount. In June 2009 Old GM remeasured the U.S. salaried defined benefit pension plan based upon an estimated significant reduction in the expected future years of service of active participants.

The U.S. salaried employee reductions related to this initiative were to be accomplished primarily through a salaried separation window program or through a severance program funded from operating cash flows. These programs were involuntary programs subject to management approval where employees were permitted to express interest in retirement or separation, for which the charges for the salaried separation window program were recorded as special termination benefits funded from the U.S. salaried defined benefit pension plan and other applicable retirement benefit plans. The costs associated with the total targeted headcount reductions expected to terminate under the programs was determined to be probable and estimable and severance charges of $250 million were recorded in the six months ended June 30, 2009. Refer to Note 20 for additional information on the involuntary severance program.

U.S. Salaried Benefits Changes

In February 2009 Old GM reduced salaried retiree life insurance benefits for U.S. salaried employees and remeasured its U.S. salaried retiree life insurance plan. In June 2009 Old GM approved and communicated negative plan amendments associated with the U.S. salaried retiree health care program, including reduced coverage and increased cost sharing. The plan was remeasured in June 2009.

In June 2009 Old GM communicated additional changes in benefits for retired salaried employees including an acceleration and further reduction in retiree life insurance, elimination of the supplemental executive life insurance benefit, and reduction in the supplemental executive retirement plan. These plan changes were contingent on completion of the 363 Sale and the effects of these amendments were included in the fresh-start remeasurements in July 2009.

2009 Revised UAW Settlement Agreement

In May 2009 Old GM and the UAW agreed to a revised settlement agreement that was related to the UAW hourly retiree medical plan and a 2008 settlement agreement that permanently shifted responsibility for providing retiree health care from Old GM to a new healthcare plan funded by the New VEBA. We and the UAW executed the revised settlement agreement on July 10, 2009 in connection with the 363 Sale. The most significant changes to the agreement, which were not yet in effect at June 30, 2009, included:

- The implementation date changed from January 1, 2010 to the later of December 31, 2009 or the closing date of the 363 Sale, which occurred on July 10, 2009;
- The timing of payments to the new VEBA changed as subsequently discussed;

- The form of consideration changed as subsequently discussed;
- The contribution of employer securities changed such that they were to be contributed directly to the New VEBA in connection with the successful completion of the 363 Sale;
- Certain coverages will be eliminated and certain cost sharing provisions will increase; and
- The flat monthly special lifetime pension benefit that was scheduled to commence on January 1, 2010 was eliminated.

There was no change to the timing of our existing internal VEBA asset transfer to the New VEBA in that the internal VEBA asset transfer was to occur within 10 business days after December 31, 2009 under both the 2008 settlement agreement and the 2009 revised settlement agreements with the UAW.

The new payment terms to the New VEBA under the 2009 revised settlement agreement, which were subject to the successful completion of the 363 Sale that had not yet occurred at June 30, 2009, were:

- VEBA Notes of $2.5 billion plus accrued interest, at an implied interest rate of 9.0% per annum, scheduled to be repaid in three equal installments of $1.4 billion in July of 2013, 2015 and 2017;
- 260 million shares of our Series A Fixed Rate Cumulative Perpetual Preferred Stock (Series A Preferred Stock) that accrue cumulative dividends at 9.0% per annum;
- 263 million shares (17.5%) of our common stock;
- A warrant to acquire 45 million shares (2.5%) of our common stock at $42.31 per share at any time prior to December 31, 2015;
- Two years funding of claims costs for individuals that elected the special attrition programs announced in 2009; and
- The existing internal VEBA assets.

Under the terms of the 2009 revised settlement agreement, we are released from UAW retiree health care claims incurred after December 31, 2009. All obligations of ours and any other entity or benefit plan of ours for retiree medical benefits for the class and the covered group arising from any agreement between us and the UAW were terminated at December 31, 2009. Our obligations to the new healthcare plan and the New VEBA are limited to the terms of the 2009 revised settlement agreement.

2009 CAW Agreement

In March 2009 Old GM announced that the members of the CAW had ratified an agreement intended to reduce manufacturing costs in Canada by closing the competitive gap with transplant automakers in the United States on active employee labor costs and reducing legacy costs through introducing co-payments for healthcare benefits, increasing employee healthcare cost sharing, freezing pension benefits, and eliminating cost of living adjustments to pensions for retired hourly workers. This agreement was conditioned on Old GM receiving longer term financial support from the Canadian and Ontario governments.

GMCL subsequently entered into additional negotiations with the CAW which resulted in a further addendum to the 2008 collective agreement which was ratified by the CAW members in May 2009. In June 2009 the governments of Ontario and Canada agreed to the terms of a loan agreement, approved the GMCL viability plan and provided funding to GMCL. The Canadian hourly defined benefit pension plan, the CAW hourly retiree healthcare plan and the CAW retiree life plan were remeasured in June 2009.

As a result of the termination of the employees from the former Oshawa, Ontario truck facility (Oshawa Facility), the CAW hourly retiree healthcare plan and the CAW retiree life plan were remeasured in June 2009 and a curtailment gain associated with the CAW hourly retiree healthcare plan was also recorded in the three months ended June 30, 2009.

In June 2009 GMCL and the CAW agreed to the terms of the HCT to provide retiree health care benefits to certain active and retired employees. The HCT will be implemented when certain preconditions are achieved, including certain changes to the Canadian

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Income Tax Act and the favorable completion of a class action process to bind existing retirees to the Trust. The latter is subject to the agreement of the representative retirees and the courts. The preconditions have not been achieved and the HCT is not yet implemented at June 30, 2010. Under the terms of the HCT agreement, GMCL is obligated to make a payment of CAD $1.0 billion on the HCT implementation date which it will fund out of its CAD $1.0 billion escrow funds, and the HCT is obligated to reimburse GMCL for the cost of benefits paid for claims incurred by plan participants during the period January 1, 2010 through the implementation date. GMCL will provide a CAD $800 million note payable to the HCT on the HCT implementation date which will accrue interest at an annual rate of 7.0% with five equal annual installments of CAD $256 million due December 2014 through 2018. Concurrent with the implementation of the HCT, GMCL will be legally released from all obligations associated with the cost of providing retiree health care benefits to CAW active and retired employees bound by the class action process, and we will account for the related termination of CAW hourly retiree healthcare benefits as a settlement, based upon the difference between the fair value of the notes and cash contributed and the health care plan obligation at the settlement date. As a result of the conditions precedent to this agreement not having yet been achieved, there was no accounting recognition for the health care trust at June 30, 2010.

Note 16. Derivative Financial Instruments and Risk Management

Risk Management

We enter and Old GM entered into a variety of foreign currency exchange, interest rate and commodity forward contracts and options to manage exposures arising from market risks resulting from changes in foreign currency exchange rates, interest rates and certain commodity prices. We do not enter into derivative transactions for speculative purposes.

Our overall financial risk management program is under the responsibility of the Risk Management Committee, which reviews and, where appropriate, approves strategies to be pursued to mitigate these risks. A risk management control framework is utilized to monitor the strategies, risks and related hedge positions, in accordance with the policies and procedures approved by the Risk Management Committee. At June 30, 2010 and June 30, 2009 we and Old GM did not have any derivatives designated in a hedge accounting relationship.

In August 2010 we changed our risk management policy. Under our prior policy we intended to reduce volatility of forecasted cash flows primarily through the use of forward contracts and swaps. The intent of the new policy is primarily to protect against risk arising from extreme adverse market movements on our key exposures and involves a shift to greater use of purchased options.

Subsequent to the 363 Sale, our ability to manage risks using derivative financial instruments was limited as most derivative counterparties were unwilling to enter into forward or swap transactions with us. In December 2009 we began purchasing commodity and foreign currency exchange options to manage these exposures. These nondesignated derivatives have original expiration terms of up to 12 months. In August 2010 we executed new agreements with counterparties that enable us to enter into forward contracts and swaps.

Counterparty Credit Risk

Derivative financial instruments contain an element of credit risk attributable to the counterparties' ability to meet the terms of the agreements. The maximum amount of loss due to credit risk that we would incur if the counterparties to the derivative instruments failed completely to perform according to the terms of the contract was $103 million at June 30, 2010. Agreements are entered into with counterparties that allow the set-off of certain exposures in order to manage the risk. The total net derivative asset position for all counterparties with which we were in a net asset position at June 30, 2010 was $74 million.

Counterparty credit risk is managed and monitored by our Risk Management Committee, which establishes exposure limits by counterparty. At June 30, 2010 a majority of all counterparty exposures were with counterparties that were rated A or higher.

Credit Risk Related Contingent Features

At June 30, 2010 no collateral was posted related to derivative instruments and we did not have any agreements with counterparties to derivative instruments containing covenants requiring the maintenance of certain credit rating levels or credit risk ratios that would

require the posting of collateral in the event that certain standards are violated or when a derivative instrument is in a liability position. In August 2010 we executed new agreements with counterparties that will require us to provide cash collateral for net liability positions or receive cash collateral for net asset positions that we would have with these counterparties.

Derivatives and Hedge Accounting

Our derivative instruments consist of nondesignated derivative contracts or economic hedges, including forward contracts and options that we acquired from Old GM or purchased directly from counterparties. At June 30, 2010 no outstanding derivative contracts were designated in hedging relationships. In the six months ended June 30, 2010 and 2009, we and Old GM accounted for changes in the fair value of all outstanding contracts by recording the gains and losses in earnings. Refer to Note 19 for additional information on the fair value measurements of our derivative instruments.

Cash Flow Hedges

We are and Old GM was exposed to certain foreign currency exchange risks associated with buying and selling automotive parts and vehicles and foreign currency exposure to long-term debt. We partially manage these risks through the use of nondesignated derivative instruments. At June 30, 2010 we did not have any financial instruments designated as cash flow hedges for accounting purposes.

Old GM previously designated certain financial instruments as cash flow hedges to manage its exposure to certain foreign currency exchange risks. For foreign currency transactions, Old GM typically hedged forecasted exposures for up to three years in the future. For foreign currency exposure on long-term debt, Old GM typically hedged exposures for the life of the debt.

For derivatives that were previously designated as qualifying cash flow hedges, the effective portion of the unrealized and realized gains and losses resulting from changes in fair value were recorded as a component of Accumulated other comprehensive income (loss). Subsequently, those cumulative gains and losses were reclassified to earnings contemporaneously with and to the same line item as the earnings effects of the hedged item. However, if it became probable that the forecasted transaction would not occur, the cumulative change in the fair value of the derivative recorded in Accumulated other comprehensive income (loss) was reclassified into earnings immediately.

The following table summarizes total activity in Accumulated other comprehensive income (loss) associated with cash flow hedges, primarily related to the release of previously deferred cash flow hedge gains and losses from Accumulated other comprehensive income (loss) into earnings (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Foreign Currency Exchange Contracts	
Sales	$ (326)
Cost of sales	20
Reorganization expenses, net	247
Total gains (losses) reclassified from accumulated other comprehensive income (loss)	$ (59)

In connection with the Chapter 11 Proceedings, at June 1, 2009 Accumulated other comprehensive income (loss) balances of $247 million associated with previously designated financial instruments were reclassified into Reorganization expenses, net because the underlying forecasted debt and interest payments were probable not to occur. At June 30, 2009 Old GM had deferred cash flow hedge gains and losses of $409 million in Accumulated other comprehensive income (loss).

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes gains and (losses) that were reclassified from Accumulated other comprehensive income (loss) for cash flow hedges associated with previously forecasted transactions that subsequently became probable not to occur (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Sales	$ (180)
Reorganization expenses, net	247
Total gains (losses) reclassified from accumulated other comprehensive income (loss)	$ 67

In connection with our investment in New Delphi, which we account for using the equity method, we record our share of New Delphi's Other comprehensive income (loss) in Accumulated other comprehensive income (loss). In the six months ended June 30, 2010 we recorded cash flow hedge losses of $15 million related to our share of New Delphi's hedging losses.

Fair Value Hedges

We are and Old GM was subject to market risk from exposures to changes in interest rates that affect the fair value of long-term, fixed rate debt. At June 30, 2010 we did not have any financial instruments designated as fair value hedges to manage this risk.

Old GM previously used interest rate swaps designated as fair value hedges to manage certain of its exposures associated with this debt. Old GM hedged its exposures to the maturity date of the underlying interest rate exposure.

Gains and losses on derivatives designated and qualifying as fair value hedges, as well as the offsetting gains and losses on the debt attributable to the hedged interest rate risk, were recorded in Interest expense to the extent the hedge was effective. The gains and losses related to the hedged interest rate risk were recorded as an adjustment to the carrying amount of the debt. Previously recorded adjustments to the carrying amount of the debt were amortized to Interest expense over the remaining debt term. In the six months ended June 30, 2009 Old GM amortized previously deferred fair value hedge gains and losses of $3 million to Interest expense.

In connection with the Chapter 11 Proceedings, at June 1, 2009 Old GM recorded basis adjustments of $18 million to the carrying amount of debt that ceased to be amortized to Interest expense. At June 1, 2009 the debt related to these basis adjustments was classified as Liabilities subject to compromise and no longer subject to interest accruals or amortization. We did not assume this debt from Old GM in connection with the 363 Sale.

Net Investment Hedges

We are and Old GM was subject to foreign currency exposure related to net investments in certain foreign operations. At June 30, 2010 we did not have any hedges of a net investment in a foreign operation.

Old GM previously used foreign currency denominated debt to hedge this foreign currency exposure. For nonderivative instruments that were designated as, and qualified as, a hedge of a net investment in a foreign operation, the effective portion of the unrealized and realized gains and losses were recorded as a Foreign currency translation adjustment in Accumulated other comprehensive income (loss). At June 30, 2009 Old GM had outstanding Euro denominated debt of $2.1 billion that qualified as a hedge of a net investment in a foreign operation.

The following table summarizes the gains and (losses) related to hedges of net investments in foreign operations that were recorded as a Foreign currency translation adjustment in Accumulated other comprehensive income (loss) (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Effective portion of net investment hedge gains (losses)	$ (8)

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Derivatives Not Designated for Hedge Accounting

Derivatives not designated in a hedging relationship, such as forward contracts, swaps, and options, are used to economically hedge certain risk exposures. Unrealized and realized gains and losses related to all of our nondesignated derivative hedges, regardless of type of exposure, are recorded in Interest income and other non-operating income, net. Derivative purchases and settlements are presented in Net cash provided by (used in) operating activities.

Old GM previously entered into a variety of foreign currency exchange, interest rate and commodity forward contracts and options to maintain a desired level of exposure arising from market risks resulting from changes in foreign currency exchange rates, interest rates and certain commodity prices. Unrealized and realized gains and losses related to Old GM's nondesignated derivative hedges were recorded in earnings based on the type of exposure, as subsequently discussed.

In May 2009 Old GM reached agreements with certain of the counterparties to its derivative contracts to terminate the derivative contracts prior to stated maturity. Commodity, foreign currency exchange, and interest rate forward contracts were settled for cash of $631 million, resulting in a loss of $537 million. The loss was recorded in Sales, Cost of sales and Interest expense in the amounts of $22 million, $457 million and $58 million.

When an exposure economically hedged with a derivative contract is no longer forecasted to occur, in some cases a new derivative instrument is entered into to offset the exposure related to the existing derivative instrument. In some cases, counterparties are unwilling to enter into offsetting derivative instruments and, as such, there is exposure to future changes in the fair value of these derivatives with no underlying exposure to offset this risk.

The following table summarizes gains and (losses) recorded for nondesignated derivatives originally entered into to hedge exposures that subsequently became probable not to occur (dollars in millions):

	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Interest income and other non-operating income, net	$ —	$ 90

Commodity Derivatives

Certain raw materials, parts with significant commodity content, and energy are purchased for use in production. Exposure to commodity price risk may be managed by entering into commodity derivative instruments such as forward and option contracts. We currently manage this exposure using commodity options. At June 30, 2010, we had not entered into any commodity forward contracts.

Old GM hedged commodity price risk by entering into commodity forward and option contracts. Old GM recorded all commodity derivative gains and losses in Cost of sales.

The following table summarizes the notional amounts of nondesignated commodity derivative contracts (units in thousands):

		Successor	
		Contract Notional	
Commodity	Units	June 30, 2010	December 31, 2009
Aluminum and aluminum alloy	Metric tons	205	39
Copper	Metric tons	21	4
Lead	Metric tons	36	7
Heating oil	Gallons	83,296	10,797
Natural gas	MMBTU	9,226	1,355
Natural gas	Gigajoules	1,185	150

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Interest Rate Swap Derivatives

At June 30, 2010, we did not have any nondesignated interest rate swap derivatives.

Old GM previously used interest rate swap derivatives to economically hedge exposure to changes in the fair value of fixed rate debt. Gains and losses related to the changes in the fair value of these nondesignated derivatives were recorded in Interest expense.

Foreign Currency Exchange Derivatives

Foreign currency exchange derivatives are used to economically hedge exposure to foreign currency exchange risks associated with: (1) forecasted foreign currency denominated purchases and sales of vehicles and parts; and (2) variability in cash flows related to interest and principal payments on foreign currency denominated debt. At June 30, 2010 we managed foreign currency exchange risk through the use of foreign currency options and forward contracts.

The following table summarizes the total notional amounts of nondesignated foreign currency exchange derivatives (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Nondesignated foreign currency exchange derivatives	$ 4,135	$ 6,333

Old GM recorded gains and losses related to these foreign currency exchange derivatives in: (1) Sales for derivatives that economically hedged sales of parts and vehicles; (2) Cost of sales for derivatives that economically hedged purchases of parts and vehicles; and (3) Cost of sales for derivatives that economically hedged foreign currency risk related to foreign currency denominated debt.

Other Derivatives

In September 2009 in connection with an agreement with American Axle, we received warrants to purchase 4 million shares of American Axle common stock exercisable at $2.76 per share. The fair value of the warrants on the date of receipt was recorded as a Non-current asset. Gains and losses related to these warrants were recorded in Interest income and other non-operating income, net. At June 30, 2010 the fair value of these warrants was $25 million.

On July 10, 2009 in connection with the 363 Sale, we issued warrants to MLC and the New VEBA to acquire shares of our common stock. These warrants are classified in equity and indexed to our common stock.

In connection with the UST Loan Agreement, Old GM granted warrants to the UST for 122 million shares of its common stock exercisable at $3.57 per share. Old GM recorded the warrants as a liability and recorded gains and losses related to this derivative in Interest income and other non-operating income, net. At June 30, 2009 Old GM determined that the fair value of the warrants issued to the UST was $0 as a result of the Chapter 11 Proceedings. In connection with the 363 Sale, the UST returned the warrants and they were cancelled.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Fair Value of Nondesignated Derivatives

The following table summarizes the fair value of our nondesignated derivative instruments (dollars in millions):

	Successor			
	June 30, 2010		December 31, 2009	
	Asset Derivatives (a)(b)	Liability Derivatives (c)(d)	Asset Derivatives (a)(b)	Liability Derivatives (c)(d)
Current Portion				
Foreign currency exchange derivatives	$ 53	$ 355	$ 104	$ 568
Commodity derivatives	24	—	11	—
Total current portion	$ 77	$ 355	$ 115	$ 568
Non-Current Portion				
Foreign currency exchange derivatives	$ 1	$ 15	$ 19	$ 146
Other derivatives	25	—	25	—
Total non-current portion	$ 26	$ 15	$ 44	$ 146

(a) Recorded in Other current assets and deferred income taxes.

(b) Recorded in Other assets.

(c) Recorded in Accrued expenses.

(d) Recorded in Other liabilities and deferred income taxes.

Gains and (Losses) on Nondesignated Derivatives

The following schedule summarizes gains and (losses) recorded in earnings on nondesignated derivatives (dollars in millions):

	Successor	Predecessor
	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Foreign Currency Exchange Derivatives		
Sales	$ —	$ (726)
Cost of sales	—	(218)
Interest income and other non-operating income, net	30	90
Interest Rate Swap Derivatives		
Interest expense	—	(38)
Commodity Derivative Contracts		
Cost of sales	—	(334)
Interest income and other non-operating income, net	(53)	—
Other Derivatives		
Interest income and other non-operating income, net	—	164
Total gains (losses) recorded in earnings	$ (23)	$ (1,062)

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Net Change in Accumulated Other Comprehensive Income (Loss)

The following table summarizes the net change in Accumulated other comprehensive income (loss) related to cash flow hedging activities (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Beginning net unrealized gain (loss) on derivatives	$ (490)
Change in fair value	—
Reclassification to earnings	81
Ending net unrealized gain (loss) on derivatives	$ (409)

Note 17. Commitments and Contingencies

The following tables summarize information related to Commitments and contingencies (dollars in millions):

	Successor			
	June 30, 2010		December 31, 2009	
	Liability Recorded	Maximum Liability (a)	Liability Recorded	Maximum Liability (a)
Guarantees				
Operating lease residual values (b)	$ —	$ 71	$ —	$ 79
Supplier commitments and other related obligations	$ 2	$ 190	$ 3	$ 218*
Ally Financial commercial loans (c)	$ —	$ 29	$ 2	$ 167
Other product-related claims	$ 54	$ 553	$ 54	$ 553

* Amount originally reported as $43 in our 2009 Form 10-K. Refer to Note 3 to the 2009 audited consolidated financial statements included in this prospectus.

(a) Calculated as future undiscounted payments.

(b) Excludes residual support and risk sharing programs related to Ally Financial.

(c) At December 31, 2009 includes $127 million related to a guarantee provided to Ally Financial in Brazil in connection with dealer floor plan financing. At December 31, 2009 this guarantee was collateralized by certificates of deposit of $127 million purchased from Ally Financial to which we have title and which are recorded in Restricted cash and marketable securities. The purchase of the certificates of deposit was funded in part by contributions from dealers for which we have recorded a corresponding deposit liability of $104 million, which was recorded in Other liabilities at December 31, 2009. In the six months ended June 30, 2010 this guarantee was terminated.

	Successor	
	June 30, 2010 Liability Recorded	December 31, 2009 Liability Recorded
Environmental liability (a)	$ 196	$ 190
Product liability	$ 280	$ 319
Liability related to contingently issuable shares	$ 162	$ 162
Other litigation-related liabilities (b)	$ 1,277	$ 1,192

(a) Of the amounts we recorded, $29 million and $28 million were recorded in Accrued expenses at June 30, 2010 and December 31, 2009, and the remainder was recorded in Other liabilities.

(b) Consists primarily of tax related litigation not recorded pursuant to ASC 740-10, “Income Taxes,” (ASC 740-10) as well as various non-U.S. labor related items.

Guarantees

We have provided guarantees related to the residual value of certain operating leases. These guarantees terminate in years ranging from 2011 to 2035. Certain leases contain renewal options.

We have agreements with third parties that guarantee the fulfilment of certain suppliers’ commitments and other related obligations. These guarantees expire in years ranging from 2010 to 2013, or are ongoing or upon the occurrence of specific events.

In some instances, certain assets of the party whose debt or performance we have guaranteed may offset, to some degree, the cost of the guarantee. The offset of certain of our payables to guaranteed parties may also offset certain guarantees, if triggered.

We also provide payment guarantees on commercial loans made by Ally Financial and outstanding with certain third parties, such as dealers or rental car companies. These guarantees either expire in years ranging from 2010 to 2029 or are ongoing. We determined the value ascribed to the guarantees to be insignificant based on the credit worthiness of the third parties. Refer to Note 23 for additional information on guarantees that we provide to Ally Financial.

In connection with certain divestitures, we have provided guarantees with respect to benefits to be paid to former employees relating to pensions, postretirement health care and life insurance. Aside from indemnifications and guarantees related to Delphi, as subsequently discussed, it is not possible to estimate our maximum exposure under these indemnifications or guarantees due to the conditional nature of these obligations. No amounts have been recorded for such obligations as they are not probable or estimable at this time.

In addition to the guarantees and indemnifying agreements mentioned previously, we periodically enter into agreements that incorporate indemnification provisions in the normal course of business. Due to the nature of these agreements, the maximum potential amount of future undiscounted payments to which we may be exposed cannot be estimated. No amounts have been recorded for such indemnities as our obligations under them are not probable or estimable at this time.

In addition to the guarantees and indemnifying agreements previously discussed, we indemnify dealers for certain product liability related claims as subsequently discussed.

With respect to other product-related claims involving products manufactured by certain joint ventures, we believe that costs incurred are adequately covered by recorded accruals. These guarantees expire in 2022.

Environmental

Automotive operations, like operations of other companies engaged in similar businesses, are subject to a wide range of environmental protection laws, including laws regulating air emissions, water discharges, waste management and environmental remediation. We are in various stages of investigation or remediation for sites where contamination has been alleged. We are involved in a number of actions to remediate hazardous wastes as required by federal and state laws. Such statutes require that responsible parties fund remediation actions regardless of fault, legality of original disposal or ownership of a disposal site.

The future effect of environmental matters, including potential liabilities, is often difficult to estimate. An environmental reserve is recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. This practice is followed whether the claims are asserted or unasserted. Liabilities have been recorded for the expected costs to be paid over the periods of remediation for the applicable sites, which typically range from five to 30 years.

For many sites, the remediation costs and other damages for which we ultimately may be responsible may vary because of uncertainties with respect to factors such as the connection to the site or to materials there, the involvement of other potentially responsible parties, the application of laws and other standards or regulations, site conditions, and the nature and scope of investigations, studies and remediation to be undertaken (including the technologies to be required and the extent, duration and success of remediation).

The final outcome of environmental matters cannot be predicted with certainty at this time. Accordingly, it is possible that the resolution of one or more environmental matters could exceed the amounts accrued in an amount that could be material to our financial condition and results of operations. At June 30, 2010 we estimate that remediation losses could range from $140 million to $375 million.

Product Liability

With respect to product liability claims involving our and Old GM's products, it is believed that any judgment against us for actual damages will be adequately covered by our recorded accruals and, where applicable, excess insurance coverage. Although punitive damages are claimed in some of these lawsuits, and such claims are inherently unpredictable, accruals incorporate historic experience with these types of claims. Liabilities have been recorded for the expected cost of all known product liability claims plus an estimate of the expected cost for all product liability claims that have already been incurred and are expected to be filed in the future for which we are self-insured. These amounts were recorded within Accrued expenses and Other liabilities and deferred income taxes and exclude Old GM's asbestos claims, which are discussed separately.

In accordance with our assumption of dealer sales and service agreements, we indemnify dealers for certain product liability related claims. Our experience related to dealer indemnification obligations where we are not a party arising from incidents prior to July 10, 2009 is limited. We monitor actual claims experience for consistency with this estimate and make periodic adjustments as appropriate. Since July 10, 2009, the volume of product liability claims against us has been less than projected. In addition, as of this time due to the relatively short period for which we have been directly responsible for such claims, we have fewer pending matters than Old GM had in the past and than we expect in the future. Based on both management judgments concerning the projected number and value of both dealer indemnification obligations and product liability claims against us, we have estimated the associated liability. We have lowered our overall product liability estimate for dealer indemnifications and our exposure in the six months ended June 30, 2010 resulting in a $132 million favorable adjustment driven primarily by a lower than expected volume of claims. We expect our product liability reserve to rise in future periods as new claims arise from incidents subsequent to July 9, 2009.

Liability Related to Contingently Issuable Shares

We are obligated to issue additional shares of our common stock to MLC (Adjustment Shares) in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions). The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum number of Adjustment Shares issued if estimated general unsecured claims total $42.0 billion or more. We determined that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In the circumstance where estimated general unsecured claims equal $37.0 billion, under the terms of the Purchase Agreement, we would be required to issue 8.6 million Adjustment Shares to MLC.

Other Litigation-Related Liability

Various legal actions, governmental investigations, claims and proceedings are pending against us or MLC including a number of shareholder class actions, bondholder class actions and class actions under the Employee Retirement Income Security Act of 1974, as amended, and other matters arising out of alleged product defects, including asbestos-related claims; employment-related matters; governmental regulations relating to safety, emissions, and fuel economy; product warranties; financial services matters; dealer, supplier and other contractual relationships; tax-related matters not recorded pursuant to ASC 740-10 and environmental matters.

With regard to the litigation matters discussed in the previous paragraph, reserves have been established for matters in which it is believed that losses are probable and can be reasonably estimated, the majority of which are associated with tax-related matters not recorded pursuant to ASC 740-10 as well as various non-U.S. labor-related matters. Tax related matters not recorded pursuant to ASC 740-10 are items being litigated globally pertaining to value added taxes, customs, duties, sales, property taxes and other non-income tax related tax exposures. The various non-U.S. labor-related matters include claims from current and former employees related to alleged unpaid wage, benefit, severance, and other compensation matters. Certain South American administrative and legal proceedings are tax-related and may require that we deposit funds in escrow, such escrow deposits may range from $725 million to $900 million. Some of the matters may involve compensatory, punitive, or other treble damage claims, environmental remediation programs, or sanctions, that if granted, could require us to pay damages or make other expenditures in amounts that could not be reasonably estimated at June 30, 2010. We believe that appropriate accruals have been established for such matters based on information currently available. Reserves for litigation losses are recorded in Accrued expenses and Other liabilities and deferred income taxes. These accrued reserves represent the best estimate of amounts believed to be our and Old GM's liability in a range of expected losses. Litigation is inherently unpredictable, however, and unfavorable resolutions could occur. Accordingly, it is possible that an adverse outcome from such proceedings could exceed the amounts accrued in an amount that could be material to our or Old GM's financial condition, results of operations and cash flows in any particular reporting period.

Asbestos-Related Liability

In connection with the 363 Sale, MLC retained substantially all of the asbestos-related claims outstanding. At June 30, 2009 Old GM's liability recorded for asbestos-related matters was $636 million.

Like most automobile manufacturers, Old GM had been subject to asbestos-related claims in recent years. These claims primarily arose from three circumstances:

- A majority of these claims sought damages for illnesses alleged to have resulted from asbestos used in brake components;
- Limited numbers of claims have arisen from asbestos contained in the insulation and brakes used in the manufacturing of locomotives; and
- Claims brought by contractors who allege exposure to asbestos-containing products while working on premises Old GM owned.

Old GM had resolved many of the asbestos-related cases over the years for strategic litigation reasons such as avoiding defense costs and possible exposure to excessive verdicts. The amount expended on asbestos-related matters in any period depended on the number of claims filed, the amount of pre-trial proceedings and the number of trials and settlements in the period.

Old GM recorded the estimated liability associated with asbestos personal injury claims where the expected loss was both probable and could reasonably be estimated. Old GM retained a firm specializing in estimating asbestos claims to assist Old GM in determining the potential liability for pending and unasserted future asbestos personal injury claims. The analyses relied on and included the following information and factors:

- A third party forecast of the projected incidence of malignant asbestos-related disease likely to occur in the general population of individuals occupationally exposed to asbestos;
- Old GM's Asbestos Claims Experience, based on data concerning claims filed against Old GM and resolved, amounts paid, and the nature of the asbestos-related disease or condition asserted during approximately the four years prior;
- The estimated rate of asbestos-related claims likely to be asserted against MLC in the future based on Old GM's Asbestos Claims Experience and the projected incidence of asbestos-related disease in the general population of individuals occupationally exposed to asbestos;
- The estimated rate of dismissal of claims by disease type based on Old GM's Asbestos Claims Experience; and
- The estimated indemnity value of the projected claims based on Old GM's Asbestos Claims Experience, adjusted for inflation.

Old GM reviewed a number of factors, including the analyses provided by the firm specializing in estimating asbestos claims in order to determine a reasonable estimate of the probable liability for pending and future asbestos-related claims projected to be asserted over the next 10 years, including legal defense costs. Old GM monitored actual claims experience for consistency with this estimate and made periodic adjustments as appropriate.

Old GM believed that the analyses were based on the most relevant information available combined with reasonable assumptions, and that Old GM may prudently rely on their conclusions to determine the estimated liability for asbestos-related claims. Old GM noted, however, that the analyses were inherently subject to significant uncertainties. The data sources and assumptions used in connection with the analyses may not prove to be reliable predictors with respect to claims asserted against Old GM. Old GM's experience in the past included substantial variation in relevant factors, and a change in any of these assumptions — which include the source of the claiming population, the filing rate and the value of claims — could significantly increase or decrease the estimate. In addition, other external factors such as legislation affecting the format or timing of litigation, the actions of other entities sued in asbestos personal injury actions, the distribution of assets from various trusts established to pay asbestos claims and the outcome of cases litigated to a final verdict could affect the estimate.

GME Planned Spending Guarantee

As part of our Opel/Vauxhall restructuring plan, agreed to with European labor representatives, we have committed in principle to achieve specified milestones associated with planned spending from 2011 to 2014 on certain product programs. If we fail to accomplish the requirements set out under the expected final agreement, we will be required to pay certain amounts up to Euro 265 million for each of those years, and/or interest on those amounts, to our employees. Management has the intent and believes it has the ability to meet the requirements under the agreement, which we expect to be finalized during the three months ending September 30, 2010.

Delphi Corporation

Benefit Guarantee

In 1999 Old GM spun-off Delphi Automotive Systems Corporation, which became Delphi. At the time of the spin-off, employees of Delphi Automotive Systems Corporation became employees of Delphi. As part of the separation agreements, Delphi assumed the pension and other postretirement benefit obligations for the transferred U.S. hourly employees who retired after October 1, 2000. Additionally at the time of the spin-off, Old GM entered into the Delphi Benefit Guarantee Agreements with the UAW, the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers — Communication Workers of America (IUE-CWA) and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW). The Delphi Benefit Guarantee Agreements provided that in the event that Delphi or its successor companies ceased doing business, terminated its pension plan or ceased to provide credited service or OPEB benefits at certain levels due to financial distress, Old GM could be liable to provide the corresponding benefits for certain covered employees at the required level and to the extent the pension benefits Delphi and the PBGC provided fall short of the guaranteed amount.

In October 2005 Old GM received notice from Delphi it would become obligated to provide benefits pursuant to the Delphi Benefit Guarantee Agreements in connection with Delphi's commencement in October 2005 of Chapter 11 proceedings under the Bankruptcy Code. In June 2007 Old GM entered into a memorandum of understanding with Delphi and the UAW (Delphi UAW MOU) that included terms relating to the consensual triggering, under certain circumstances, of the Delphi Benefit Guarantee Agreements as well as additional terms relating to Delphi's restructuring. Under the Delphi UAW MOU, Old GM also agreed to pay for certain health care costs of covered Delphi retirees and their beneficiaries in order to provide a level of benefits consistent with those provided to Old GM's retirees and their beneficiaries, if Delphi terminated OPEB benefits. In August 2007 Old GM also entered into memoranda of understanding with Delphi and the IUE-CWA and with Delphi and the USW containing terms consistent with the comprehensive Delphi UAW MOU.

Delphi-GM Settlement Agreements

In September 2007 and as amended at various times through September 2008, Old GM entered into agreements with Delphi. In September 2008 Old GM also entered into agreements with Delphi and the UAW, IUE-CWA and the USW. All of these agreements were intended to resolve, among other items, outstanding issues between Delphi and Old GM, govern certain aspects of Old GM's ongoing commercial relationship with Delphi, address a limited transfer of pension assets and liabilities, and address the triggering of the Delphi Benefit Guarantee Agreements. In September 2008 these agreements became effective.

Upon consummation of the DMDA, these agreements were terminated with limited exceptions.

Delphi Liquidity Support Agreements

Beginning in 2008 Old GM entered into various agreements and amendments to such agreements to advance a maximum of $950 million to Delphi, subject to Delphi's continued satisfaction of certain conditions and milestones. Old GM also agreed to accelerate payment of North American payables to Delphi at various amounts up to a maximum of $300 million. As of June 30, 2009 we had advanced $700 million under these agreements. Upon consummation of the DMDA, we waived our rights to advanced amounts and accelerated payments of $850 million that became consideration to Delphi and other parties under the DMDA.

Delphi Master Disposition Agreement

In October 2009 we consummated the transaction contemplated by the DMDA with Delphi, New Delphi, Old GM, and other parties to the DMDA, as described in Note 4. Upon consummation of the DMDA, the Delphi-GM Settlement Agreements and Delphi liquidity support agreements discussed previously were terminated with limited exceptions, and we and Delphi waived all claims against each other. We maintain certain obligations relating to Delphi hourly employees to provide the difference between pension benefits paid by the PBGC according to regulation and those originally guaranteed by Old GM under the Delphi Benefit Guarantee Agreements.

The DMDA established our ongoing commercial relationship with New Delphi. This included the continuation of all existing Delphi supply agreements and purchase orders for GMNA to the end of the related product program and New Delphi agreed to provide us with access rights designed to allow us to operate specific sites on defined triggering events to provide us with protection of supply. In addition, we and a class of New Delphi investors agreed to establish a secured delayed draw term loan facility for New Delphi, with each committing to provide loans of up to $500 million.

Delphi Charges

In the six months ended June 30, 2009 Old GM recorded charges of $284 million. These charges, which were recorded in Cost of sales and Other expenses, net, reflected the best estimate of obligations associated with the various Delphi agreements.

Note 18. Income Taxes

For interim income tax reporting we estimate our annual effective tax rate and apply it to year-to-date ordinary income/loss. The tax effect of unusual or infrequently occurring items, including changes in judgment about valuation allowances and effects of changes in tax laws or rates, are reported in the interim period in which they occur. Tax jurisdictions with a projected or year-to-date loss for which a tax benefit cannot be realized are excluded. The effective tax rate fluctuated in the six months ended June 30, 2010 primarily as a result of changes in the mix of earnings in valuation allowance and non-valuation allowance jurisdictions.

In the six months ended June 30, 2010 income tax expense of $870 million primarily resulted from income tax provisions for profitable entities and a taxable foreign currency gain in Venezuela. As a result of the official devaluation of the Venezuelan currency in the six months ended June 30, 2010, we recorded income tax expense related to the foreign currency exchange gain on the net monetary position of our foreign currency denominated assets.

In the six months ended June 30, 2009 income tax benefit of $559 million primarily resulted from resolution of a U.S. and Canada transfer pricing matter and other discrete items offset by income tax provisions for profitable entities.

Most of the tax attributes generated by Old GM and its domestic and foreign subsidiaries (net operating loss carryforwards and various income tax credits) survived the Chapter 11 Proceedings and we expect to use these tax attributes to reduce future tax liabilities. The ability to utilize certain of the U.S. tax attributes in future tax periods could be limited by Section 382(a) of the Internal Revenue Code. In Germany, we have net operating loss carryforwards for corporate income tax and trade tax purposes. We have received a ruling from the German tax authorities confirming the availability of those losses under the prerequisite that an agreement with the unions as to employment costs will be achieved. This ruling is subject to the outcome of infringement proceedings initiated by the European Union with respect to the German law on which the ruling is based. If the European Union proceedings have a positive outcome we will be able to utilize those losses despite the reorganizations that have taken place in Germany in 2008 and 2009. In Australia, we have net operating loss carryforwards which are now subject to meeting an annual “Same Business Test” requirement. We will assess our ability to utilize these carryforward losses annually.

We file and Old GM filed income tax returns in multiple jurisdictions, which are subject to examination by taxing authorities throughout the world. We have open tax years from 1999 to 2009 with various significant tax jurisdictions. These open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations as they relate to the amount, timing or inclusion of revenue and expenses or the sustainability of income tax credits for a given audit cycle. Given the global nature of our operations, there is a risk that transfer pricing disputes may arise. We have continuing responsibility for Old GM’s open tax years. We record, and Old GM previously recorded, a tax benefit only for those positions that meet the more likely than not standard.

In May 2009 the U.S. and Canadian governments resolved a transfer pricing matter with Old GM, which covered the tax years 2001 through 2007. In the six months ended June 30, 2009 this resolution resulted in a tax benefit of $692 million and interest income of $229 million. Final administrative processing of the Canadian case closing occurred in late 2009, and final administrative processing of the U.S. case closing occurred in February 2010.

In June 2010, a Mexican income tax audit covering the 2002 and 2003 years was concluded and an assessment of $159 million, including tax, interest and penalties was issued. We do not agree with the assessment and intend to appeal. We believe we have adequate reserves established and collection of the assessment will be suspended during the appeal period and any subsequent proceedings through U.S. and Mexican competent authorities.

At June 30, 2010, it is not possible to reasonably estimate the expected change to the total amount of unrecognized tax benefits over the next 12 months.

Note 19. Fair Value Measurements

Fair Value Measurements

A three-level valuation hierarchy is used for fair value measurements. The three-level valuation hierarchy is based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy:

- Level 1 — Quoted prices for *identical* instruments in active markets;
- Level 2 — Quoted prices for *similar* instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose significant inputs are observable; and
- Level 3 — Instruments whose significant inputs are *unobservable*.

Financial instruments are transferred in and/or out of Level 3 in the valuation hierarchy based upon the significance of the unobservable inputs to the overall fair value measurement. Level 3 financial instruments typically include, in addition to the unobservable inputs, observable components that are validated to external sources.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Securities are classified in Level 1 of the valuation hierarchy when quoted prices in an active market for identical securities are available. If quoted market prices are not available, fair values of securities are determined using prices from a pricing vendor, pricing models, quoted prices of securities with similar characteristics or discounted cash flow models and are generally classified in Level 2 of the valuation hierarchy. Our pricing vendor utilizes industry-standard pricing models that consider various inputs, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads and benchmark securities as well as other relevant economic measures. Securities are classified in Level 3 of the valuation hierarchy in certain cases where there are unobservable inputs to the valuation in the marketplace.

Annually, we conduct a review of our pricing vendor. This review includes discussion and analysis of the inputs used by the pricing vendor to provide prices for the types of securities we hold. These inputs included interest rate yields, bid/ask quotes, prepayment speeds and prices for comparable securities. Based on our review we believe the prices received from our pricing vendor are a reliable representation of exit prices.

All derivatives are recorded at fair value. Internal models are used to value a majority of derivatives. The models use, as their basis, readily observable market inputs, such as time value, forward interest rates, volatility factors, and current and forward market prices for commodities and foreign currency exchange rates. Level 2 of the valuation hierarchy includes certain foreign currency derivatives, commodity derivatives and warrants. Derivative contracts that are valued based upon models with significant unobservable market inputs, primarily estimated forward and prepayment rates, are classified in Level 3 of the valuation hierarchy. Level 3 of the valuation hierarchy includes warrants issued prior to July 10, 2009 to the UST, certain foreign currency derivatives, certain long-dated commodity derivatives and interest rate swaps with notional amounts that fluctuated over time.

The valuation of derivative liabilities takes into account our and Old GM’s nonperformance risk. For the periods presented after June 1, 2009, our and Old GM’s nonperformance risk was not observable through the credit default swap market as a result of the Chapter 11 Proceedings for Old GM and the lack of traded instruments for us. As a result, an analysis of comparable industrial companies was used to determine the appropriate credit spread which would be applied to us by market participants. In these periods, all derivatives whose fair values contained a significant credit adjustment based on our nonperformance risk were classified in Level 3 of the valuation hierarchy.

Fair Value Measurements on a Recurring Basis

The following tables summarize the financial instruments measured at fair value on a recurring basis (dollars in millions):

	Successor			
	Fair Value Measurements on a Recurring Basis at June 30, 2010			
	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents				
United States government and agency	$ —	$ 2,456	$ —	$ 2,456
Certificates of deposit	—	3,719	—	3,719
Money market funds	2,699	—	—	2,699
Commercial paper	—	7,293	—	7,293
Marketable securities				
Trading securities				
Equity	16	14	—	30
United States government and agency	—	12	—	12
Mortgage and asset-backed	—	29	—	29
Foreign government	—	30	—	30
Corporate debt	—	29	—	29
Available–for–sale securities				
United States government and agency	—	939	—	939
Certificates of deposit	—	1,326	—	1,326
Corporate debt	—	2,366	—	2,366
Restricted cash and marketable securities				
United States government and agency	—	160	—	160
Government of Canada bonds	—	956	—	956
Money market funds	389	—	—	389
Other assets				
Equity	8	—	—	8
Derivatives				
Commodity	—	24	—	24
Foreign currency	—	25	29	54
Other	—	25	—	25
Total assets	$ 3,112	$ 19,403	$ 29	$22,544
Liabilities				
Other liabilities				
Options	$ —	$ —	$ 24	$ 24
Derivatives				
Foreign currency	—	3	367	370
Total liabilities	$ —	$ 3	$ 391	$ 394

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Successor			
	Fair Value Measurements on a Recurring Basis at December 31, 2009			
	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents				
United States government and agency	$ —	$ 580	$ —	$ 580
Certificates of deposit	—	2,140	—	2,140
Money market funds	7,487	—	—	7,487
Commercial paper	—	969	—	969
Marketable securities				
Trading securities				
Equity	15	17	—	32
United States government and agency	—	17	—	17
Mortgage and asset-backed	—	22	—	22
Foreign government	—	24	—	24
Corporate debt	—	29	—	29
Available–for–sale securities				
United States government and agency	—	2	—	2
Certificates of deposit	—	8	—	8
Restricted cash and marketable securities				
United States government and agency bonds	—	140*	—	140
Money market funds	13,083**	—	—	13,083
Government of Canada bonds	—	955	—	955
Other assets				
Equity	13	—	—	13
Derivatives				
Commodity	—	11	—	11
Foreign currency	—	90	33	123
Other	—	25	—	25
Total assets	$ 20,598	$ 5,029	$ 33	$25,660
Liabilities				
Derivatives				
Foreign currency	$ —	$ 9	$ 705	$ 714
Total liabilities	$ —	$ 9	$ 705	$ 714

* Amounts originally reported as $0 in our 2009 Form 10-K. The column and row totals have been corrected accordingly. Refer to Note 3 to the 2009 audited consolidated financial statements included in this prospectus.

** Amounts originally reported as $12,662 in our 2009 Form 10-K. The column and row totals have been corrected accordingly. Refer to Note 3 to the 2009 audited consolidated financial statements included in this prospectus.

Fair Value Measurements on a Recurring Basis using Level 3 Inputs

In the six months ended June 30, 2009 Old GM's mortgage and asset-backed securities were transferred from Level 3 to Level 2 as the significant inputs used to measure fair value and quoted prices for similar instruments were determined to be observable in an active market.

For periods presented after June 1, 2009 our and Old GM's nonperformance risk was not observable through the credit default swap market as a result of the Chapter 11 Proceedings for Old GM and the lack of traded instruments for us. As a result, foreign currency derivatives with a fair market value of $1.6 billion were transferred from Level 2 to Level 3 in the six months ended June 30, 2009.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In the six months ended June 30, 2009 Old GM determined the credit profile of certain foreign subsidiaries was equivalent to Old GM's nonperformance risk which was observable through the credit default swap market and bond market based on prices for recent trades. Accordingly, foreign currency derivatives with a fair value of $2.1 billion were transferred from Level 3 into Level 2 in the six months ended June 30, 2009.

	Successor					
	Level 3 Financial Assets and Liabilities					
	Mortgage-backed Securities (a)	Commodity Derivatives, Net (b)	Foreign Currency Derivatives (c)	Options (d)	Other Securities (a)	Total Net Liabilities
Balance at January 1, 2010	$ —	$ —	$ (672)	$ —	$ —	$ (672)
Total realized/unrealized gains (losses)						
Included in earnings	—	—	73	(3)	—	70
Included in Accumulated other comprehensive income (loss)	—	—	3	—	—	3
Purchases, issuances, and settlements	—	—	258	(21)	—	237
Transfer in and/or out of Level 3	—	—	—	—	—	—
Balance at June 30, 2010	$ —	$ —	$ (338)	$ (24)	$ —	$ (362)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ —	$ —	$ 59	$ (3)	$ —	$ 56

	Predecessor					
	Level 3 Financial Assets and Liabilities					
	Mortgage-backed Securities (a)	Commodity Derivatives, Net (b)	Foreign Currency Derivatives (c)	UST Warrant (a)	Other Securities (a)	Total Net Liabilities
Balance at January 1, 2009	$ 49	$ (17)	$ (2,144)	$ (164)	$ 17	$ (2,259)
Total realized/unrealized gains (losses)						
Included in earnings	(2)	13	—	164	(5)	170
Included in Accumulated other comprehensive income (loss)	—	—	—	—	—	—
Purchases, issuances, and settlements	(14)	4	—	—	(7)	(17)
Transfer in and/or out of Level 3	(33)	—	585	—	(5)	547
Balance at June 30, 2009	$ —	$ —	$ (1,559)	$ —	$ —	$ (1,559)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ —	$ —	$ —	$ —	$ —	$ —

(a) Realized gains (losses) and other than temporary impairments on marketable securities (including the UST warrants outstanding until the closing of the 363 Sale) are recorded in Interest income and other non-operating income, net.

(b) Prior to July 10, 2009 realized and unrealized gains (losses) on commodity derivatives were recorded in Cost of sales. Changes in fair value are attributable to changes in base metal and precious metal prices. Beginning July 10, 2009 realized and unrealized gains (losses) on commodity derivatives are recorded in Interest income and other non-operating income, net.

(c) Prior to July 10, 2009 realized and unrealized gains (losses) on foreign currency derivatives were recorded in the line item associated with the economically hedged item. Beginning July 10, 2009 realized and unrealized gains (losses) on foreign currency derivatives are recorded in Interest income and other non-operating income, net and foreign currency translation gains (losses) are recorded in Accumulated other comprehensive income (loss).

(d) Realized and unrealized gains (losses) on options are recorded in Interest income and other non-operating income, net. trades. Accordingly, foreign currency derivatives with a fair value of $2.1 billion were transferred from Level 3 into Level 2 in the six months ended June 30, 2009.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Successor					
	Level 3 Financial Assets and Liabilities					
	Mortgage-backed Securities (a)	Commodity Derivatives, Net (b)	Foreign Currency Derivatives (c)	Options (d)	Other Securities (a)	Total Net Liabilities
Balance at January 1, 2010	$ —	$ —	$ (672)	$ —	$ —	$ (672)
Total realized/unrealized gains (losses)						
Included in earnings	—	—	73	(3)	—	70
Included in Accumulated other comprehensive income (loss)	—	—	3	—	—	3
Purchases, issuances, and settlements	—	—	258	(21)	—	237
Transfer in and/or out of Level 3	—	—	—	—	—	—
Balance at June 30, 2010	$ —	$ —	$ (338)	$ (24)	$ —	$ (362)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ —	$ —	$ 59	$ (3)	$ —	$ 56

	Predecessor					
	Level 3 Financial Assets and Liabilities					
	Mortgage-backed Securities (a)	Commodity Derivatives, Net (b)	Foreign Currency Derivatives (c)	UST Warrant (a)	Other Securities (a)	Total Net Liabilities
Balance at January 1, 2009	$ 49	$ (17)	$ (2,144)	$ (164)	$ 17	$ (2,259)
Total realized/unrealized gains (losses)						
Included in earnings	(2)	13	—	164	(5)	170
Included in Accumulated other comprehensive income (loss)	—	—	—	—	—	—
Purchases, issuances, and settlements	(14)	4	—	—	(7)	(17)
Transfer in and/or out of Level 3	(33)	—	585	—	(5)	547
Balance at June 30, 2009	$ —	$ —	$ (1,559)	$ —	$ —	$ (1,559)
Amount of total gains and (losses) in the period included in earnings attributable to the change in unrealized gains or (losses) relating to assets still held at the reporting date	$ —	$ —	$ —	$ —	$ —	$ —

(a) Realized gains (losses) and other than temporary impairments on marketable securities (including the UST warrants outstanding until the closing of the 363 Sale) are recorded in Interest income and other non-operating income, net.

(b) Prior to July 10, 2009 realized and unrealized gains (losses) on commodity derivatives were recorded in Cost of sales. Changes in fair value are attributable to changes in base metal and precious metal prices. Beginning July 10, 2009 realized and unrealized gains (losses) on commodity derivatives are recorded in Interest income and other non-operating income, net.

(c) Prior to July 10, 2009 realized and unrealized gains (losses) on foreign currency derivatives were recorded in the line item associated with the economically hedged item. Beginning July 10, 2009 realized and unrealized gains (losses) on foreign currency derivatives are recorded in Interest income and other non-operating income, net and foreign currency translation gains (losses) are recorded in Accumulated other comprehensive income (loss).

(d) Realized and unrealized gains (losses) on options are recorded in Interest income and other non-operating income, net.

Short-Term and Long-Term Debt

We determined the fair value of debt based on a discounted cash flow model which used benchmark yield curves plus a spread that represented the yields on traded bonds of companies with comparable credit ratings.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the carrying amount and estimated fair value of short-term and long-term debt, including capital leases, for which it is practicable to estimate fair value (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Carrying amount (a)	$ 8,161	$ 15,783
Fair value (a)	$ 7,751	$ 16,024

(a) Accounts and notes receivable, net and Accounts payable (principally trade) are not included because the carrying amount approximates fair value due to their short-term nature.

Ally Financial Common and Preferred Stock

At December 31, 2009 we estimated the fair value of our investment in Ally Financial common stock using a market approach based on the average price to tangible book value multiples of comparable companies to each of Ally Financial's Auto Finance, Commercial Finance, Mortgage, and Insurance operations to determine the fair value of the individual operations. These values were aggregated to estimate the fair value of Ally Financial's common stock. The significant inputs used to determine the appropriate multiple for Ally Financial and used in our analysis were as follows:

- Ally Financial's December 31, 2009 financial statements, as well as the financial statements and price to tangible book value multiples of comparable companies in the Auto Finance, Commercial Finance and Insurance industries;
- Historical segment equity information separately provided by Ally Financial;
- Expected performance of Ally Financial, as well as our view on its ability to access capital markets; and
- The value of Ally Financial's mortgage operations, taking into consideration the continuing challenges in the housing markets and mortgage industry, and its need for additional liquidity to maintain business operations.

At June 30, 2010 we estimated the fair value of Ally Financial common stock using a market approach that applies the average price to tangible book value multiples of comparable companies to the consolidated Ally Financial tangible book value. This approach provides our best estimate of the fair value of our investment in Ally Financial common stock at June 30, 2010 due to Ally Financial's transition to a bank holding company and less readily available information with which to value Ally Financial's business operations individually. The significant inputs used in our fair value analysis were Ally Financial's June 30, 2010 financial statements, as well as the financial statements and price to tangible book value multiples of comparable companies in the banking and finance industry.

At December 31, 2009 and June 30, 2010 we calculated the fair value of our investment in Ally Financial's preferred stock using a discounted cash flow approach. The present value of the cash flows was determined using assumptions regarding the expected receipt of dividends on Ally Financial's preferred stock and the expected call date.

The following table summarizes the carrying amount and estimated fair value of Ally Financial common and preferred stock (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Common stock		
Carrying amount (a)	$ 966	$ 970
Fair value	$1,138	$ 970
Preferred stock		
Carrying amount	$ 665	$ 665
Fair value	$1,035	$ 989

(a) Investment in Ally Financial common stock at June 30, 2010 and December 31, 2009 includes the 16.6% held directly and through an independent trust.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 20. Restructuring and Other Initiatives

We have and Old GM had previously executed various restructuring and other initiatives, and we plan to execute additional initiatives in the future, if necessary, in order to preserve adequate liquidity, to align manufacturing capacity and other costs with prevailing global automotive sales and to improve the utilization of remaining facilities. Related charges are primarily recorded in Cost of sales and Selling, general and administrative expense.

Estimates of restructuring and other initiative charges are based on information available at the time such charges are recorded. Due to the inherent uncertainty involved, actual amounts paid for such activities may differ from amounts initially recorded. Accordingly, we may record revisions to previous estimates by adjusting previously established reserves.

Refer to Note 21 for asset impairment charges related to our restructuring initiatives.

GM

The following table summarizes restructuring reserves (excluding restructuring reserves related to dealer wind-down agreements) and charges by segment, including postemployment benefit reserves and charges in the six months ended June 30, 2010 (dollars in millions):

	Successor			
	GMNA	GMIO	GME	Total
Balance at January 1, 2010	$2,088	$ 7	$ 451	$2,546
Additions	28	—	480	508
Interest accretion and other	20	—	60	80
Payments	(421)	(5)	(294)	(720)
Revisions to estimates	(105)	1	(8)	(112)
Effect of foreign currency translation	(1)	—	(96)	(97)
Balance at June 30, 2010 (a)	$1,609	$ 3	$ 593	$2,205

(a) The remaining cash payments related to these restructuring reserves primarily relate to postemployment benefits to be paid.

GMNA

GMNA recorded charges, interest accretion and other and revisions to estimates that decreased the restructuring reserves by $57 million in the six months ended June 30, 2010. The decrease was primarily related to increased production capacity utilization, which resulted in the recall of idled employees to fill added shifts at multiple production sites in the six months ended June 30, 2010, partially offset by a Canadian hourly separation program at the Oshawa facility.

GME

GME recorded charges, and interest accretion and other and revisions to estimates of $532 million in the six months ended June 30, 2010 for separation programs primarily related to the following initiatives:

- Separation charges of $353 million in the six months ended June 30, 2010 for a separation plan related to the closure of the Antwerp, Belgium facility which affected 1,300 employees in the three months ended June 30, 2010 and will affect 1,300 additional employees.
- Separation charges of $72 million in the six months ended June 30, 2010 and revisions to estimates of $8 million to decrease the reserve related to separation/layoff plans and an early retirement plan in Spain which will affect 1,200 employees.
- Separation charges of $25 million related to a voluntary separation program in the United Kingdom.

- Separation charges of $27 million and interest accretion and other of $56 million in the six months ended June 30, 2010 related to previously announced programs in Germany.

Dealer Wind-downs

We market vehicles worldwide through a network of independent retail dealers and distributors. As part of achieving and sustaining long-term viability and the viability of our dealer network, we determined that a reduction in the number of GMNA dealerships was necessary. At June 30, 2010 there were approximately 5,900 dealers in GMNA compared to approximately 6,500 at December 31, 2009. Certain dealers in the U.S. that had signed wind-down agreements with us elected to file for reinstatement through a binding arbitration process. In response to the arbitration filings we offered certain dealers reinstatement contingent upon compliance with our core business criteria for operation of a dealership. At June 30, 2010 the arbitration process had been fundamentally resolved.

The following table summarizes GMNA's restructuring reserves related to dealer wind-down agreements in the six months ended June 30, 2010 (dollars in millions):

	Successor		
	U.S.	Canada and Mexico	Total
Balance at January 1, 2010	$ 460	$ 41	$ 501
Additions	9	9	18
Payments	(184)	(32)	(216)
Effect of foreign currency translation	—	2	2
Revisions to estimates	(6)	—	(6)
Balance at June 30, 2010	$ 279	$ 20	$ 299

Old GM

The following table summarizes Old GM's restructuring reserves (excluding restructuring reserves related to dealer wind-down agreements) and charges by segment, including postemployment benefit reserves and charges in the six months ended June 30, 2009 (dollars in millions):

	Predecessor			
	GMNA	GMIO	GME	Total
Balance at January 1, 2009	$2,456	$ 58	$468	$ 2,982
Additions	1,835	61	19	1,915
Interest accretion and other	15	—	10	25
Payments	(969)	(87)	(63)	(1,119)
Revisions to estimates	(395)	9	—	(386)
Effect of foreign currency translation	51	8	1	60
Balance at June 30, 2009	$2,993	$ 49	$435	$ 3,477

GMNA recorded charges, interest accretion and other and revisions to estimates that increased the restructuring reserves by $1.5 billion for the six months ended June 30, 2009 for separation programs related to the following initiatives:

- Supplemental Unemployment Benefit (SUB) and Transitional Support Program (TSP) related charges in the U.S. of $707 million for the six months ended June 30, 2009 recorded as an additional liability determined by an actuarial analysis at the implementation of the SUB and TSP and related suspension of the JOBS Program, Old GM's job security provision in the collective bargaining agreement with the UAW to continue paying idled employees certain wages and benefits.

- Postemployment benefit charges in the U.S. of $825 million for the six months ended June 30, 2009 related to 13,000 hourly employees who participated in the 2009 Special Attrition Programs.
- Separation charges of $250 million for the six months ended June 30, 2009 for a U.S. salaried severance program to allow terminated employees to receive ongoing wages and benefits for up to 12 months.
- Revisions to estimates to decrease the reserve by $395 million for the six months ended June 30, 2009 primarily related to $335 million for the six months ended June 30, 2009 for the suspension of the JOBS Program and $136 million for the six months ended June 30, 2009 for estimated future wages and benefits due to employees who participated in the 2009 Special Attrition Programs; offset by a net increase of $86 million for the six months ended June 30, 2009 related to Canadian salaried workforce reductions and other restructuring initiatives in Canada.
- Postemployment benefit charges in Canada of $38 million for the six months ended June 30, 2009 related to 380 hourly employees who participated in a special attrition program at the Oshawa Facility.

GMIO recorded charges and revisions to estimates of $70 million in the six months ended June 30, 2009 primarily related to separation programs in South America and Australia.

GME recorded charges, interest accretion and other and revisions to estimates of $29 million in the six months ended June 30, 2009 for separation programs primarily related to early retirement programs in Germany and previously announced programs in Germany and Belgium.

Dealer Wind-downs

The following table summarizes Old GM's restructuring reserves related to dealer wind-down agreements in the six months ended June 30, 2009 (dollars in millions):

	Canada
Balance at January 1, 2009	$ —
Additions	120
Payments	—
Effect of foreign currency translation	—
Balance at June 30, 2009	$ 120

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 21. Impairments

The following table summarizes impairment charges (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
GMNA		
Product-specific tooling assets	$ —	$ 278
Cancelled powertrain programs	—	42
Equity and cost method investments (other than Ally Financial)	—	28
Vehicles leased to rental car companies	—	11
Total GMNA impairment charges	—	359
GMIO		
Product-specific tooling assets	—	7
Other long-lived assets	—	2
Total GMIO impairment charges	—	9
GME		
Product-specific tooling assets	—	237
Vehicles leased to rental car companies	15	34
Total GME impairment charges	15	271
Corporate		
Other than temporary impairment charges on debt and equity securities (a)	—	11
Automotive retail leases	—	16
Total Corporate impairment charges	—	27
Total impairment charges	$ 15	$ 666

(a) Refer to Note 5 and Note 19 for additional information on marketable securities and financial instruments measured at fair value on a recurring basis. Other than temporary impairment charges on debt and equity securities were recorded in Interest income and other non-operating income, net.

The following tables summarize assets measured at fair value (all of which utilized Level 3 inputs) on a nonrecurring basis subsequent to initial recognition (dollars in millions):

GM

GME

	Successor				
		Fair Value Measurements Using			
	Six Months Ended June 30, 2010 (a)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Six Months Ended June 30, 2010 Total Losses
Vehicles leased to rental car companies	$537-563	—	—	$ 537-563	$ (15)

(a) Amounts represent the fair value range of measures during the period.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Vehicles leased to rental car companies were adjusted to their fair value at the time of impairment, resulting in impairment charges of $15 million in the six months ended June 30, 2010. Fair value measurements utilized projected cash flows which primarily consist of vehicle sales at auction.

Old GM

	Predecessor				
		Fair Value Measurements Using			
	Six Months Ended June 30, 2009 (a)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Six Months Ended June 30, 2009 Total Losses
Product-specific tooling assets	$ 0-85	—	—	$ 0-85	$ (522)
Cancelled powertrain programs	$ —	—	—	$ —	(42)
Other long-lived assets	$ —	—	—	$ —	(2)
Equity and cost method investments (other than Ally Financial)	$ —	—	—	$ —	(28)
Vehicles leased to rental car companies	$ 543-2,057	—	—	$ 543-2,057	(45)
Automotive retail leases	$ 1,519	—	—	$ 1,519	(16)
Total					$ (655)

(a) Amounts represent the fair value measure (or range of measures) during the period.

GMNA

Product-specific tooling assets were adjusted to their fair value at the time of impairment, resulting in impairment charges of $278 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to the assets involved.

Cancelled powertrain programs were adjusted to their fair value at the time of impairment, resulting in impairment charges of $42 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to the assets involved.

CAMI Automotive, Inc. (CAMI), at the time an equity method investee, was adjusted to its fair value, resulting in an impairment charge of $28 million in the six months ended June 30, 2009. The fair value measurement utilized projected cash flows discounted at a rate commensurate with the perceived business risks related to the investment. In March 2009 Old GM determined that due to changes in contractual arrangements, CAMI became a VIE and Old GM was the primary beneficiary, and therefore CAMI was consolidated. In December 2009 we acquired the remaining noncontrolling interest of CAMI from Suzuki for $100 million increasing our ownership interest from 50% to 100%. As a result of this acquisition, CAMI became a wholly-owned subsidiary.

Vehicles leased to rental car companies were adjusted to their fair value at the time of impairment, resulting in impairment charges of $11 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows which primarily consist of vehicle sales at auction.

GMIO

Product-specific tooling assets were adjusted to their fair value at the time of impairment, resulting in impairment charges of $7 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to the assets involved.

Other long-lived assets were adjusted to their fair value at the time of impairment, resulting in impairment charges of $2 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to the assets involved.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

GME

Product-specific tooling assets were adjusted to their fair value at the time of impairment, resulting in impairment charges of $237 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows, discounted at a rate commensurate with the perceived business risks related to the assets involved.

Vehicles leased to rental car companies were adjusted to their fair value at the time of impairment, resulting in impairment charges of $34 million in the six months ended June 30, 2009. Fair value measurements utilized projected cash flows which primarily consist of vehicle sales at auction.

Corporate

Automotive retail leases were adjusted to their fair value at the time of impairment, resulting in impairment charges of $16 million in the six months ended June 30, 2009. Fair value measurements utilized discounted projected cash flows from lease payments and anticipated future auction proceeds.

Contract Cancellations

The following table summarizes contract cancellation charges primarily related to the cancellation of product programs (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
GMNA	$ 36	$ 157
GMIO	—	8
GME	—	12
Total contract cancellation charges	$ 36	$ 177

Note 22. Earnings (Loss) Per Share

Basic and diluted earnings (loss) per share have been computed by dividing Net income (loss) attributable to common stockholders by the weighted average number of shares outstanding in the period.

The following table summarizes basic and diluted earnings (loss) per share (in millions, except per share amounts):

	Successor Six Months Ended June 30, 2010(a)	Predecessor Six Months Ended June 30, 2009
Basic		
Net income (loss) attributable to common stockholders (b)	$ 1.47	$ (30.91)
Weighted-average common shares outstanding	1,500	611
Diluted		
Net income (loss) attributable to common stockholders (b)	$ 1.40	$ (30.91)
Weighted-average common shares outstanding	1,567	611

(a) All applicable Successor share, per share and related information has been adjusted retroactively for the three-for-one stock split effected on November 1, 2010.

(b) The six months ended June 30, 2010 includes accumulated but undeclared dividends of $34 million on our Series A Preferred Stock, which decreases Net income attributable to common stockholders.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

GM

In the six months ended June 30, 2010 diluted earnings per share included the potential effect of the assumed exercise of certain warrants to acquire shares of our common stock. The number of shares of common stock, assuming the exercise of the warrants, that were excluded in the computation of diluted earnings per share under the treasury stock method was 206 million in the six months ended June 30, 2010. The number of shares of common stock, assuming the exercise of the warrants, that were included in the computation of diluted earnings per share under the treasury stock method was 67 million in the six months ended June 30, 2010. The number of shares of common stock that were excluded in the computation of diluted earnings per share because the effect was antidilutive was 45 million in the six months ended June 30, 2010.

At June 30, 2010 the Adjustment Shares were excluded from the computation of basic and diluted earnings per share as the condition that would result in the issuance of the Adjustment Shares was not satisfied. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions). At June 30, 2010 we believe it is probable that these claims will exceed $35.0 billion, but it is still possible they will not. The Adjustment Shares may, however, be dilutive in the future. Refer to Note 17 for additional information on the Adjustment Shares.

We have granted restricted stock units and salary stock to certain global executives. As these awards will be payable in cash if settled prior to six months after a completion of a successful initial public offering, the restricted stock and salary stock awards are excluded from the computation of diluted earnings per share. At June 30, 2010 17 million restricted stock units were outstanding. Refer to Note 26 for additional information on restricted stock units.

Old GM

Due to Old GM's net losses in the six months ended June 30, 2009, the assumed exercise of stock options and warrants had an antidilutive effect and therefore was excluded from the computation of diluted loss per share. The number of such options and warrants not included in the computation of diluted loss per share was 208 million in the six months ended June 30, 2009.

No shares potentially issuable to satisfy the in-the-money amount of Old GM's convertible debentures have been included in the computation of diluted income (loss) per share in the six months ended June 30, 2009 as the conversion options in various series of convertible debentures were not in-the-money.

Note 23. Transactions with Ally Financial

Old GM entered into various operating and financing arrangements with Ally Financial, a related party. In connection with the 363 Sale, we assumed the terms and conditions of these agreements as more fully discussed in this prospectus. The following tables describe the financial statement effects of and maximum obligations under these agreements (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Operating lease residuals		
Residual support (a)		
Liabilities (receivables) recorded	$ (18)	$ 369
Maximum obligation	$ 881	$ 1,159
Risk sharing (a)		
Liabilities recorded	$ 401	$ 366
Maximum obligation	$ 1,080	$ 1,392
Note payable to Ally Financial (b)	$ 35	$ 35
Vehicle repurchase obligations (c)		
Maximum obligations	$15,881	$ 14,249*
Fair value of guarantee	$ 34	$ 46

* Amount originally reported as $14,058 in our 2009 Form 10-K. Refer to Note 3 to the 2009 audited consolidated financial statements included in this prospectus.

(a) Represents liabilities (receivables) recorded and maximum obligations for agreements entered into prior to December 31, 2008. Agreements entered into in 2010 and 2009 do not include residual support or risk sharing programs. During the six months ended June 30, 2010 favorable adjustments of $0.4 billion were recorded in the U.S. due to increases in estimated residual values.

(b) Ally Financial retained an investment in a note, which is secured by certain automotive retail leases.

(c) In May 2009 Old GM and Ally Financial agreed to expand Old GM's repurchase obligations for Ally Financial financed inventory at certain dealers in Europe, Asia, Brazil and Mexico. In November 2008 Old GM and Ally Financial agreed to expand Old GM's repurchase obligations for Ally Financial financed inventory at certain dealers in the United States and Canada. The maximum potential amount of future payments required to be made under this guarantee would be based on the repurchase value of total eligible vehicles financed by Ally Financial in dealer stock. The total exposure of repurchased vehicles would be reduced to the extent vehicles are able to be resold to another dealer. The fair value of the guarantee considers the likelihood of dealers terminating and the estimated loss exposure for the ultimate disposition of vehicles.

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Marketing incentives and operating lease residual payments (a)	$ 511	$ 601
Exclusivity fee revenue	$ 50	$ 50
Royalty income	$ 7	$ 8

(a) Payments to Ally Financial related to U.S. marketing incentive and operating lease residual programs. Excludes payments to Ally Financial related to the contractual exposure limit.

Balance Sheet

The following table summarizes the balance sheet effects of transactions with Ally Financial (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Assets		
Accounts and notes receivable, net (a)	$ 698	$ 404
Restricted cash and marketable securities (b)	$ —	$ 127
Other assets (c)	$ 27	$ 27
Liabilities		
Accounts payable (d)	$ 100	$ 131
Short-term debt and current portion of long-term debt (e)	$ 893	$ 1,077
Accrued expenses and other liabilities (f)	$ 712	$ 817
Long-term debt (g)	$ 50	$ 59
Other non-current liabilities (h)	$ 154	$ 383

(a) Represents wholesale settlements due from Ally Financial, amounts owed by Ally Financial with respect to automotive retail leases and receivables for exclusivity fees and royalties.

(b) Represents certificates of deposit purchased from Ally Financial that are pledged as collateral for certain guarantees provided to Ally Financial in Brazil in connection with dealer floor plan financing.

(c) Primarily represents distributions due from Ally Financial on our investments in Ally Financial preferred stock.

(d) Primarily represents amounts billed to us and payable related to incentive programs.

(e) Represents wholesale financing, sales of receivable transactions and the short-term portion of term loans provided to certain dealerships which we own or in which we have an equity interest. In addition, it includes borrowing arrangements with various foreign locations and arrangements related to Ally Financial's funding of company-owned vehicles, rental car vehicles awaiting sale at auction and funding of the sale of vehicles to which title is retained while the vehicles are consigned to Ally Financial or dealers, primarily in the United Kingdom. Financing remains outstanding until the title is transferred to the dealers. This amount also includes the short-term portion of a note payable related to automotive retail leases.

(f) Primarily represents accruals for marketing incentives on vehicles which are sold, or anticipated to be sold, to customers or dealers and financed by Ally Financial in North America. This includes the estimated amount of residual support accrued under the residual support and risk sharing programs, rate support under the interest rate support programs, operating lease and finance receivable capitalized cost reduction incentives paid to Ally Financial to reduce the capitalized cost in automotive lease contracts and retail automotive contracts, and amounts owed under lease pull-ahead programs. In addition it includes interest accrued on the transactions in (e) above.

(g) Primarily represents the long-term portion of term loans from Ally Financial to certain consolidated dealerships.

(h) Primarily represents long-term portion of liabilities for marketing incentives on vehicles financed by Ally Financial.

Statement of Operations

The following table summarizes the income statement effects of transactions with Ally Financial (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Net sales and revenue (reduction) (a)	$ (211)	$ 177
Cost of sales and other expenses (b)	$ 29	$ 179
Interest income and other non-operating income, net (c)	$ 116	$ 159
Interest expense (d)	$ 118	$ 95
Servicing expense (e)	$ 2	$ 16
Derivative gains (losses) (f)	$ —	$ (2)

(a) Primarily represents the increase (reduction) in net sales and revenues for marketing incentives on vehicles which are sold, or anticipated to be sold, to customers or dealers and financed by Ally Financial. This includes the estimated amount of residual support accrued under residual support and risk sharing programs, rate support under the interest rate support programs, operating lease and finance receivable capitalized cost reduction incentives paid to Ally Financial to reduce the capitalized cost in automotive lease contracts and retail automotive contracts, and costs under lease pull-ahead programs. This amount is offset by net sales for vehicles sold to Ally Financial for employee and governmental lease programs and third party resale purposes.

(b) Primarily represents cost of sales on the sale of vehicles to Ally Financial for employee and governmental lease programs and third party resale purposes. Also includes miscellaneous expenses on services performed by Ally Financial.

(c) Represents income on investments in Ally Financial preferred stock and Preferred Membership Interests, exclusivity and royalty fee income and reimbursements by Ally Financial for certain services provided to Ally Financial. Included in this amount is rental income related to Ally Financial's primary executive and administrative offices located in the Renaissance Center in Detroit, Michigan. The lease agreement expires in November 2016.

(d) Represents interest incurred on term loans, notes payable and wholesale settlements.

(e) Represents servicing fees paid to Ally Financial on certain automotive retail leases.

(f) Represents amounts recorded in connection with a derivative transaction entered into with Ally Financial as the counterparty.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 24. Transactions with MLC

We and MLC entered into a Transition Services Agreement (TSA), as more fully discussed in our audited consolidated financial statements included elsewhere in this prospectus. The following tables describe the financial statement effects of the transactions with MLC.

Statement of Operations

The following table summarizes the income statement effects of transactions with MLC (dollars in millions):

	Successor Six Months Ended June 30, 2010
Cost of sales (a)	$ 14

(a) Primarily related to royalty income from MLC.

Balance Sheet

The following table summarizes the balance sheet effects of transactions with MLC (dollars in millions):

	Successor	
	June 30, 2010	December 31, 2009
Accounts and notes receivable, net (a)	$ 11	$ 16
Other assets	$ 1	$ 1
Accounts payable (b)	$ 24	$ 59
Accrued expenses and other liabilities	$ —	$ (1)

(a) Primarily related to royalty income from MLC and services provided under the TSA.

(b) Primarily related to the purchase of component parts.

Cash Flow

The following table summarizes the cash flow effects of transactions with MLC (dollars in millions):

	Successor Six Months Ended June 30, 2010
Operating (a)	$ (112)
Financing (b)	$ 4

(a) Primarily includes payments to and from MLC related to the purchase and sale of component parts.

(b) Payments received from (funding provided to) a facility in Strasbourg, France, that MLC retained. The terms do not permit additional funding after July 31, 2010. At June 30, 2010 we reserved $12 million against the advanced amounts.

Note 25. Segment Reporting

We develop, produce and market cars, trucks and parts worldwide. We do so through our three segments: GMNA, GMIO and GME.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In the three months ended June 30, 2010 we changed our managerial reporting structure so that certain entities geographically located within Russia and Uzbekistan were transferred from our GME segment to our GMIO segment. We have revised the segment presentation for all periods presented.

Substantially all of the cars, trucks and parts produced are marketed through retail dealers in North America, and through distributors and dealers outside of North America, the substantial majority of which are independently owned.

In addition to the products sold to dealers for consumer retail sales, cars and trucks are also sold to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. Sales to fleet customers are completed through the network of dealers and in some cases sold directly to fleet customers. Retail and fleet customers can obtain a wide range of after sale vehicle services and products through the dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories and extended service warranties.

GMNA primarily meets the demands of customers in North America with vehicles developed, manufactured and/or marketed under the following brands:

- Buick
- Cadillac
- Chevrolet
- GMC

The demands of customers outside of North America are primarily met with vehicles developed, manufactured and/or marketed under the following brands:

- Buick
- Cadillac
- Chevrolet
- Daewoo
- GMC
- Holden
- Isuzu
- Opel
- Vauxhall

At June 30, 2010 we also had equity ownership stakes directly or indirectly through various regional subsidiaries, including GM Daewoo, SGM, SGMW, FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM) and HKJV. These companies design, manufacture and market vehicles under the following brands:

- Buick
- Cadillac
- Chevrolet
- Daewoo
- FAW
- GMC
- Holden
- Jiefang
- Wuling

Nonsegment operations are classified as Corporate. Corporate includes investments in Ally Financial, certain centrally recorded income and costs, such as interest, income taxes and corporate expenditures, certain nonsegment specific revenues and expenses, including costs related to the Delphi Benefit Guarantee Agreements and a portfolio of automotive retail leases.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

All intersegment balances and transactions have been eliminated in consolidation.

	Successor					
	GMNA	GMIO	GME	Eliminations	Corporate	Total
At and For the Six Months Ended June 30, 2010						
Sales						
External customers	$37,965	$15,431	$11,157	$ —	$ —	$ 64,553
Intersegment	1,587	1,233	348	(3,168)	—	—
Other revenue	—	—	—	—	97	97
Total net sales and revenue	$39,552	$16,664	$11,505	$ (3,168)	$ 97	$ 64,650
Earnings (loss) attributable to stockholders before interest and income taxes	$ 2,810	$ 1,838	$ (637)	$ (30)	$ (124)	$ 3,857
Interest income					204	204
Interest expense					587	587
Income tax expense (benefit)					870	870
Net income (loss) attributable to stockholders					$ (1,377)	$ 2,604
Equity in net assets of nonconsolidated affiliates	$ 1,991	$ 6,270	$ 7	$ —	$ 28	$ 8,296
Total assets	$79,258	$27,549	$17,640	$ (32,427)	$ 39,879	$131,899
Depreciation, amortization and impairment	$ 2,223	$ 420	$ 744	$ —	$ 66	$ 3,453
Equity income, net of tax	$ 75	$ 727	$ 11	$ —	$ 1	$ 814

	Predecessor					
	GMNA	GMIO	GME	Eliminations	Corporate	Total
For the Six Months Ended June 30, 2009						
Sales						
External customers	$ 22,989	$10,359	$11,809	$ —	$ —	$ 45,157
Intersegment	775	796	137	(1,708)	—	—
Other revenue	—	—	—	—	321	321
Total net sales and revenue	$ 23,764	$11,155	$11,946	$ (1,708)	$ 321	$ 45,478
Earnings (loss) attributable to stockholders before interest and income taxes	$(10,452)	$ (699)	$ (2,711)	$ 64	$ (1,209)	$(15,007)
Interest income					173	173
Interest expense					4,605	4,605
Income tax expense (benefit)					(559)	(559)
Net income (loss) attributable to stockholders					$ (5,082)	$(18,880)
Depreciation, amortization and impairment	$ 4,322	$ 469	$ 1,377	$ —	$ 136	$ 6,304
Equity income (loss), net of tax	$ (284)	$ 326	$ 4	$ —	$ —	$ 46
Equity in income of and disposition of interest in Ally Financial	$ —	$ —	$ —	$ —	$ 1,380	$ 1,380
Significant noncash charges (gains)						
Gain on conversion of UST Ally Financial Loan	$ —	$ —	$ —	$ —	$ (2,477)	$ (2,477)
Loss on extinguishment of UST Ally Financial Loan	—	—	—	—	1,994	1,994
Gain on extinguishment of debt	—	—	—	—	(906)	(906)
Impairment charges related to equipment on operating leases	11	—	34	—	16	61
Impairment charges related to long-lived assets	320	9	237	—	—	566
Impairment charges related to investment in CAMI	28	—	—	—	—	28
Total significant noncash charges	$ 359	$ 9	$ 271	$ —	$ (1,373)	$ (734)

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Note 26. Stock Incentive Plans

Our and Old GM's stock incentive plans are more fully discussed in our audited consolidated financial statements included elsewhere in this prospectus.

GM

Our stock incentive plans consist of the 2009 Long-Term Incentive Plan as amended October 5, 2010 (2009 GMLTIP) and the Salary Stock Plan as amended October 5, 2010 (GMSSP). Both plans are administered by the Executive Compensation Committee of our Board of Directors.

The following table summarizes compensation expense and total Income tax expense recorded for our stock incentive plans (dollars in millions):

	Successor Six Months Ended June 30, 2010
Compensation expense	$ 52
Income tax expense (a)	$ 1

(a) Income tax expense does not include U.S. and non-U.S. jurisdictions which have full valuation allowances.

Long–Term Incentive Plan

In March and June 2010, we granted restricted stock units (RSUs) to certain global executives under the 2009 GMLTIP. The aggregate number of units that may be granted under this plan and the GMSSP discussed below shall not exceed 75 million units.

Salary Stock Plan

In November 2009 we began granting salary stock to certain global executives under the GMSSP. In 2010, a portion of each participant's salary is accrued on each salary payment date and converted to RSUs on a quarterly basis. The aggregate number of shares that may be granted under this plan and the 2009 GMLTIP shall not exceed 75 million shares.

The following table summarizes our RSU activity under the 2009 GMLTIP and GMSSP in the six months ended June 30, 2010 (RSUs in millions):

	Successor			
	Shares	Weighted-Average Grant-Date Fair Value	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
RSUs outstanding at January 1, 2010	1.1	$ 16.39		
Granted	16.3	$ 18.80		
Settled	(0.1)	$ 16.39		
Forfeited or expired	(0.1)	$ 18.80		
RSUs outstanding at June 30, 2010	17.2	$ 18.65	2.3	$ —
RSUs expected to vest at June 30, 2010	13.3	$ 18.80	2.7	$ —
RSUs vested and payable at June 30, 2010	3.1	$ 17.98	—	$ —

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes our total payments for 97.3 thousand RSUs vested under the GMSSP in the six months ended June 30, 2010 (dollars in millions):

	Successor Six Months Ended June 30, 2010
Total payments	$ 2

Old GM

Old GM's stock incentive plans were comprised of the 2007 Old GM Long-Term Incentive Plan (GMLTIP), the 2002 Old GM Stock Incentive Plan (GMSIP), the 2002 GMLTIP, the 1998 Old GM Salaried Stock Option Plan (GMSSOP), the 2007 Old GM Cash-Based Restricted Stock Unit Plan (GMCRSU) and the 2006 GMCRSU, or collectively the Old GM Stock Incentive Plans. The GMLTIP, GMSIP and the GMCRSU plans were administered by Old GM's Executive Compensation Committee of its Board of Directors. The GMSSOP was administered by Old GM's Vice President of Global Human Resources. In connection with the 363 Sale, MLC retained the awards granted under the Old GM Stock Incentive Plans.

The following table summarizes compensation expense (benefit) and total Income tax expense (benefit) recorded for the Old GM Stock Incentive Plans (dollars in millions):

	Predecessor Six Months Ended June 30, 2009
Compensation expense (benefit)	$ (10)
Income tax expense (benefit) (a)	$ —

(a) Income tax expense (benefit) does not include U.S. and non-U.S. jurisdictions which have full valuation allowances.

Stock Options and Market-Contingent Stock Options

The following table summarizes changes in the status of Old GM's outstanding options, including performance-contingent stock options (options in millions):

	Predecessor 2007 GMLTIP			
	Shares Under Option	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding at January 1, 2009	76	$ 50.90		
Granted	—	$ —		
Exercised	—	$ —		
Forfeited or expired	(11)	$ 68.50		
Options outstanding at June 30, 2009	65	$ 47.92	3.5	$ —
Options expected to vest at June 30, 2009	4	$ 24.69	8.4	$ —
Options vested and exercisable at June 30, 2009	61	$ 49.24	3.2	$ —

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Predecessor			
	GMSSOP			
	Shares Under Option	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding at January 1, 2009	22	$ 55.44		
Granted	—	$ —		
Exercised	—	$ —		
Forfeited or expired	(4)	$ 67.40		
Options outstanding at June 30, 2009	18	$ 52.90	2.6	$ —
Options vested and exercisable at June 30, 2009	18	$ 52.90	2.6	$ —

There were no GMSSOP options or market-contingent option awards under the 2007 GMLTIP granted or exercised in the six months ended June 30, 2009. There were no tax benefits realized from the exercise of share-based payment arrangements in the six months ended June 30, 2009.

Summary of Nonvested Awards

The following table summarizes the status of Old GM's nonvested options (option awards in millions):

	Predecessor	
	Shares	Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2009	7	$ 7.67
Granted	—	$ —
Vested	(3)	$ 7.65
Forfeited	—	$ 8.15
Nonvested at June 30, 2009	4	$ 7.68

At June 30, 2009, the total unrecognized compensation expense related to nonvested option awards granted under the Old GM Stock Incentive Plans was $2 million. This expense was expected to be recognized over a weighted-average period of 1.2 years.

Stock Performance Plans

The following table summarizes outstanding stock performance plan shares at June 30, 2009 (shares in millions):

	Predecessor	
	Shares(a)	Weighted-Average Grant-Date Fair Value
2007	1	$ 33.70
2008	1	$ 18.43
Total outstanding	2	

(a) Excludes shares that have not met performance condition.

There were no stock performance plan shares granted in the six months ended June 30, 2009.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The weighted-average remaining contractual term was 0.8 years for target awards outstanding at June 30, 2009. As the threshold performance required for a payment under the 2006-2008 award was not achieved, there were no cash payments made for this award in the six months ended June 30, 2009. There will be no cash payments for the 2007-2009 and 2008-2010 performance periods.

Cash-Based Restricted Stock Units

The following tables summarize GMCRSUs (GMCRSUs in millions):

	Predecessor Six Months Ended June 30, 2009
Number of GMCRSUs granted	—
Weighted-average date of grant fair value	$ 2.24
Total payments made for GMCRSUs vested (millions)	$ 10

	Predecessor June 30, 2009
GMCRSUs outstanding	5
Fair value per share	$ 0.84
Weighted-average remaining contractual term (years)	1.4

Note 27. Subsequent Events

Sale of Nexteer

On July 7, 2010 we entered into a definitive agreement to sell Nexteer to an unaffiliated party. The transaction is subject to customary closing conditions, regulatory approvals and review by government agencies in the U.S. and China. At June 30, 2010 Nexteer had total assets of $906 million, total liabilities of $458 million, and recorded revenue of $1.0 billion in the six months ended June 30, 2010, of which $543 million were sales to us and our affiliates. Nexteer did not qualify for held for sale classification at June 30, 2010. Once consummated, we do not expect the sale of Nexteer to have a material effect on the condensed consolidated financial statements.

Acquisition of AmeriCredit Corp.

On July 21, 2010 we entered into a definitive agreement to acquire 100% of the outstanding equity interests of AmeriCredit Corp. (AmeriCredit), an independent automobile finance company, for cash of approximately $3.5 billion. On September 29, 2010 the stockholders of AmeriCredit approved the acquisition effective October 1, 2010, at which time the transaction closed and AmeriCredit was renamed General Motors Financial Company, Inc. (GM Financial). The acquisition of GM Financial will allow us to provide a more complete range of financing options to our customers across the U.S. and Canada including additional capabilities in leasing and sub-prime financing options.

We will record the fair value of assets acquired and liabilities assumed as of October 1, 2010, the date we obtained control of GM Financial, and include its results of operations and cash flows in our condensed consolidated financial statements from that date forward. GM Financial will be a separate reporting segment as defined by ASC 280, “Segment Reporting.”

Because the date of the acquisition of GM Financial was subsequent to June 30, 2010, our condensed consolidated financial statements do not reflect the results of operations of GM Financial.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes certain pro forma financial information had the acquisition occurred as of the first day in the periods presented, without consideration of historical transactions between the two companies, as it is impracticable to obtain such information, (dollars in millions):

	Successor Six Months Ended June 30, 2010	Predecessor Six Months Ended June 30, 2009
Total net sales and revenue	$ 65,373	$ 46,421
Net income (loss) attributable to stockholders	$ 2,753	

Pro forma financial information is not provided for Net income (loss) attributable to stockholders for the periods ended June 30, 2009 as, other than Total net sales and revenue, our financial statement elements are not comparable to Old GM's. GM Financial recorded Net income attributable to stockholders of $29 million in the six months ended June 30, 2009.

It is not possible to reasonably estimate the nature and amount of goodwill or the value of identifiable intangible assets at this time because the valuation of the assets acquired and liabilities assumed was not completed at the date of the issuance of our condensed consolidated financial statements.

Acquisition of GM Strasbourg

On October 1, 2010 we completed the acquisition of the GM Strasbourg transmission business from MLC. The purchase price was one Euro. We believe the net asset value of the business to be immaterial, however, valuation of the assets acquired and liabilities assumed is ongoing.

Korean Litigation

On or about September 29, 2010, current and former hourly employees of GM Daewoo, our majority-owned affiliate in the Republic of Korea, filed four separate group actions in the Incheon District Court in Incheon, Korea. The cases allege that GM Daewoo failed to include certain allowances in its calculation of Ordinary Wages due under the Presidential Decree of the Korean Labor Standards Act. Similar cases have been brought against other large employers in the Republic of Korea. Based on a preliminary analysis, GM Daewoo currently anticipates that as of September 30, 2010 it will accrue approximately 122 billion Korean won, which is approximately $110 million in connection with these cases (70% of which will be reflected in our Net income attributable to stockholders, based on our ownership interest in GM Daewoo). In addition, the preliminary estimate of the upper end of the range for the reasonably possible loss in excess of the accrual is approximately 460 billion Korean won, which is approximately $403 million. These cases are in their earliest stages and the scope of claims asserted may change.

Pro Forma Adjustment for Series A Preferred Stock Purchase

We have agreed to purchase 83.9 million shares of Series A Preferred Stock held by the UST at a price equal to 102 percent of their $2.1 billion aggregate liquidation amount, conditional upon the completion of the common stock offering. We will record a $677 million charge to Net income attributable to common stockholders for the difference between the carrying amount of the Series A Preferred Stock held by the UST of $1.5 billion and the consideration paid of $2.1 billion. The charge to Net income attributable to common stockholders has been included in the pro forma basic and diluted EPS for the six months ended June 30, 2010 and reduces basic and diluted EPS for the six months ended June 30, 2010 by $0.46 and $0.43 to $1.01 and $0.97.

Upon the purchase of the Series A Preferred Stock held by the UST, the remaining Series A Preferred Stock, which is held by Canada Holdings and the New VEBA, will be reclassified to permanent equity at its current carrying amount of $5.5 billion. The reclassification to permanent equity will occur as the holders of the Series A Preferred Stock will no longer own a majority of our

common stock and therefore will no longer have the ability to exert control through the power to vote for the election of our directors or over other various matters, including compelling us to redeem the Series A Preferred Stock when it becomes callable by us on or after December 31, 2014.

The purchase and subsequent reclassification of the Series A Preferred Stock will reduce cash by $2.1 billion, reduce temporary equity by $7.0 billion, increase accumulated deficit by $677 million, and increase preferred stock included in permanent equity by $5.5 billion.

In the event that we reach an agreement in the future to purchase the shares of Series A Preferred Stock held by Canada Holdings and the New VEBA, we would record a $1.4 billion charge to Net income attributable to common shareholders related to the difference between the carrying amount of $5.5 billion and the face amount of $6.9 billion if purchased at a price equal to the liquidation amount of $25 per share. The charge to Net income attributable to common shareholders would be larger if the consideration paid for the remaining Series A Preferred Stock is in excess of the liquidation amount of $25 per share.

U.S. Hourly Defined Benefit Pension Plan Remeasurement

In September 2010 the U.S. hourly defined benefit pension plan was amended to create a separate new defined benefit pension plan for the participants who are covered by the cash balance benefit formula. The underlying benefits offered to plan participants were unchanged. This plan amendment resulted in a remeasurement of the U.S. hourly defined benefit pension plan as of September 30, 2010. The remeasurement used a discount rate of 4.56%, increasing the PBO by $5.8 billion. A discount rate of 5.49% was used at December 31, 2009. Additionally, higher than expected asset returns of $3.4 billion partially offset the discount rate effect, and the remeasurement resulted in a net decrease to the funded status of the U.S. hourly defined benefit pension plan of $2.4 billion.

Other Actions

On October 26, 2010, we repaid in full the outstanding amount (together with accreted interest thereon) of the VEBA Notes of $2.8 billion, which resulted in a gain of $0.2 billion that will be recorded during the three months ending December 31, 2010.

We also expect to contribute cash of $4.0 billion and common stock valued at $2.0 billion to the U.S. hourly and salaried pension plans after the completion of the common stock offering and Series B preferred stock offering. The stock contribution is contingent on Department of Labor approval, which we expect to receive in the near-term. The number of shares contributed will be determined based on the offering price of our common stock in the common stock offering. Currently, our intention is to contribute common stock to the U.S. hourly and salaried pension plans that will not initially qualify as plan assets due to certain transfer restrictions and for accounting purposes, these shares will be reflected as issued but not outstanding. When the transfer restrictions have been eliminated, our common stock issued to the U.S. hourly and salaried pension plans will qualify as plan assets and will then be considered issued and outstanding.

Under wholesale financing arrangements, our U.S. dealers typically borrow money from financial institutions to fund their vehicle purchases from us. Subject to completion of the common stock offering and Series B preferred stock offering, we expect to terminate a wholesale advance agreement which provides for accelerated receipt of payments made by Ally Financial on behalf of our U.S. dealers pursuant to Ally Financial’s wholesale financing arrangements with dealers. Similar modifications will be made in Canada. The wholesale advance agreements cover the period for which vehicles are in transit between assembly plants and dealerships. Upon termination, we will no longer receive payments in advance of the date vehicles purchased by dealers are scheduled to be delivered, resulting in an increase of up to $2 billion to our accounts receivable balance, depending on sales volumes and certain other factors in the near term, and the related costs under the arrangements will be eliminated.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (Exchange Act) is recorded, processed, summarized and reported within the specified time periods and accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, with the participation of our Chairman and CEO and our Vice Chairman and CFO, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Exchange Act) at December 31, 2009 and June 30, 2010. Based on these evaluations, our CEO and CFO concluded that, as of those dates, our disclosure controls and procedures required by paragraph (b) of Rules 13a-15 or 15d-15 were not effective at the reasonable assurance level because of a material weakness in internal control over financial reporting which we view as an integral part of our disclosure controls and procedures.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining effective internal control over financial reporting. This system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with U.S. GAAP.

Our internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the consolidated financial statements.

Our management performed an assessment of the effectiveness of our internal control over financial reporting at December 31, 2009, utilizing the criteria discussed in the "Internal Control — Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. The objective of this assessment was to determine whether our internal control over financial reporting was effective at December 31, 2009.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis. In our assessment of the effectiveness of internal control over financial reporting at December 31, 2009, we identified the following material weakness:

Controls over the period-end financial reporting process were not effective. Specifically, certain controls designed and implemented to address the identified material weakness in the period-end financial reporting process, as subsequently discussed, have not had a sufficient period of time to operate for our management to conclude that they are operating effectively. This inability to conclude is largely due to the challenging accounting environment associated with the combination of the Chapter 11 Proceedings, the related application of fresh-start reporting at a mid-month date, and the need for concurrent preparation of U.S. GAAP financial statements for multiple accounting periods during the six month period after the completion of the 363 Sale. As such, it is reasonably possible that our consolidated financial statements could contain a material misstatement or that we could miss a filing deadline in the future.

Based on our assessment, and because of the material weakness previously discussed, we have concluded that our internal control over financial reporting was not effective at December 31, 2009.

The effectiveness of our internal control over financial reporting has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in its report which is included herein.

Material Weakness, Remediation and Changes in Internal Controls

At December 31, 2008, Old GM determined that its internal control over financial reporting was not effective because of a material weakness related to ineffective controls over the period-end financial reporting process. This ineffective process resulted in a significant number and magnitude of out-of-period adjustments to Old GM's consolidated financial statements. Specifically, controls were not effective to ensure that accounting estimates and other adjustments were appropriately reviewed, analyzed and monitored by competent accounting staff on a timely basis. Additionally, some of the adjustments recorded related to account reconciliations not being performed effectively. These ineffective controls continued to exist at the Company after the 363 Sale.

In the year ended 2009, there was significant progress made in remediating the material weakness, including the following:

- Improved trial balance and account ownership;
- Improved adherence to account reconciliation policies and procedures;
- Documented roles and responsibilities for close processes;
- Implemented new consolidation software;
- Implemented consolidation procedures;
- Improved management reporting and analysis procedures;
- Implemented a new issue management process;
- Implemented a standardized account reconciliation quality assurance program;
- Implemented improved manual journal entry procedures; and
- Implemented improved disclosure procedures.

We believe that the remediation activities previously discussed would have been sufficient to allow us to conclude that the previously identified material weakness no longer existed at December 31, 2009. However, as discussed in Note 2 to our unaudited condensed consolidated interim financial statements, in the year ended 2009 Old GM entered into the Chapter 11 Proceedings and we acquired substantially all of Old GM's assets and certain of its liabilities in the 363 Sale, necessitating the development and implementation of additional processes related to accounting for bankruptcy and subsequent fresh-start reporting. We introduced additional processes and controls designed to ensure the accuracy, validity and completeness of the fresh-start reporting adjustments. Additionally, we prepared financial statements for multiple accounting periods concurrently during the six month period after the completion of the 363 Sale. The sheer complexity of the fresh-start reporting adjustments, and the number of accounting periods open at one time, did not allow our management to have clear visibility into the operational effectiveness of the newly remediated controls within the period-end financial reporting process and in some cases did not provide our management with sufficient opportunities to test the operating effectiveness of these remediated controls prior to year-end. Because of the inability to sufficiently test the operating effectiveness of certain remediated internal controls, we concluded that a material weakness in the period-end financial reporting process exists at December 31, 2009.

As a result of the material weakness identified at December 31, 2009, during 2010 management has begun testing the operational effectiveness of the newly remediated controls within the period-end financial reporting process and has led various initiatives, including training, to help ensure those controls would operate as they had been designed and deployed during the 2009 material weakness remediation efforts. Management has identified additional improvements necessary to ensure the operating effectiveness and efficiency of the Company's internal controls related to the period-end financial reporting process, including procedures and controls related to the preparation of the statement of cash flows. Management will not conclude as to whether the material weakness in the period-end financial reporting process has been remediated until completion of our annual control testing and assessment process.

Corporate Accounting and other key departments augmented their resources by utilizing external resources and performing additional closing and bankruptcy related procedures in the year ended 2009 and additional closing procedures in the first six months of 2010. As a result, we believe that there are no material inaccuracies or omissions of material fact and, to the best of our knowledge, believe that our consolidated financial statements at and for the period July 10, 2009 through December 31, 2009 and for the six months ended June 30, 2010 and Old GM's consolidated financial statements at and for the period January 1, 2009 through July 9, 2009, fairly present in all material respects the financial condition and results of operations in conformity with U.S. GAAP.

Other than as previously discussed, there have not been any other changes in our internal control over financial reporting in the six months ended June 30, 2010, which have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

/s/ EDWARD E. WHITACRE, JR.
Edward E. Whitacre, Jr.
Chairman and Chief Executive Officer
August 18, 2010

/s/ CHRISTOPHER P. LIDDELL
Christopher P. Liddell
Vice Chairman and Chief Financial Officer
August 18, 2010

Limitations on the Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our disclosure controls and procedures or internal control over financial reporting will prevent or detect all errors and all fraud. A control system cannot provide absolute assurance due to its inherent limitations; it is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. A control system also can be circumvented by collusion or improper management override. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of such limitations, disclosure controls and procedures and internal control over financial reporting cannot prevent or detect all misstatements, whether unintentional errors or fraud. However, these inherent limitations are known features of the financial reporting process, therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

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365,000,000 Shares

Common Stock

PRELIMINARY PROSPECTUS

November 3, 2010

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell the securities and it is not soliciting an offer to buy the securities in any state where the offer or sale is not permitted.

[Alternative Pages for Series B Preferred Stock Prospectus]

SUBJECT TO COMPLETION, DATED NOVEMBER 3, 2010

PRELIMINARY PROSPECTUS

60,000,000 Shares

GENERAL MOTORS COMPANY

% Series B Mandatory Convertible Junior Preferred Stock

We are offering 60,000,000 shares of our % Series B mandatory convertible junior preferred stock, $0.01 par value (Series B preferred stock).

Dividends on our Series B preferred stock will be payable on a cumulative basis when, as and if declared by our Board of Directors, or an authorized committee of our Board of Directors, at an annual rate of % on the liquidation preference of $50 per share. We may pay declared dividends in cash or, subject to certain limitations, in common stock or any combination of cash and common stock on , , and of each year, commencing on , and to, and including, .

Each share of our Series B preferred stock will automatically convert on , 2013 into between and shares of our common stock, subject to anti-dilution adjustments. The number of shares of our common stock issuable on conversion will be determined based on the average of the closing prices per share of our common stock over the 40 trading day period ending on the third trading day prior to the mandatory conversion date. At any time prior to , 2013 holders may elect to convert each share of our Series B preferred stock into shares of common stock at the minimum conversion rate of shares of common stock per share of Series B preferred stock, subject to anti-dilution adjustments. If you elect to convert any shares of Series B preferred stock during a specified period beginning on the effective date of a cash acquisition (as described herein) of GM, the conversion rate will be adjusted under certain circumstances and you will also be entitled to a cash acquisition dividend make-whole amount (as described herein).

Concurrently with this offering, selling stockholders, including the United States Department of the Treasury, are also making a public offering of our common stock in which they are offering 365,000,000 shares of common stock. We currently expect the public offering price of our common stock to be between $26.00 and $29.00 per share. In that offering, the selling stockholders have granted the underwriters of that offering an option to purchase up to an additional 54,750,000 shares of common stock to cover over-allotments. The closing of our offering of Series B preferred stock is conditioned upon the closing of the offering of our common stock, but the closing of the offering of common stock is not conditioned upon the closing of the offering of Series B preferred stock.

Prior to this offering, there has been no public market for our Series B preferred stock. Our Series B preferred stock has been approved for listing on the New York Stock Exchange under the symbol “GM Pr B”, subject to official notice of issuance. Our common stock has been approved for listing on the New York Stock Exchange under the symbol “GM”. The Toronto Stock Exchange has conditionally approved the listing of our common stock under the symbol “GMM”, subject to our fulfilling all of the requirements of the Toronto Stock Exchange.

Investing in our Series B preferred stock involves risks. See “Risk Factors” beginning on page 15 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions	$	$
Proceeds, before expenses, to General Motors Company	$	$

We have granted the underwriters an option to purchase up to an additional 9,000,000 shares of Series B preferred stock to cover over-allotments at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or the accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of our Series B preferred stock to investors on or about , 2010.

Morgan Stanley **J.P. Morgan** **Goldman, Sachs & Co.**

BofA Merrill Lynch **Barclays Capital** **Citi**

Credit Suisse **Deutsche Bank Securities** **RBC Capital Markets**

Bradesco BBI **CIBC** **COMMERZBANK**

BNY Mellon Capital Markets, LLC **ICBC International** **Itaú BBA** **Lloyds TSB Corporate Markets**

CICC **Loop Capital Markets** **The Williams Capital Group, L.P.** **Soleil Securities Corporation**

The date of this prospectus is , 2010.

THE OFFERING

The summary below describes the principal terms of the Series B preferred stock. Certain of the terms and conditions described below are subject to important limitations and exceptions. Refer to the section of this prospectus entitled “Description of Series B Preferred Stock” for a more detailed description of the terms of the Series B preferred stock.

Concurrently with this offering of our Series B preferred stock, selling stockholders, including the United States Department of the Treasury, are offering shares of our common stock. The closing of our offering of Series B preferred stock is conditioned upon the closing of the offering of our common stock, but the closing of the offering of common stock is not conditioned upon the closing of the offering of Series B preferred stock.

Securities we are offering	60,000,000 shares of % Series B mandatory convertible junior preferred stock, $0.01 par value (Series B preferred stock).
Public offering price	$50.00 per share of Series B preferred stock.
Underwriters’ option	We have granted the underwriters a 30-day option to purchase up to 9,000,000 additional shares of our Series B preferred stock to cover over-allotments at the public offering price, less the underwriting discount.
Dividends	% of the liquidation preference of $50 per share of our Series B preferred stock per year. Dividends will accumulate from the first original issue date and, to the extent that we are legally permitted to pay dividends and our Board of Directors, or an authorized committee of our Board of Directors, declares a dividend payable with respect to our Series B preferred stock, we will pay such dividends in cash or, subject to certain limitations, in common stock or any combination of cash and common stock, as determined by us in our sole discretion, on each dividend payment date; provided that any unpaid dividends will continue to accumulate. Dividends that are declared will be payable on the dividend payment dates (as described below) to holders of record on the immediately preceding , , and (each a “record date”), whether or not such holders convert their shares, or such shares are automatically converted, after a record date and on or prior to the immediately succeeding dividend payment date. The expected dividend payable on the first dividend payment date is $ per share. Each subsequent dividend is expected to be $ per share. See “Description of Series B Preferred Stock—Dividends.” If we elect to make any such payment of a declared dividend, or any portion thereof, in shares of our common stock, such shares shall be valued for such purpose at

	97% of the average VWAP per share (as defined under "Description of Series B preferred stock—Definitions"), of our common stock over the ten consecutive trading day period ending on the second trading day immediately preceding the applicable dividend payment date (the "average price"). In no event will the number of shares of our common stock delivered in connection with any declared dividend, including any declared dividend payable in connection with a conversion, exceed a number equal to the total dividend payment divided by $, which amount represents approximately 35% of the initial price (as defined below), subject to adjustment in a manner inversely proportional to any anti-dilution adjustment to each fixed conversion rate (such dollar amount, as adjusted, the "floor price"). To the extent that the amount of the declared dividend exceeds the product of the number of shares of common stock delivered in connection with such declared dividend and the average price, we will, if we are legally able to do so, pay such excess amount in cash. The initial price is $, which equals the price at which our common stock was initially offered to the public in the concurrent offering of our common stock.
Dividend payment dates	, , and of each year, commencing on , and to, and including, the mandatory conversion date.
Redemption	Our Series B preferred stock is not redeemable.
Mandatory conversion date	, 2013.
Mandatory conversion	On the mandatory conversion date, each share of our Series B preferred stock, unless previously converted, will automatically convert into shares of our common stock based on the conversion rate as described below. If we declare a dividend for the dividend period ending on the mandatory conversion date, we will pay such dividend to the holders of record on the immediately preceding record date, as described above. If, prior to the mandatory conversion date, we have not declared all or any portion of the accumulated and unpaid dividends on the Series B preferred stock, the conversion rate will be adjusted so that holders receive an additional number of shares of common stock equal to the amount of accumulated and unpaid dividends that have not been declared (the "additional conversion amount") divided by the greater of the applicable market value (as defined below) of our common stock and the floor price. To the extent that the

	additional conversion amount exceeds the product of the number of additional shares and the applicable market value, we will, if we are legally able to do so, declare and pay such excess amount in cash.
Conversion rate	The conversion rate for each share of our Series B preferred stock will be not more than shares of common stock and not less than shares of common stock, depending on the applicable market value of our common stock, as described below and subject to certain anti-dilution adjustments. The "applicable market value" of our common stock is the average of the closing prices of our common stock over the 40 consecutive trading day period ending on the third trading day immediately preceding the mandatory conversion date. The conversion rate will be calculated as described under "Description of Series B Preferred Stock—Mandatory Conversion," and the following table illustrates the conversion rate per share of our Series B preferred stock, subject to certain anti-dilution adjustments.

Applicable market value of our common stock	Conversion rate (number of shares of common stock to be received upon conversion of each share of Series B preferred stock)
Greater than $	shares
Equal to or less than $ but greater than or equal to $	Between $ and $, determined by dividing $50 by the applicable market value
Less than $	shares

Conversion at the option of the holder	At any time prior to , 2013, you may elect to convert your shares of Series B preferred stock in whole or in part at the minimum conversion rate of shares of common stock per share of Series B preferred stock as described under "Description of Series B Preferred Stock—Conversion at the Option of the Holder." This minimum conversion rate is subject to certain anti-dilution adjustments. If, as of the effective date of any early conversion (the "early conversion date"), we have not declared all or any portion of the accumulated and unpaid dividends for all dividend periods ending prior to such early conversion date, the conversion rate will be adjusted so that holders

	receive an additional number of shares of common stock equal to such amount of accumulated and unpaid dividends that have not been declared, divided by the greater of the floor price and the average of the closing prices of our common stock over the 40 consecutive trading day period ending on the third trading day immediately preceding the early conversion date.
Conversion at the option of the holder upon cash acquisition; cash acquisition dividend make-whole amount	If we are the subject of specified "cash acquisitions" (as defined under "Description of Series B Preferred Stock—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount") on or prior to , 2013, holders of the Series B preferred stock will have the right to convert their shares of Series B preferred stock, in whole or in part, into shares of common stock at the "cash acquisition conversion rate" during the period beginning on the effective date of such cash acquisition and ending on the date that is 20 calendar days after the effective date (or, if earlier, the mandatory conversion date). The cash acquisition conversion rate will be determined based on the effective date of the transaction and the price paid per share of our common stock in such transaction. Holders who convert shares of our Series B preferred stock within that timeframe will also receive: (1) a cash acquisition dividend make-whole amount, in cash or as an increase in the number of shares of our common stock to be issued upon conversion, equal to the present value (computed using a discount rate of % per annum) of all remaining dividend payments on their Series B preferred stock (excluding any accumulated and unpaid dividends as of the effective date of the cash acquisition) from such effective date to, but excluding, the mandatory conversion date; and (2) to the extent that, as of the effective date of the cash acquisition, we have not declared any or all of the accumulated and unpaid dividends on the Series B preferred stock as of such effective date, a further adjustment to the conversion rate so that holders receive an additional number of shares of common stock equal to the amount of such accumulated and unpaid dividends (the "cash acquisition additional conversion amount") divided by the greater of the floor price and the price paid per share of our common stock in the transaction. To the extent that the cash acquisition additional conversion amount exceeds the product of the number of additional shares and the price paid per share of our common stock in such transaction, we will, if we are legally able to do so, declare and pay such excess amount in cash. See

	"Description of Series B Preferred Stock —Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount."
Anti-dilution adjustments	The conversion rate may be adjusted in the event of, among other things: (1) stock dividends or distributions; (2) certain distributions of common stock rights or warrants to purchase our common stock; (3) subdivisions or combinations of our common stock; (4) certain distributions of evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets; (5) distributions of cash; and (6) certain self-tender or exchange offers for our common stock. See "Description of Series B Preferred Stock—Anti-dilution Adjustments."
Liquidation preference	$50 per share of Series B preferred stock.
Voting rights	The holders of the Series B preferred stock do not have voting rights, except with respect to certain fundamental changes in the terms of the Series B preferred stock, in the case of certain dividend arrearages and except as specifically required under Delaware law. For more information about voting rights, See "Description of Series B Preferred Stock—Voting Rights."
Ranking	The Series B preferred stock will rank with respect to dividend rights and rights upon our liquidation, winding-up or dissolution: • senior to all of our common stock and to each other class of capital stock or series of preferred stock issued in the future unless the terms of that stock expressly provide that it ranks senior to, or on a parity with, the Series B preferred stock; • on a parity with any class of capital stock or series of preferred stock issued in the future the terms of which expressly provide that it will rank on a parity with the Series B preferred stock; • junior to all of our Series A Preferred Stock and to each class of capital stock or series of preferred stock issued in the future the terms of which expressly provide that such preferred stock will rank senior to the Series B preferred stock; and • junior to all of our existing and future debt obligations. At June 30, 2010, we had total outstanding debt of $8.2 billion and outstanding shares of Series A Preferred Stock

	with an aggregate liquidation amount of $9.0 billion plus accrued and unpaid dividends thereon (including the shares of Series A Preferred Stock with an aggregate liquidation amount of $2.1 billion that we have agreed to purchase from the UST). In addition, the Series B preferred stock, with respect to dividend rights or rights upon our liquidation, winding-up or dissolution, will be structurally subordinated to existing and future indebtedness of our subsidiaries as well as the capital stock of our subsidiaries held by third parties.
Transfer Restrictions	Our certificate of incorporation contains provisions restricting transfers of various securities of the Company (including shares of our common stock and warrants to purchase our common stock, and shares of our Series B preferred stock issued in the Series B preferred stock offering) if the effect would be to (1) generally increase the direct or indirect stock ownership by any person or group from less than 4.9% of the value of all such securities of the Company to 4.9% or more or (2) generally increase the direct or indirect stock ownership of a person or group having or deemed to have a stock ownership of 4.9% or more of the value of all such securities of the Company. These restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits. See the section of this prospectus entitled “Description of Capital Stock—Certain Provisions of Our Certificate of Incorporation and Bylaws—Transfer Restrictions” for a more detailed description of these restrictions.
Use of proceeds	We will not receive any proceeds from the sale of our common stock by the selling stockholders in the concurrent offering. We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and estimated offering expenses, will be approximately $2.9 billion (or approximately $3.3 billion if the underwriters exercise their over-allotment option in full). We intend to use the anticipated net proceeds from this offering, together with cash on hand, to purchase shares of our Series A Preferred Stock in accordance with our agreement with the UST and to make a voluntary contribution to our U.S. hourly and salaried pension plans.
Material U.S. federal tax consequences	The material U.S. federal income tax consequences of purchasing, owning and disposing of the Series B preferred stock and any common stock received upon its conversion are described in “Material U.S. Federal Tax Considerations.”

Listing	Our Series B preferred stock has been approved for listing on the New York Stock Exchange under the symbol “GM Pr B”, subject to official notice of issuance. Our common stock has been approved for listing on the New York Stock Exchange under the symbol “GM”. The Toronto Stock Exchange has conditionally approved the listing of our common stock under the symbol “GMM”, subject to our fulfilling all of the requirements of the Toronto Stock Exchange.
Concurrent common stock offering	Concurrently with this offering of Series B preferred stock, selling stockholders, including the United States Department of the Treasury, are making a public offering of 365,000,000 shares of our common stock. In that offering, the selling stockholders have granted the underwriters of that offering a 30-day option to purchase up to an additional 54,750,000 shares of common stock to cover over-allotments. The closing of our offering of Series B preferred stock is conditioned upon the closing of the offering of our common stock, but the closing of the offering of common stock is not conditioned upon the closing of the offering of Series B preferred stock.
Book-entry, delivery and form	The Series B preferred stock will initially be represented by one or more permanent global certificates in definitive, fully registered form deposited with a custodian for, and registered in the name of, a nominee of DTC.
Risk factors	See “Risk Factors” beginning on page 15 of this prospectus for a discussion of risks you should carefully consider before deciding to invest in our Series B preferred stock.

The number of shares of common stock that will be outstanding after this offering is based on 1,500,000,000 shares of our common stock outstanding as of November 2, 2010 and excludes:

- 136,363,635 shares of our common stock issuable upon the exercise of warrants held by MLC as of November 2, 2010 at an exercise price of $10.00 per share;
- 136,363,635 shares of our common stock issuable upon the exercise of warrants held by MLC as of November 2, 2010 at an exercise price of $18.33 per share; and
- 45,454,545 shares of our common stock issuable upon the exercise of warrants held by the UAW Retiree Medical Benefits Trust (New VEBA) as of November 2, 2010 at an exercise price of $42.31 per share.

The number of shares of common stock that will be outstanding after this offering also excludes up to approximately 17 million shares issuable upon settlement of restricted stock units awarded pursuant to the General Motors Company 2009 Long-Term Incentive Plan and salary stock units awarded pursuant to the General Motors Company Salary Stock Plan as of June 30, 2010. Upon completion of this offering, substantially

all of these awards will be reclassified from cash-based awards recorded as liabilities to equity-based awards and, consequently, these awards will be considered in the determination of basic and diluted earnings per share. Because the salary stock unit awards vest immediately, upon completion of this offering, our basic and diluted earnings per share calculation will include approximately 2 million additional shares underlying the salary stock unit awards. Similarly, we have approximately 2 million restricted stock units outstanding to retirement eligible participants which are fully vested and accordingly, upon completion of this offering, will be included in our basic and diluted earnings per share calculation. In addition, we have approximately 13 million restricted stock units outstanding which will not be included in basic earnings per share until they are vested. The vesting period is over a 3 year period that began on their initial grant date of March 15, 2010. Assuming a common stock price of $27.50 per share, the midpoint of the range for the common stock offering set forth on the cover of this prospectus, under the application of the treasury stock method, these unvested restricted stock units will result in the inclusion of approximately 2 million additional shares in the denominator of our diluted earnings per share computation immediately after this offering.

The number of outstanding shares also excludes any additional shares of our common stock we are obligated to issue to MLC (Adjustment Shares) in the event that allowed general unsecured claims against MLC, as estimated by the Bankruptcy Court, exceed $35.0 billion. The number of Adjustment Shares to be issued is calculated based on the extent to which estimated general unsecured claims exceed $35.0 billion with the maximum number of Adjustment Shares (30,000,000 shares, subject to adjustment for stock dividends, stock splits and other transactions) issued if estimated general unsecured claims total $42.0 billion or more. We currently believe that it is probable that general unsecured claims allowed against MLC will ultimately exceed $35.0 billion by at least $2.0 billion. In the circumstance where estimated general unsecured claims equal $37.0 billion, we would be required to issue 8.6 million Adjustment Shares to MLC.

The number of shares of common stock that will be outstanding after this offering also excludes up to shares of our common stock (up to shares if the underwriters in our offering of Series B preferred stock exercise their over-allotment option in full), in each case subject to anti-dilution, make-whole and other adjustments, that would be issuable upon conversion of shares of Series B preferred stock issued in this offering.

The number of shares of common stock that will be outstanding after this offering also excludes the $2.0 billion of our common stock that we expect to contribute to our U.S. hourly and salaried pension plans after the completion of this offering and our concurrent offering of common stock. The common stock contribution is contingent on Department of Labor approval, which we expect to receive in the near-term. Based on the number of shares determined using an assumed public offering price per share of our common stock in the common stock offering of $27.50, the midpoint of the range for the common stock offering set forth on the cover of this prospectus, this anticipated contribution would consist of 72.7 million shares of our common stock. Although we reserve the right to modify the amount or timing of the contribution, or to not make the contribution at all, we currently expect to complete the contribution to the pension plans in the near-term.

All applicable share, per share and related information in this prospectus for periods on or subsequent to July 10, 2009 has been adjusted retroactively for the three-for-one stock split on shares of our common stock effected on November 1, 2010.

Risks Relating to this Offering and Ownership of Our Series B Preferred Stock and Common Stock

You will bear the risk of a decline in the market price of our common stock between the pricing date for the Series B preferred stock and the mandatory conversion date.

The number of shares of our common stock that you will receive upon mandatory conversion is not fixed, but instead will depend on the applicable market value, which is the average of the closing prices of our common stock over the 40 consecutive trading day period ending on the third trading day immediately preceding the mandatory conversion date. The aggregate market value of the shares of our common stock that you would receive upon mandatory conversion may be less than the aggregate liquidation preference of your shares of Series B preferred stock. Specifically, if the applicable market value of our common stock is less than the initial price of $, the market value of the shares of our common stock that you would receive upon mandatory conversion of each Series B preferred stock will be less than the $50 liquidation preference, and an investment in the Series B preferred stock would result in a loss. Accordingly, you will bear the risk of a decline in the market price of our common stock. Any such decline could be substantial.

The opportunity for equity appreciation provided by your investment in the Series B preferred stock is less than that provided by a direct investment in our common stock.

The market value of each share of our common stock that you would receive upon mandatory conversion of each share of our Series B preferred stock on the mandatory conversion date will only exceed the liquidation preference of $50 per share of Series B preferred stock if the applicable market value of our common stock exceeds the threshold appreciation price of $. The threshold appreciation price represents an appreciation of approximately % over the initial price. In this event, you would receive on the mandatory conversion date approximately % (which percentage is equal to the initial price divided by the threshold appreciation price) of the value of our common stock that you would have received if you had made a direct investment in our common stock on the date of this prospectus. This means that the opportunity for equity appreciation provided by an investment in our Series B preferred stock is less than that provided by a direct investment in shares of our common stock.

In addition, if the market value of our common stock appreciates and the applicable market value of our common stock is equal to or greater than the initial price but less than or equal to the threshold appreciation price, the aggregate market value of the shares of our common stock that you would receive upon mandatory conversion will only be equal to the aggregate liquidation preference of the Series B preferred stock, and you will realize no equity appreciation on our common stock.

The market price of our common stock, which may fluctuate significantly, may adversely affect the market price for our Series B preferred stock.

We expect that generally the market price of our common stock will affect the market price of our Series B preferred stock more than any other single factor. This may result in greater volatility in the market price of the Series B preferred stock than would be expected for nonconvertible preferred stock. The market price of our common stock will likely fluctuate in response to a number of factors, including our financial condition, operating results and prospects, as well as economic, financial and other factors, such as prevailing interest rates, interest rate volatility, changes in our industry and competitors and government regulations, many of which are beyond our control. For more information regarding such factors, see the section of this prospectus above entitled “—Risks Relating to Our Business.”

In addition, we expect that the market price of the Series B preferred stock will be influenced by yield and interest rates in the capital markets, the time remaining to the mandatory conversion date, our creditworthiness and the occurrence of certain events affecting us that do not require an adjustment to the conversion rate. Fluctuations in yield rates in particular may give rise to arbitrage opportunities based upon changes in the relative values of the Series B preferred stock and our common stock. Any such arbitrage could, in turn, affect the market prices of our common stock and the Series B preferred stock.

The adjustment to the conversion rate and the payment of the cash acquisition dividend make-whole amount upon the occurrence of certain cash acquisitions may not adequately compensate you.

If a cash acquisition (as defined in the section of this prospectus entitled "Description of Series B Preferred Stock—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount") occurs on or prior to the conversion date, we will adjust the conversion rate for the shares of Series B preferred stock converted during the cash acquisition conversion period (as defined in the section of this prospectus entitled "Description of Series B Preferred Stock—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount") unless the stock price is less than $ or above $ (in each case, subject to adjustment) and, with respect to those shares of Series B preferred stock converted, you will also receive, among other consideration, a cash acquisition dividend make-whole amount. The number of shares to be issued upon conversion in connection with a cash acquisition will be determined as described in the section of this prospectus entitled "Description of Series B Preferred Stock—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount." Although this adjustment to the conversion rate and the payment of the cash acquisition dividend make-whole amount are designed to compensate you for the lost option value of your Series B preferred stock and lost dividends as a result of a cash acquisition, they are only an approximation of such lost value and lost dividends and may not adequately compensate you for your actual loss. Furthermore, our obligation to adjust the conversion rate in connection with a cash acquisition and pay the cash acquisition dividend make-whole amount (whether in cash or shares of our common stock) could be considered a penalty under state law, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

The conversion rate of the Series B preferred stock may not be adjusted for all dilutive events that may adversely affect the market price of the Series B preferred stock or the common stock issuable upon conversion of the Series B preferred stock.

The number of shares of our common stock that you are entitled to receive upon conversion of the Series B preferred stock is subject to adjustment only for share splits and combinations, share dividends and specified other transactions. See the section of this prospectus entitled "Description of Series B Preferred Stock—Anti-dilution Adjustments" for further discussion of anti-dilution adjustments. However, other events, such as employee stock option grants or offerings of our common stock or securities convertible into common stock (other than those set forth in the section of this prospectus entitled "Description of Series B Preferred Stock—Anti-dilution Adjustments") for cash or in connection with acquisitions, which may adversely affect the market price of our common stock, may not result in any adjustment. Further, if any of these other events adversely affects the market price of our common stock, it may also adversely affect the market price of the Series B preferred stock. In addition, the terms of our Series B preferred stock do not restrict our ability to offer common stock or securities convertible into common stock in the future or to engage in other transactions that could dilute our common stock. We have no obligation to consider the interests of the holders of our Series B preferred stock in engaging in any such offering or transaction.

Purchasers of our Series B preferred stock may be adversely affected upon the issuance of a new series of preferred stock ranking senior to, or a new series of preferred stock ranking equally with, the Series B preferred stock sold in this offering.

The terms of our Series B preferred stock will not restrict our ability to offer a new series of preferred stock that ranks equally with, our Series B preferred stock in the future. We have no obligation to consider the interests of the holders of our Series B preferred stock in engaging in any such offering or transaction.

You will have no rights with respect to our common stock until you convert your Series B preferred stock, but you may be adversely affected by certain changes made with respect to our common stock.

You will have no rights with respect to our common stock, including voting rights, rights to respond to common stock tender offers, if any, and rights to receive dividends or other distributions on our common stock, if

any (other than through a conversion rate adjustment), prior to the conversion date with respect to a conversion of your Series B preferred stock, but your investment in our Series B preferred stock may be negatively affected by these events. Upon conversion, you will be entitled to exercise the rights of a holder of common stock only as to matters for which the record date occurs after the conversion date. For example, in the event that an amendment is proposed to our amended and restated certificate of incorporation, as amended (Certificate of Incorporation) or our amended and restated bylaws, as amended (Bylaws) requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the conversion date, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

You will have no voting rights except under limited circumstances.

You do not have voting rights, except with respect to certain fundamental changes in the terms of the Series B preferred stock, in the case of certain dividend arrearages and except as specifically required by Delaware law. You will have no right to vote for any members of our Board of Directors except in the case of certain dividend arrearages. If dividends on any shares of the Series B preferred stock have not been declared and paid for the equivalent of six or more dividend periods, whether or not for consecutive dividend periods, the holders of shares of Series B preferred stock, voting together as a single class with holders of any and all other classes or series of our preferred stock ranking equally with the Series B preferred stock either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and having similar voting rights, will be entitled to vote for the election of a total of two additional members of our Board of Directors, subject to the terms and limitations described in the section of this prospectus entitled “Description of Series B Preferred Stock—Voting Rights.”

Our Series B preferred stock will rank junior to all of our and our subsidiaries’ liabilities and our Series A Preferred Stock, as well as the capital stock of our subsidiaries held by third parties, in the event of a bankruptcy, liquidation or winding up of our or our subsidiaries’ assets.

In the event of a bankruptcy, liquidation or winding up, our assets will be available to pay obligations on our Series B preferred stock only after all of our liabilities and the aggregate liquidation preference of our Series A Preferred Stock have been paid. In addition, our Series B preferred stock will effectively rank junior to all existing and future liabilities of our subsidiaries, as well as the capital stock of our subsidiaries held by third parties. Your rights to participate in the assets of our subsidiaries upon any liquidation or reorganization of any subsidiary will rank junior to the prior claims of that subsidiary’s creditors and third party equity holders. In the event of a bankruptcy, liquidation or winding up, there may not be sufficient assets remaining, after paying our and our subsidiaries’ liabilities and the aggregate liquidation preference of our Series A Preferred Stock, to pay amounts due on any or all of our Series B preferred stock then outstanding. At June 30, 2010, we had total outstanding debt of $8.2 billion and outstanding shares of Series A Preferred Stock with an aggregate liquidation preference of $9.0 billion plus accrued and unpaid dividends thereon (including the shares of Series A Preferred Stock with an aggregate liquidation amount of $2.1 billion that we have agreed to purchase from the UST).

Our ability to pay dividends on our Series B preferred stock may be limited.

Our payment of dividends on our Series B preferred stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings and liquidity, and other factors. So long as any share of our Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our Series B preferred stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock, subject to exceptions, such as dividends on our Series B preferred stock payable solely in shares of our common stock.

Any indentures and other financing agreements that we enter into in the future may limit our ability to pay cash dividends on our capital stock, including the Series B preferred stock. In the event that any of our indentures

or other financing agreements in the future restrict our ability to pay dividends in cash on the Series B preferred stock, we may be unable to pay dividends in cash on the Series B preferred stock unless we can refinance the amounts outstanding under those agreements.

In addition, under Delaware law, our Board of Directors may declare dividends on our capital stock only to the extent of our statutory "surplus" (which is defined as the amount equal to total assets minus total liabilities, in each case at fair market value, minus statutory capital), or if there is no such surplus, out of our net profits for the then current and/or immediately preceding fiscal year. Further, even if we are permitted under our contractual obligations and Delaware law to pay cash dividends on the Series B preferred stock, we may not have sufficient cash to pay dividends in cash on the Series B preferred stock.

If upon (i) mandatory conversion, (ii) an early conversion at the option of a holder or (iii) an early conversion upon a cash acquisition, we have not declared all or any portion of the accumulated and unpaid dividends payable on the Series B preferred stock for specified periods, the applicable conversion rate will be adjusted so that converting holders receive an additional number of shares of common stock having a market value generally equal to the amount of such accumulated and unpaid dividends, subject to the limitations described under "Description of the Series B Preferred Stock—Mandatory Conversion," "—Conversion at the Option of the Holder" and "—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount," respectively. In the case of mandatory conversion or conversion upon a cash acquisition, if these limits to the adjustment of the conversion rate are reached, we will pay the shortfall in cash if we are legally permitted to do so. We will not have an obligation to pay the shortfall in cash if these limits to the adjustment of the conversion rate are reached in the case of an early conversion at the option of the holder.

You may be subject to tax upon an adjustment to the conversion rate of the Series B preferred stock even though you do not receive a corresponding cash distribution.

The conversion rate of the Series B preferred stock is subject to adjustment in certain circumstances. Refer to the section of this prospectus entitled "Description of Series B Preferred Stock—Anti-dilution Adjustments." If, as a result of an adjustment (or failure to make an adjustment), your proportionate interest in our assets or earnings and profits is increased, you may be deemed to have received for U.S. federal income tax purposes a taxable dividend without the receipt of any cash. If you are a non-U.S. holder (as defined in the section of this prospectus entitled "Material U.S. Federal Tax Considerations"), such deemed dividend generally will be subject to U.S. federal withholding tax (currently at a 30% rate, or such lower rate as may be specified by an applicable treaty), which may be set off against subsequent payments on the Series B preferred stock. Refer to the section of this prospectus entitled "Material U.S. Federal Tax Considerations" for a further discussion of federal tax implications for non-U.S. holders.

An active trading market for the Series B preferred stock does not exist and may not develop.

The Series B preferred stock is a new issue of securities with no established trading market. The Series B preferred stock has been approved for listing on the New York Stock Exchange, subject to official notice of issuance. We expect trading of the Series B preferred stock to begin within 30 days after we issue the Series B preferred stock. Listing of the Series B preferred stock on the New York Stock Exchange does not guarantee that a trading market for the Series B preferred stock will develop or, if a trading market for the Series B preferred stock does develop, the depth or liquidity of that market or the ability of the holders to sell the Series B preferred stock.

Anti-takeover provisions contained in our organizational documents and Delaware law could delay or prevent a takeover attempt or change in control of our company, which could adversely affect the value of your shares.

Our Certificate of Incorporation, our Bylaws, and Delaware law contain provisions that could have the effect of rendering more difficult or discouraging an acquisition deemed undesirable by our Board of Directors. Our organizational documents include provisions:

- Restricting transfers of various securities of the Company (including shares of our common stock and warrants to purchase our common stock, and shares of our Series B preferred stock issued in the

Series B preferred stock offering) if the effect would be to (1) generally increase the direct or indirect stock ownership by any person or group from less than 4.9% of the value of all such securities of the Company to 4.9% or more or (2) generally increase the direct or indirect stock ownership of a person or group having or deemed to have a stock ownership of 4.9% or more of the value of all such securities of the Company (these restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits);

- Authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock;
- Limiting the liability of, and providing indemnification to, our directors and officers;
- Limiting the ability of our stockholders to call and bring business before special meetings;
- Prohibiting our stockholders, after the completion of this offering, from taking action by written consent in lieu of a meeting except where such consent is signed by the holders of all shares of stock of the Company then outstanding and entitled to vote;
- Requiring, after the completion of this offering, advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nomination of candidates for election to our Board of Directors;
- Limiting, after the completion of this offering, the determination of the number of directors on our Board of Directors and the filling of vacancies or newly created seats on the board to our Board of Directors then in office; and
- Providing that, after the completion of this offering, directors may be removed by stockholders only for cause.

These provisions, alone or together, could delay hostile takeovers and changes in control of the Company or changes in management.

In addition, after the completion of this offering, we will be subject to Section 203 of the General Corporation Law of the State of Delaware (the DGCL), which generally prohibits a corporation from engaging in various business combination transactions with any “interested stockholder” (generally defined as a stockholder who owns 15% or more of a corporation’s voting stock) for a period of three years following the time that such stockholder became an interested stockholder, except under certain circumstances including receipt of prior board approval.

Any provision of our Certificate of Incorporation or our Bylaws or Delaware law that has the effect of delaying or deterring a hostile takeover or change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock.

See the sections of this prospectus entitled “Description of Capital Stock—Certain Provisions of Our Certificate of Incorporation and Bylaws” and “Description of Capital Stock—Certain Anti-Takeover Effects of Delaware Law” for a further discussion of these provisions.

The Series B preferred stock may adversely affect the market price of our common stock.

The market price of our common stock is likely to be influenced by the Series B preferred stock. For example, the market price of our common stock could become more volatile and could be depressed by:

- investors’ anticipation of the potential resale in the market of a substantial number of additional shares of our common stock received upon conversion of the Series B preferred stock;

- possible sales of our common stock by investors who view the Series B preferred stock as a more attractive means of equity participation in us than owning shares of our common stock; and

- hedging or arbitrage trading activity that may develop involving the Series B preferred stock and our common stock.

The sale or availability for sale of substantial amounts of our common stock could cause our common stock price to decline or impair our ability to raise capital.

Sales of a substantial number of shares of our common stock in the public market following this offering, or the perception that large sales could occur, or the conversion of shares of our Series B preferred stock or the perception that conversion could occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of equity and equity-related securities. Upon completion of this offering and the concurrent common stock offering, there will be 1,500,000,000 shares of common stock issued and outstanding. In addition, up to shares of common stock (up to shares if the underwriters in this offering exercise their over-allotment option in full), in each case subject to anti-dilution, make-whole and other adjustments, could be issuable upon conversion of the Series B preferred stock. In addition, as of November 2, 2010, MLC holds a warrant to acquire 136,363,636 shares of our common stock at an exercise price of $10.00 per share, MLC holds another warrant to acquire 136,363,636 shares of our common stock at an exercise price of $18.33 per share, and the New VEBA holds a warrant to acquire 45,454,545 shares of our common stock at an exercise price of $42.31 per share.

Of the 1,500,000,000 outstanding shares of common stock, the 365,000,000 shares of common stock to be sold in the common stock offering (419,750,000 shares if the underwriters exercise their over-allotment option in full) will be freely tradable without restriction or further registration under the Securities Act of 1933, as amended (the Securities Act), unless those shares are held by any of our "affiliates," as that term is defined under Rule 144 of the Securities Act. Following the expiration of any applicable lock-up periods referred to in the section of this prospectus entitled "Shares Eligible for Future Sale," the 1,135,000,000 remaining outstanding shares of common stock (1,080,250,000 remaining outstanding shares if the underwriters in the common stock offering exercise their over-allotment option in full) may be eligible for resale under Rule 144 under the Securities Act subject to applicable restrictions under Rule 144. In addition, pursuant to the October 15, 2009 Equity Registration Rights Agreement we entered into with the UST, Canada Holdings, the New VEBA, MLC, and our previous legal entity prior to our October 2009 holding company reorganization (which is now a wholly-owned subsidiary of the Company) (Equity Registration Rights Agreement), we have granted our existing common stockholders the right to require us in certain circumstances to file registration statements under the Securities Act covering additional resales of our common stock and other equity securities (including the warrants) held by them and the right to participate in other registered offerings in certain circumstances. As restrictions on resale end or if these stockholders exercise their registration rights or otherwise sell their shares, the market price of our common stock could decline.

In particular, following this offering, the UST, Canada Holdings, the New VEBA and MLC might sell a large number of the shares of our common stock and warrants to acquire our common stock that they hold, or exercise their warrants and then sell the underlying shares of our common stock. Further, MLC might distribute shares of our common stock and warrants to acquire our common stock that it holds to its numerous creditors and other stakeholders pursuant to a plan of reorganization confirmed by the Bankruptcy Court in the Chapter 11 Proceedings, and those creditors and other stakeholders might resell those shares and warrants. Such sales or distributions of a substantial number of shares of our common stock or warrants could adversely affect the market price of our common stock.

Furthermore, we expect to contribute $2.0 billion of our common stock to our U.S. hourly and salaried pension plans after the completion of this offering and contingent on Department of Labor approval. Based on the number of shares determined using an assumed public offering price per share of our common stock in the

common stock offering of $27.50, the midpoint of the range for the common stock offering set forth on the cover of this prospectus, this anticipated contribution would consist of 72.7 million shares of our common stock. Although we reserve the right to modify the amount or timing of the contribution, or to not make the contribution at all, we currently expect to complete the contribution to the pension plans in the near-term. In connection with any such contribution, we expect to grant the pension plans the right to require us in certain circumstances to file registration statements under the Securities Act covering additional resales of those shares of our common stock held by them and the right to participate in other registered offerings in certain circumstances. If the pension plans exercise their registration rights or otherwise sell their shares, the market price of our common stock could decline.

We have no current plans to pay dividends on our common stock and our ability to pay dividends on our common stock may be limited, so after conversion you may not receive funds without selling your common stock.

We have no current plans to commence payment of a dividend on our common stock. Our payment of dividends on our common stock in the future will be determined by our Board of Directors in its sole discretion and will depend on business conditions, our financial condition, earnings and liquidity, and other factors. So long as any share of our Series A Preferred Stock or our Series B preferred stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock and our Series B preferred stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. In addition, our new secured revolving credit facility contains certain restrictions on our ability to pay dividends on our common stock, other than dividends payable solely in shares of our capital stock.

Any indentures and other financing agreements that we enter into in the future may limit our ability to pay cash dividends on our capital stock, including our common stock. In the event that any of our indentures or other financing agreements in the future restrict our ability to pay dividends in cash on our common stock, we may be unable to pay dividends in cash on our common stock unless we can refinance the amounts outstanding under those agreements.

In addition, under Delaware law, our Board of Directors may declare dividends on our capital stock only to the extent of our statutory “surplus” (which is defined as the amount equal to total assets minus total liabilities, in each case at fair market value, minus statutory capital), or if there is no such surplus, out of our net profits for the then current and/or immediately preceding fiscal year. Further, even if we are permitted under our contractual obligations and Delaware law to pay cash dividends on our common stock, we may not have sufficient cash to pay dividends in cash on our common stock.

Accordingly, after conversion, you may have to sell some or all of your common stock in order to generate liquidity from your investment.

Our views on the fourth quarter rely in large part upon assumptions and analyses we developed. If these assumptions and analyses prove to be incorrect, actual results could vary significantly from our estimates. If our actual results are lower than our estimated results it could have an adverse effect on our stock price.

Our views on the fourth quarter rely in large part upon assumptions and analyses that we developed based on our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we consider appropriate under the circumstances. Whether actual future results and developments will be consistent with our expectations as set forth in the sections of this prospectus entitled “Prospectus Summary—Recent Developments” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Preliminary Third Quarter and Projected Fourth Quarter Results” depends on a number of factors, including but not limited to:

- The effect of changes in consumer demand on our product mix;

- Our ability to realize production efficiencies and control costs, particularly as it relates to engineering and marketing expenses;
- Consumers' confidence in our products and our ability to continue to attract customers, particularly for our new products, including cars and crossover vehicles;
- The availability of adequate financing on acceptable terms to our customers, dealers, distributors and suppliers to enable them to continue their business relationships with us;
- The ability of our foreign operations to successfully restructure;
- The effect of foreign currency exchange rates on our revenue and expenses;
- Shortages of and increases or volatility in the price of oil;
- Our ability to maintain quality control over our vehicles and avoid material vehicle recalls; and
- The overall strength and stability of general economic conditions and of the automotive industry, both in the United States and in global markets.

Views on future financial performance are necessarily speculative, and it is likely that one or more of the assumptions that are the basis of these financial projections will not come to fruition. Accordingly, we believe that our actual financial condition and results of operations could differ, perhaps materially, from what we describe in the sections of this prospectus entitled "Prospectus Summary—Recent Developments" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Preliminary Third Quarter and Projected Fourth Quarter Results." Consequently, there can be no assurance that the results or developments predicted will occur. The failure of any such results or developments to materialize as anticipated or the occurrence of unanticipated events or uncertainties could materially adversely affect our stock price.

The UST, a selling stockholder in the common stock offering, is a federal agency, and your ability to bring a claim against it under the U.S. securities laws or otherwise may be limited.

The doctrine of sovereign immunity provides that claims may not be brought against the United States of America or any agency or instrumentality thereof unless specifically permitted by act of Congress. Although Congress has enacted a number of statutes, including the Federal Tort Claims Act (the FTCA), that permit various claims against the United States and agencies and instrumentalities thereof, those statutes impose limitations. In particular, while the FTCA permits various tort claims against the United States, it excludes claims for fraud or misrepresentation. At least one federal court, in a case involving a federal agency, has held that the United States may assert its sovereign immunity to claims brought under the federal securities laws. In addition, the UST and its officers, agents and employees are exempt from liability for any violation or alleged violation of the anti-fraud provisions of Section 10(b) of the Securities Exchange Act of 1934, as amended (the Exchange Act), by virtue of Section 3(c) thereof. Thus, any attempt to assert a claim against the UST or any of its officers, agents or employees alleging a violation of the U.S. securities laws, including the Securities Act and the Exchange Act, resulting from an alleged material misstatement in or material omission from this prospectus or the registration statement of which this prospectus is a part, or any other act or omission in connection with this offering, would likely be barred. Further, any attempt to assert a claim against the UST or any of its officers, agents or employees alleging any other complaint, including as a result of any future action by the UST as a stockholder of the Company, would also likely be barred under sovereign immunity unless specifically permitted by act of Congress.

Canada Holdings is a wholly-owned subsidiary of Canada Development Investment Corporation, which is owned by the federal Government of Canada, and your ability to bring a claim against Canada Holdings alleging any complaint, or to recover on any judgment against it, may be limited.

Canada Holdings is a wholly-owned subsidiary of Canada Development Investment Corporation. Canada Development Investment Corporation is a Canadian federal Crown corporation, meaning that it is a business corporation established under the Canada Business Corporations Act, owned by the federal Government of Canada. The Foreign Sovereign Immunities Act of 1976 (the FSIA) provides that, subject to existing international agreements to which the United States was a party at the time of the enactment of the FSIA, a foreign state or any agency or instrumentality of a foreign state is immune from U.S. federal and state court jurisdiction unless a specific exception to the FSIA applies. One such exception under the FSIA applies to claims arising out of "commercial activity" by a foreign state or its agency or instrumentality. Absent an applicable exception under the FSIA, any attempt to assert a claim against Canada Holdings or any of its officers, agents or employees alleging any complaint, including as a result of any future action by Canada Holdings as a stockholder of the Company, may also be barred.

In addition, even if a U.S. judgment could be obtained in such an action, it may not be possible to enforce in Canada a judgment based on such a U.S. judgment, and it may also not be possible to execute upon property of Canada Holdings in the United States to enforce a U.S. judgment.

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table presents the ratio of our earnings to fixed charges and preferred stock dividends for the periods indicated:

Successor		Predecessor				
			Years Ended December 31,			
Six Months Ended June 30, 2010	July 10, 2009 Through December 31, 2009	January 1, 2009 Through July 9, 2009(a)	2008	2007	2006	2005
3.04	—	20.10	—	—	0.69	—

Earnings for the period July 10, 2009 through December 31, 2009 and the earnings of Old GM for the years ended December 31, 2008, 2007 and 2005 were inadequate to cover fixed charges. Additional earnings of $5.0 billion, $23.0 billion, $4.4 billion and $16.6 billion for the periods July 10, 2009 through December 31, 2009 and the years ended December 31, 2008, 2007 and 2005 would have been necessary to bring the respective ratios to 1.0.

(a) Earnings for the period January 1, 2009 through July 9, 2009 include reorganization gains, net of $128.2 billion.

DESCRIPTION OF SERIES B PREFERRED STOCK

The following is a summary of certain provisions of the certificate of designations for our % Series B mandatory convertible junior preferred stock, $0.01 par value, which we refer to as our Series B preferred stock. A copy of the certificate of designations and the form of Series B preferred stock share certificate are available upon request from us at the address set forth in the section of this prospectus entitled "Where You Can Find More Information." The following summary of the terms of the Series B preferred stock is subject to, and qualified in its entirety by reference to, the provisions of the certificate of designations for our Series B preferred stock.

As used in this section, the terms "GM," "us," "we" or "our" refer to General Motors Company and not any of its subsidiaries.

General

Under our Certificate of Incorporation, our Board of Directors is authorized, without further shareholder action, to issue up to 2,000,000,000 shares of preferred stock, par value $0.01 per share, in one or more series, with such voting powers or without voting powers, and with such designations, and having such relative preferences, participating, optional or other special rights, and qualifications, limitations or restrictions, as shall be set forth in the resolutions providing therefor. As of November 2, 2010, we have issued 360,000,000 shares of our Series A Preferred Stock (including 83,898,305 shares of Series A Preferred Stock that we have agreed to purchase from the UST), as described in the section of this prospectus entitled "Description of Capital Stock—Description of Series A Preferred Stock," and have 1,640,000,000 shares of authorized preferred stock which are undesignated. At the consummation of this offering, we will issue 60,000,000 shares of Series B preferred stock. In addition, we have granted the underwriters an option to purchase up to 9,000,000 additional shares of our Series B preferred stock in accordance with the procedures set forth in the section of this prospectus entitled "Underwriting."

When issued, the Series B preferred stock and any common stock issued upon the conversion of the Series B preferred stock will be fully paid and nonassessable. The holders of the Series B preferred stock will have no preemptive or preferential rights to purchase or subscribe to stock, obligations, warrants or other securities of GM of any class. Computershare Trust Company, N.A. will serve as the transfer agent and registrar of our common stock and will serve as transfer agent, registrar and conversion and dividend disbursing agent for the Series B preferred stock.

Ranking

The Series B preferred stock, with respect to dividend rights or rights upon our liquidation, winding-up or dissolution, ranks:

- senior to (i) our common stock and (ii) each other class of capital stock or series of preferred stock established after the first original issue date of the Series B preferred stock (which we refer to as the "issue date") the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Series B preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "junior stock");

- on parity with any class of capital stock or series of preferred stock established after the issue date the terms of which expressly provide that such class or series will rank on a parity with the Series B preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "parity stock");

- junior to (i) the Series A Preferred Stock and (ii) each class of capital stock or series of preferred stock established after the issue date the terms of which expressly provide that such class or series will rank

senior to the Series B preferred stock as to dividend rights or rights upon our liquidation, winding-up or dissolution (which we refer to collectively as "senior stock"); and

- junior to our existing and future indebtedness.

In addition, the Series B preferred stock, with respect to dividend rights or rights upon our liquidation, winding-up or dissolution, will be structurally subordinated to existing and future indebtedness of our subsidiaries as well as the capital stock of our subsidiaries held by third parties.

Dividends

Subject to the rights of holders of the Series A Preferred Stock or any other class of capital stock ranking senior to the Series B preferred stock with respect to dividends, holders of shares of Series B preferred stock will be entitled to receive, when, as and if declared by our Board of Directors, or an authorized committee of our Board of Directors, out of funds legally available for payment, cumulative dividends at the rate per annum of % on the liquidation preference of $50 per share of Series B preferred stock (equivalent to $ per annum per share), payable in cash, by delivery of shares of our common stock or through any combination of cash and shares of our common stock, as determined by us in our sole discretion (subject to the limitations described below). See the section of this prospectus entitled "—Method of Payment of Dividends." Dividends on the Series B preferred stock will be payable quarterly on , , and of each year to and including the mandatory conversion date (as defined below), commencing , (each, a "dividend payment date") at such annual rate, and shall accumulate from the most recent date as to which dividends shall have been paid or, if no dividends have been paid, from the issue date of the Series B preferred stock, whether or not in any dividend period or periods there have been funds legally available for the payment of such dividends. Declared dividends will be payable on the relevant dividend payment date to holders of record as they appear on our stock register at 5:00 p.m., New York City time, on the immediately preceding , , and (each, a "record date"), whether or not such holders convert their shares, or such shares are automatically converted, after a record date and on or prior to the immediately succeeding dividend payment date. These record dates will apply regardless of whether a particular record date is a business day. A "business day" means any day other than a Saturday or Sunday or other day on which commercial banks in New York City are authorized or required by law or executive order to close. If a dividend payment date is not a business day, payment will be made on the next succeeding business day, without any interest or other payment in lieu of interest accruing with respect to this delay.

A dividend period is the period from and including a dividend payment date to but excluding the next dividend payment date, except that the initial dividend period will commence on and include the issue date of our Series B preferred stock and will end on and exclude the , dividend payment date. The amount of dividends payable on each share of Series B preferred stock for each full dividend period will be computed by dividing the annual dividend rate by four. Dividends payable on the Series B preferred stock for any period other than a full dividend period will be computed based upon the actual number of days elapsed during the period over a 360-day year (consisting of twelve 30-day months). Accordingly, the dividend on the Series B preferred stock for the first dividend period, assuming the issue date is , will be $ per share (based on the annual dividend rate of % and a liquidation preference of $50 per share) and will be payable, when, as and if declared, on , . The dividend on the Series B preferred stock for each subsequent dividend period, when, as and if declared, will be $ per share (based on the annual dividend rate of % and a liquidation preference of $50 per share). Accumulated dividends will not bear interest if they are paid subsequent to the applicable dividend payment date.

No dividend will be declared or paid upon, or any sum or number of shares of common stock set apart for the payment of dividends upon, any outstanding share of the Series B preferred stock with respect to any dividend period unless all dividends for all preceding dividend periods have been declared and paid upon, or a sufficient sum or number of shares of common stock have been set apart for the payment of such dividends upon, all outstanding shares of Series B preferred stock.

Our ability to declare and pay cash dividends and make other distributions with respect to our capital stock, including the Series B preferred stock, is subject to restrictions in the event we fail to declare and pay (or set aside for payment) full dividends on the Series A Preferred Stock and may be limited by the terms of any indentures or other financing arrangements that we enter into in the future. In addition, our ability to declare and pay dividends may be limited by applicable Delaware law. See the section of this prospectus entitled “Risk factors—Risks Relating to this Offering and Ownership of Our Series B Preferred Stock and Common Stock—Our ability to pay dividends on our Series B preferred stock may be limited” and “Description of Capital Stock—Description of Series A Preferred Stock.”

So long as any share of the Series B preferred stock remains outstanding, no dividend or distribution shall be declared or paid on the common stock or any other shares of junior stock, and no common stock or junior stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by us or any of our subsidiaries unless all accrued and unpaid dividends for all preceding dividend periods have been declared and paid upon, or a sufficient sum or number of shares of common stock have been set apart for the payment of such dividends upon, all outstanding shares of Series B preferred stock. The foregoing limitation shall not apply to: (i) a dividend payable on any junior stock in shares of any other junior stock, or to the acquisition of shares of any junior stock in exchange for, or through application of the proceeds of the sale of, shares of any other junior stock; (ii) redemptions, purchases or other acquisitions of shares of common stock or other junior stock in connection with the administration of any employee benefit plan in the ordinary course of business (including purchases to offset the share dilution amount pursuant to a publicly announced repurchase plan); provided that any purchases to offset the share dilution amount shall in no event exceed the share dilution amount; (iii) any dividends or distributions of rights or junior stock in connection with a stockholders’ rights plan or any redemption or repurchase of rights pursuant to any stockholders’ rights plan; (iv) the acquisition by us or any of our subsidiaries of record ownership in junior stock for the beneficial ownership of any other persons (other than us or any of our subsidiaries), including as trustees or custodians; and (v) the exchange or conversion of junior stock for or into other junior stock (with the same or lesser aggregate liquidation amount). The phrase “share dilution amount” means the increase in the number of diluted shares outstanding (determined in accordance with U.S. GAAP, and as measured from the issue date) resulting from the grant, vesting or exercise of equity-based compensation to employees and equitably adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

When dividends are not paid (or declared and a sum or number of shares of common stock sufficient for payment thereof set aside for the benefit of the holders thereof on the applicable record date) on any dividend payment date in full on shares of the Series B preferred stock, all dividends declared on the Series B preferred stock and any other parity stock shall be declared so that the respective amounts of such dividends declared on the Series B preferred stock and each such other class or series of parity stock shall bear the same ratio to each other as all accrued and unpaid dividends per share on the shares of the Series B preferred stock and such class or series of parity stock (subject to their having been declared by the Board of Directors or a duly authorized committee of the Board of Directors out of legally available funds and including, all accrued but unpaid dividends) bear to each other; provided that any unpaid dividends will continue to accumulate.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including common stock and other junior stock, from time to time out of any funds legally available for such payment, and holders of the Series B preferred stock shall not be entitled to participate in any such dividends.

Method of Payment of Dividends

Subject to the limitations described below, we may pay any declared dividend (or any portion of any declared dividend) on the Series B preferred stock (whether or not for a current dividend period or any prior dividend period, including in connection with the payment of declared and unpaid dividends pursuant to the provisions described in the sections of this prospectus entitled "—Mandatory Conversion" and "—Conversion at the Option of the Holder Upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount"), determined in our sole discretion:

- in cash;
- by delivery of shares of our common stock; or
- through any combination of cash and shares of our common stock.

We will make each payment of a declared dividend on the Series B preferred stock in cash, except to the extent we elect to make all or any portion of such payment in shares of our common stock. We will give the holders of the Series B preferred stock notice of any such election and the portion of such payment that will be made in cash and the portion that will be made in common stock no later than 10 trading days (as defined below) prior to the dividend payment date for such dividend.

If we elect to make any such payment of a declared dividend, or any portion thereof, in shares of our common stock, such shares shall be valued for such purpose, in the case of any dividend payment or portion thereof, at 97% of the average VWAP per share (as defined below) of our common stock over the ten consecutive trading day period ending on the second trading day immediately preceding the applicable dividend payment date (the "average price").

No fractional shares of common stock will be delivered to the holders of the Series B preferred stock in respect of dividends. We will instead pay a cash adjustment to each holder that would otherwise be entitled to a fraction of a share of common stock based on the average VWAP per share of our common stock over the ten consecutive trading day period ending on the second trading day immediately preceding the relevant dividend payment date.

To the extent a shelf registration statement is required in our reasonable judgment in connection with the issuance of or for resales of common stock issued as payment of a dividend, including dividends paid in connection with a conversion, we will, to the extent such a registration statement is not currently filed and effective, use our reasonable best efforts to file and maintain the effectiveness of such a shelf registration statement until the earlier of such time as all such shares of common stock have been resold thereunder and such time as all such shares are freely tradable without registration. To the extent applicable, we will also use our reasonable best efforts to have the shares of common stock qualified or registered under applicable state securities laws, if required, and approved for listing on the New York Stock Exchange (or if our common stock is not listed on the New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which our common stock is then listed).

Notwithstanding the foregoing, in no event will the number of shares of our common stock delivered in connection with any declared dividend, including any declared dividend payable in connection with a conversion, exceed a number equal to the total dividend payment divided by $, which amount represents approximately 35% of the initial price (as defined below), subject to adjustment in a manner inversely proportional to any anti-dilution adjustment to each fixed conversion rate as set forth below in the section of this prospectus entitled "—Anti-dilution Adjustments" (such dollar amount, as adjusted, the "floor price"). To the extent that the amount of the declared dividend exceeds the product of the number of shares of common stock delivered in connection with such declared dividend and the average price, we will, if we are legally able to do so, pay such excess amount in cash.

Redemption

The Series B preferred stock will not be redeemable.

Liquidation Preference

In the event of our voluntary or involuntary liquidation, winding-up or dissolution, each holder of Series B preferred stock will be entitled to receive a liquidation preference in the amount of $50 per share of the Series B preferred stock (the "liquidation preference"), plus an amount equal to accumulated and unpaid dividends on the shares to (but excluding) the date fixed for liquidation, winding-up or dissolution to be paid out of our assets available for distribution to our shareholders, after satisfaction of liabilities to our creditors and holders of any senior stock and before any payment or distribution is made to holders of junior stock (including our common stock). If, upon our voluntary or involuntary liquidation, winding-up or dissolution, the amounts payable with respect to the liquidation preference plus an amount equal to accumulated and unpaid dividends of the Series B preferred stock and all parity stock are not paid in full, the holders of the Series B preferred stock and any parity stock will share equally and ratably in any distribution of our assets in proportion to the liquidation preference and an amount equal to accumulated and unpaid dividends to which they are entitled. After payment of the full amount of the liquidation preference and an amount equal to accumulated and unpaid dividends to which they are entitled, the holders of the Series B preferred stock will have no right or claim to any of our remaining assets.

Neither the sale of all or substantially all of our assets or business (other than in connection with our liquidation, winding-up or dissolution), nor our merger or consolidation into or with any other person, will be deemed to be our voluntary or involuntary liquidation, winding-up or dissolution.

The certificate of designations for our Series B preferred stock does not contain any provision requiring funds to be set aside to protect the liquidation preference of the Series B preferred stock even though it is substantially in excess of the par value thereof.

Voting Rights

The holders of the Series B preferred stock do not have voting rights other than those described below, except as specifically required by Delaware law.

Whenever dividends on any shares of Series B preferred stock have not been declared and paid for the equivalent of six or more dividend periods, whether or not for consecutive dividend periods (a "nonpayment"), the holders of such shares of Series B preferred stock, voting together as a single class with holders of any and all other series of voting preferred stock (as defined below) then outstanding, will be entitled to vote for the election of a total of two additional members of our Board of Directors (the "preferred stock directors"); provided that the election of any such directors will not cause us to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors; and provided further that our Board of Directors shall, at no time, include more than two preferred stock directors. In that event, we will automatically increase the number of directors on our board by two, and the new directors will be elected at a special meeting called at the request of the holders of at least 20% of the shares of Series B preferred stock or of any other series of voting preferred stock (provided that such request is received at least 90 calendar days before the date fixed for the next annual or special meeting of the stockholders, failing which election shall be held at such next annual or special meeting of stockholders), and at each subsequent annual meeting.

As used in this prospectus, "voting preferred stock" means any other class or series of our preferred stock ranking equally with the Series B preferred stock either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable. Whether a plurality, majority or other portion of the Series B preferred stock and any other voting preferred stock have been voted in favor of any matter shall be determined by reference to the respective liquidation preference amounts of the Series B preferred stock and such other voting preferred stock voted.

If and when all accumulated and unpaid dividends have been paid in full, or declared and a sum sufficient for such payment shall have been set aside (a "nonpayment remedy"), the holders of Series B preferred stock shall immediately and, without any further action by us, be divested of the foregoing voting rights, subject to the revesting of such rights in the event of each subsequent nonpayment. If such voting rights for the holders of Series B preferred stock and all other holders of voting preferred stock have terminated, the term of office of each preferred stock director so elected will terminate and the number of directors on our board shall automatically decrease by two.

Any preferred stock director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of Series B preferred stock and any other shares of voting preferred stock then outstanding (voting together as a class) when they have the voting rights described above. In the event that a nonpayment shall have occurred and there shall not have been a nonpayment remedy, any vacancy in the office of a preferred stock director (other than prior to the initial election after a nonpayment) may be filled by the written consent of the preferred stock director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of Series B preferred stock and any other shares of voting preferred stock then outstanding (voting together as a class) when they have the voting rights described above; provided that the filling of each vacancy will not cause us to violate the corporate governance requirements of the New York Stock Exchange (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors. The preferred stock directors will each be entitled to one vote per director on any matter.

So long as any shares of Series B preferred stock remain outstanding, we will not, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of Series B preferred stock and all other series of voting preferred stock entitled to vote thereon, voting together as a single class, given in person or by proxy, either in writing or at a meeting:

- amend or alter the provisions of our Certificate of Incorporation or the certificate of designations for the shares of Series B preferred stock so as to authorize or create, or increase the authorized amount of, any specific class or series of stock ranking senior to the Series B preferred stock with respect to payment of dividends or the distribution of our assets upon our liquidation, dissolution or winding up; or

- amend, alter or repeal the provisions of our Certificate of Incorporation or the certificate of designations for the shares of Series B preferred stock so as to materially and adversely affect the special rights, preferences, privileges and voting powers of the shares of Series B preferred stock, taken as a whole; or

- consummate a binding share exchange or reclassification involving the shares of Series B preferred stock or a merger or consolidation of us with another entity, unless in each case: (i) shares of Series B preferred stock remain outstanding and are not amended in any respect or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent; and (ii) such shares of Series B preferred stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Series B preferred stock immediately prior to such consummation, taken as a whole,

provided, however, that (1) any increase in the amount of our authorized but unissued shares of preferred stock, (2) any increase in the authorized or issued shares of Series B preferred stock and (3) the creation and issuance, or an increase in the authorized or issued amount, of any other series of preferred stock ranking equally with or junior to the Series B preferred stock with respect to the payment of dividends (whether such dividends

are cumulative or non-cumulative) and/or the distribution of assets upon our liquidation, dissolution or winding up, will be deemed not to materially and adversely affect the special rights, preferences, privileges or voting powers of the Series B preferred stock.

If any amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would materially and adversely affect one or more but not all series of voting preferred stock (including the Series B preferred stock for this purpose), then only the series of voting preferred stock materially and adversely affected and entitled to vote shall vote as a class in lieu of all other series of preferred stock.

Without the consent of the holders of the Series B preferred stock, so long as such action does not adversely affect the special rights, preferences, privileges and voting powers of the Series B preferred stock, taken as a whole, we may amend, alter, supplement, or repeal any terms of the Series B preferred stock for the following purposes:

- to cure any ambiguity or mistake, or to correct or supplement any provision contained in the certificate of designations for the Series B preferred stock that may be defective or inconsistent with any other provision contained in the certificate of designations for the Series B preferred stock; or

- to make any provision with respect to matters or questions relating to the Series B preferred stock that is not inconsistent with the provisions of the certificate of designations for the Series B preferred stock.

Mandatory Conversion

Each share of the Series B preferred stock, unless previously converted, will automatically convert on , 2013 (the "mandatory conversion date"), into a number of shares of common stock equal to the conversion rate described below. If we declare a dividend for the dividend period ending on the mandatory conversion date, we will pay such dividend to the holders of record on the immediately preceding record date, as described above under "—Dividends." If prior to the mandatory conversion date we have not declared all or any portion of the accumulated and unpaid dividends on the Series B preferred stock, the conversion rate will be adjusted so that holders receive an additional number of shares of common stock equal to the amount of accumulated and unpaid dividends that have not been declared (the "additional conversion amount") divided by the greater of the floor price and the applicable market value (as defined below). To the extent that the additional conversion amount exceeds the product of the number of additional shares and the applicable market value, we will, if we are legally able to do so, declare and pay such excess amount in cash pro rata to the holders of the Series B preferred stock.

The conversion rate, which is the number of shares of common stock issuable upon conversion of each share of Series B preferred stock on the mandatory conversion date, will, subject to adjustment as described in the section of this prospectus entitled "—Anti-dilution Adjustments" below, be as follows:

- if the applicable market value of our common stock is greater than $, which we call the "threshold appreciation price," then the conversion rate will be shares of common stock per share of Series B preferred stock (the "minimum conversion rate"), which is equal to $50 divided by the threshold appreciation price;

- if the applicable market value of our common stock is less than or equal to the threshold appreciation price but equal to or greater than $ (the "initial price," which equals the price at which we initially offered our common stock to the public in the concurrent offering of our common stock), then the conversion rate will be equal to $50 divided by the applicable market value of our common stock, which will be between and shares of common stock per share of Series B preferred stock; or

- if the applicable market value of our common stock is less than the initial price, then the conversion rate will be shares of common stock per share of Series B preferred stock (the "maximum conversion rate"), which is equal to $50 divided by the initial price.

We refer to the minimum conversion rate and the maximum conversion rate collectively as the "fixed conversion rates." The fixed conversion rates, the initial price, the threshold appreciation price and the applicable market value are each subject to adjustment as described in the section of this prospectus entitled "—Anti-dilution Adjustments" below.

Hypothetical conversion values upon mandatory conversion

For illustrative purposes only, the following table shows the number of shares of our common stock that a holder of our Series B preferred stock would receive upon mandatory conversion of one share of Series B preferred stock at various applicable market values for our common stock. The table assumes that there will be no conversion adjustments as described below in the section of this prospectus entitled "—Anti-dilution Adjustments" and that dividends on the shares of Series B preferred stock will be paid in cash. The actual applicable market value of shares of our common stock may differ from those set forth in the table below. Given an initial price of $ and a threshold appreciation price of $, a holder of our Series B preferred stock would receive on the mandatory conversion date the number of shares of our common stock per share of our Series B preferred stock set forth below:

Applicable market value of our common stock	Number of shares of our common stock to be received upon conversion	Conversion value (applicable market value multiplied by the number of shares of our common stock to be received upon conversion)
$		$
$		$
$		$
$		$
$		$
$		$
$		$
$		$
$		$
$		$
$		$
$		$

Accordingly, if the applicable market value of our common stock is greater than the threshold appreciation price, the aggregate market value of our common stock delivered upon conversion of each share of the Series B preferred stock will be greater than the $50 liquidation preference of the share of the Series B preferred stock, assuming that the market price of our common stock on the mandatory conversion date is the same as the applicable market value of our common stock. If the applicable market value for our common stock is equal to or greater than the initial price and equal to or less than the threshold appreciation price, the aggregate market value of our common stock delivered upon conversion of each share of the Series B preferred stock will be equal to the $50 liquidation preference of the share of the Series B preferred stock, assuming that the market price of our common stock on the mandatory conversion date is the same as the applicable market value of our common stock. If the applicable market value of our common stock is less than the initial price, the aggregate market value of our common stock delivered upon conversion of each share of the Series B preferred stock will be less than the $50 liquidation preference of the share of the Series B preferred stock, assuming that the market price of our common stock on the mandatory conversion date is the same as the applicable market value of our common stock.

Definitions

"Applicable market value" means the average of the closing prices per share of our common stock over the 40 consecutive trading day period ending on the third trading day immediately preceding the mandatory conversion date.

The "threshold appreciation price" represents an approximately % appreciation over the initial price.

The "closing price" of our common stock or any securities distributed in a spin-off, as the case may be, on any date of determination means:

- the closing price or, if no closing price is reported, the last reported sale price of shares of our common stock or such other securities on the New York Stock Exchange on that date; or
- if our common stock or such other securities are not traded on the New York Stock Exchange, the closing price on that date as reported in composite transactions for the principal U.S. national or regional securities exchange on which our common stock or such other securities are so traded or, if no closing price is reported, the last reported sale price of shares of our common stock or such other securities on the principal U.S. national or regional securities exchange on which our common stock or such other securities are so traded on that date; or
- if our common stock or such other securities are not traded on a U.S. national or regional securities exchange, the last quoted bid price on that date for our common stock or such other securities in the over-the-counter market as reported by Pink OTC Markets Inc. or a similar organization; or
- if our common stock or such other securities are not so quoted by Pink OTC Markets Inc. or a similar organization, the market price of our common stock or such other securities on that date as determined by a nationally recognized independent investment banking firm retained by us for this purpose.

All references herein to the closing price of our common stock and the last reported sale price of our common stock on the New York Stock Exchange shall be such closing price and such last reported sale price as reflected on the website of the New York Stock Exchange (www.nyse.com) and as reported by Bloomberg Professional Service; provided that in the event that there is a discrepancy between the closing price and the last reported sale price as reflected on the website of the New York Stock Exchange and as reported by Bloomberg Professional Service, the closing price and the last reported sale price on the website of the New York Stock Exchange shall govern.

A "trading day" is a day on which shares of our common stock:

- are not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business; and
- has traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of our common stock.

"VWAP" per share of our common stock on any trading day means the per share volume-weighted average price as displayed on Bloomberg page "GM <Equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from 9:30 a.m. to 4:00 p.m., New York City time, on such trading day; or, if such price is not available, "VWAP" means the market value per share of our common stock on such trading day as determined by a nationally recognized independent investment banking firm retained by us for this purpose. The "average VWAP" means the average of the VWAP for each trading day in the relevant period.

Conversion at the Option of the Holder

Other than during a cash acquisition conversion period (as defined below in the section of this prospectus entitled "—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount"), holders of the Series B preferred stock have the right to convert their shares of Series B preferred stock, in whole or in part (but in no event less than one share of Series B preferred stock), at any time prior to the mandatory conversion date, into shares of our common stock at the minimum conversion rate of shares of common stock per share of Series B preferred stock, subject to adjustment as described in the section of this prospectus entitled "—Anti-dilution Adjustments" below.

If as of the effective date of any early conversion (the "early conversion date"), we have not declared all or any portion of the accumulated and unpaid dividends for all dividend periods ending prior to such early conversion date, the conversion rate will be adjusted so that converting holders receive an additional number of shares of common stock equal to such amount of accumulated and unpaid dividends that have not been declared, divided by the greater of the floor price and the average of the closing prices of our common stock over the 40 consecutive trading day period ending on the third trading day immediately preceding the early conversion date.

Except as described above, upon any optional conversion of any shares of the Series B preferred stock, we will make no payment or allowance for unpaid dividends on such shares of the Series B preferred stock.

Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount

General

If a cash acquisition (as defined below) occurs, on or prior to the mandatory conversion date, holders of the Series B preferred stock will have the right to: (i) convert their shares of Series B preferred stock, in whole or in part (but in no event less than one share of Series B preferred stock), into shares of common stock at the cash acquisition conversion rate described below; (ii) with respect to such converted shares, receive a cash acquisition dividend make-whole amount (as defined below); and (iii) with respect to such converted shares, to the extent that, as of the effective date of the cash acquisition, we have not declared any or all of the accumulated and unpaid dividends on the Series B preferred stock as of such effective date, receive an adjustment in the conversion rate and, under certain circumstances, a cash payment, as described below.

To exercise this right, holders must submit their shares of the Series B preferred stock for conversion at any time during the period (the "cash acquisition conversion period") beginning on the effective date of such cash acquisition (the "effective date") and ending at 5:00 p.m., New York City time, on the date that is 20 calendar days after the effective date (or, if earlier, the mandatory conversion date) at the conversion rate specified in the table below (the "cash acquisition conversion rate"). Holders of Series B preferred stock who do not submit their shares for conversion during the cash acquisition conversion period will not be entitled to convert their shares of Series B preferred stock at the cash acquisition conversion rate or to receive the cash acquisition dividend make-whole amount. Upon conversion, holders will receive, per share of Series B preferred stock: (i) a number of shares of our common stock equal to the cash acquisition conversion rate; (ii) the cash acquisition dividend make-whole amount (as defined below) payable in cash or shares of our common stock, as described below; and (iii) to the extent that, as of the effective date of the cash acquisition, we have not declared any or all of the accumulated and unpaid dividends on the Series B preferred stock as of such effective date, an adjustment in the conversion rate and, under certain circumstances, a cash payment, as described below. If the effective date of a cash acquisition falls during a dividend period for which we have declared a dividend, we will pay such dividend on the relevant dividend payment date to the holders of record on the immediately preceding record date, as described in the section of this prospectus entitled "—Dividends."

We will notify holders of the anticipated effective date of a cash acquisition at least 20 calendar days prior to such anticipated effective date or, if such prior notice is not practicable, notify holders of the effective date of a cash acquisition no later than the tenth calendar day immediately following such effective date. If we notify holders of a cash acquisition later than the twentieth calendar day prior to the effective date of a cash acquisition,

the cash acquisition conversion period will be extended by a number of days equal to the number of days from, and including, the twentieth calendar day prior to the effective date of the cash acquisition to, but excluding, the date of the notice; provided that the cash acquisition conversion period will not be extended beyond the mandatory conversion date.

A "cash acquisition" will be deemed to have occurred, at such time after the issue date of the Series B preferred stock, upon: (i) the consummation of any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, recapitalization or otherwise) in connection with which 90% or more of our common stock is exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration 10% or more of which is not common stock that is listed on, or immediately after the transaction or event will be listed on, a United States national securities exchange; or (ii) any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, whether or not applicable), other than us, any of our majority-owned subsidiaries or any of our or our majority-owned subsidiaries' employee benefit plans, becoming the "beneficial owner," directly or indirectly, of more than 50% of the total voting power in the aggregate of all classes of capital stock then outstanding entitled to vote generally in elections of our directors.

Cash acquisition conversion rate

The cash acquisition conversion rate will be determined by reference to the table below and is based on the effective date of the transaction and the price (the "stock price") paid per share of our common stock in such transaction. If the holders of our common stock receive only cash in the cash acquisition, the stock price shall be the cash amount paid per share. Otherwise the stock price shall be the average VWAP per share of our common stock over the 10 consecutive trading day period ending on the trading day preceding the effective date.

The stock prices set forth in the first row of the table (i.e., the column headers) will be adjusted as of any date on which the fixed conversion rates of our Series B preferred stock are adjusted. The adjusted stock prices will equal the stock prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the minimum conversion rate immediately prior to the adjustment giving rise to the stock price adjustment and the denominator of which is the minimum conversion rate as so adjusted. Each of the cash acquisition conversion rates in the table will be subject to adjustment in the same manner as each fixed conversion rate as set forth in the section of this prospectus entitled "—Anti-dilution Adjustments."

The following table sets forth the cash acquisition conversion rate per share of Series B preferred stock for each stock price and effective date set forth below.

	Stock price on effective date											
Effective date	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
, 2010												
, 2011												
, 2012												
, 2013												

The exact stock price and effective dates may not be set forth in the table, in which case:

- if the stock price is between two stock price amounts on the table or the effective date is between two dates on the table, the cash acquisition conversion rate will be determined by straight-line interpolation between the cash acquisition conversion rates set forth for the higher and lower stock price amounts and the two dates, as applicable, based on a 365-day year;
- if the stock price is in excess of $ per share (subject to adjustment as described above), then the cash acquisition conversion rate will be the minimum conversion rate, subject to adjustment; and
- if the stock price is less than $ per share (subject to adjustment as described above), then the cash acquisition conversion rate will be the maximum conversion rate, subject to adjustment.

Cash acquisition dividend make-whole amount. For any shares of Series B preferred stock that are converted during the cash acquisition conversion period, in addition to the shares of common stock issued upon conversion at the cash acquisition conversion rate, we shall either:

(a) pay you in cash, to the extent we are legally permitted to do so, the present value, computed using a discount rate of % per annum, of all dividend payments on your shares of Series B preferred stock for all the remaining dividend periods (excluding any accumulated and unpaid dividends as of the effective date of the cash acquisition) from such effective date to but excluding the mandatory conversion date (the "cash acquisition dividend make-whole amount"), or

(b) increase the number of shares of our common stock to be issued on conversion by a number equal to (x) the cash acquisition dividend make-whole amount divided by (y) the greater of the floor price and the stock price; provided that, to the extent the cash acquisition dividend make-whole amount exceeds the product of the number of additional shares and the stock price, we will, if we are legally able to do so, declare and pay such excess amount in cash.

To the extent that, as of the effective date of a cash acquisition, we have not declared all or any portion of the accumulated and unpaid dividends on the Series B preferred stock as of such effective date, the conversion rate will be further adjusted so that converting holders receive an additional number of shares of common stock equal to the amount of such accumulated and unpaid dividends (the "cash acquisition additional conversion amount") divided by the greater of the floor price and the stock price. To the extent that the cash acquisition additional conversion amount exceeds the product of the number of additional shares and the stock price, we will, if we are legally able to do so, declare and pay such excess amount in cash.

Not later than the second business day following the effective date of a cash acquisition or, if later, the date we give holders notice of the effective date of a cash acquisition, we will notify holders of:

- the cash acquisition conversion rate;
- the cash acquisition dividend make-whole amount and whether we will pay such amount in cash, shares of our common stock or a combination thereof, specifying the combination, if applicable; and
- the amount of accumulated and undeclared dividends as of the effective date of the cash acquisition and whether we will pay such amount by an adjustment of the conversion rate, a cash payment or a combination thereof, specifying the combination, if applicable.

Our obligation to deliver shares at the cash acquisition conversion rate and pay the cash acquisition dividend make-whole amount could be considered a penalty under state law, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

Conversion Procedures

Upon mandatory conversion

Any outstanding shares of Series B preferred stock will automatically convert into shares of common stock on the mandatory conversion date. The person or persons entitled to receive the shares of common stock issuable upon mandatory conversion of the Series B preferred stock will be treated as the record holder(s) of such shares as of 5:00 p.m., New York City time, on the mandatory conversion date. Except as provided in the section of this prospectus entitled "—Anti-dilution Adjustments," prior to 5:00 p.m., New York City time, on the mandatory conversion date, the shares of common stock issuable upon conversion of the Series B preferred stock will not be deemed to be outstanding for any purpose and you will have no rights with respect to such shares of common stock, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on the common stock, by virtue of holding the Series B preferred stock.

Upon early conversion

If you elect to convert your shares of Series B preferred stock prior to the mandatory conversion date, in the manner described in "—Conversion at the Option of the Holder" or "—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount," you must observe the following conversion procedures:

If you hold a beneficial interest in a global share of Series B preferred stock, to convert you must deliver to The Depository Trust Company (DTC) the appropriate instruction form for conversion pursuant to DTC's conversion program and, if required, pay all taxes or duties, if any.

If you hold shares of Series B preferred stock in certificated form, to convert you must:

- complete and manually sign the conversion notice on the back of the Series B preferred stock certificate or a facsimile of the conversion notice;
- deliver the completed conversion notice and the certificated shares of Series B preferred stock to be converted to the conversion agent;
- if required, furnish appropriate endorsements and transfer documents; and
- if required, pay all transfer or similar taxes, if any.

The conversion date will be the date on which you have satisfied all of the foregoing requirements. You will not be required to pay any taxes or duties relating to the issuance or delivery of our common stock if you exercise your conversion rights, but you will be required to pay any tax or duty that may be payable relating to any transfer involved in the issuance or delivery of the common stock in a name other than your own. Certificates representing common stock will be issued and delivered only after all applicable taxes and duties, if any, payable by you have been paid in full and will be issued on the later of the third business day immediately succeeding the conversion date and the business day after you have paid in full all applicable taxes and duties, if any.

The person or persons entitled to receive the shares of common stock issuable upon conversion of the Series B preferred stock will be treated as the record holder(s) of such shares as of 5:00 p.m., New York City time, on the applicable conversion date. Prior to 5:00 p.m., New York City time, on the applicable conversion date, the shares of common stock issuable upon conversion of the Series B preferred stock will not be deemed to be outstanding for any purpose and you will have no rights with respect to such shares of common stock, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on the common stock, by virtue of holding the Series B preferred stock.

Fractional shares

No fractional shares of common stock will be issued to holders of our Series B preferred stock upon conversion. In lieu of any fractional shares of common stock otherwise issuable in respect of the aggregate number of shares of our Series B preferred stock of any holder that are converted, that holder will be entitled to receive an amount in cash (computed to the nearest cent) equal to the product of: (i) that same fraction; and (ii) the average of the closing prices of our common stock over the five consecutive trading day period ending on the second trading day immediately preceding the conversion date.

If more than one share of our Series B preferred stock is surrendered for conversion at one time by or for the same holder, the number of shares of our common stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of our Series B preferred stock so surrendered.

Anti-dilution Adjustments

Each fixed conversion rate will be adjusted if:

(1) We issue common stock to all holders of our common stock as a dividend or other distribution, in which event, each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for determination of the holders of our common stock entitled to receive such dividend or other distribution will be divided by a fraction:

- the numerator of which is the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination, and
- the denominator of which is the sum of the number of shares of our common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination and the total number of shares of our common stock constituting such dividend or other distribution.

Any adjustment made pursuant to this clause (1) will become effective immediately after 5:00 p.m., New York City time, on the date fixed for such determination. If any dividend or distribution described in this clause (1) is declared but not so paid or made, each fixed conversion rate shall be readjusted, effective as of the date our Board of Directors publicly announces its decision not to make such dividend or distribution, to such fixed conversion rate that would be in effect if such dividend or distribution had not been declared. For the purposes of this clause (1), the number of shares of common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination shall not include shares held in treasury but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of common stock. We will not pay any dividend or make any distribution on shares of common stock held in treasury.

(2) We issue to all holders of our common stock rights or warrants (other than rights or warrants issued pursuant to a dividend reinvestment plan or share purchase plan or other similar plans) entitling them, for a period of up to 45 calendar days from the date of issuance of such rights or warrants, to subscribe for or purchase our shares of common stock at less than the "current market price" (as defined below) of our common stock, in which case each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for determination of the holders of our common stock entitled to receive such rights or warrants will be increased by multiplying such fixed conversion rate by a fraction:

- the numerator of which is the sum of the number of shares of common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination and the number of shares of our common stock issuable pursuant to such rights or warrants, and
- the denominator of which shall be the sum of the number of shares of common stock outstanding at 5:00 p.m., New York City time, on the date fixed for such determination and the number of shares of common stock equal to the quotient of the aggregate offering price payable to exercise such rights or warrants divided by the current market price of our common stock.

Any adjustment made pursuant to this clause (2) will become effective immediately after 5:00 p.m., New York City time, on the date fixed for such determination. In the event that such rights or warrants described in this clause (2) are not so issued, each fixed conversion rate shall be readjusted, effective as of the date our Board of Directors publicly announces its decision not to issue such rights or warrants, to such fixed conversion rate that would then be in effect if such issuance had not been declared. To the extent that such rights or warrants are not exercised prior to their expiration or shares of our common stock are otherwise not delivered pursuant to such rights or warrants upon the exercise of such rights or warrants, each fixed conversion rate shall be readjusted to such fixed conversion rate that would then

be in effect had the adjustment made upon the issuance of such rights or warrants been made on the basis of the delivery of only the number of shares of our common stock actually delivered. In determining the aggregate offering price payable for such shares of our common stock, there shall be taken into account any consideration received for such rights or warrants and the value of such consideration (if other than cash, to be determined by our Board of Directors). For the purposes of this clause (2), the number of shares of common stock at the time outstanding shall not include shares held in treasury but shall include any shares issuable in respect of any scrip certificates issued in lieu of fractions of shares of common stock. We will not issue any such rights or warrants in respect of shares of common stock held in treasury.

(3) We subdivide or combine our common stock, in which event the conversion rate in effect at 5:00 p.m., New York City time, on the effective date of such subdivision or combination shall be multiplied by a fraction:

- the numerator of which is the number of shares of our common stock that would be outstanding immediately after, and solely as a result of, such subdivision or combination, and
- the denominator of which is the number of shares of our common stock outstanding immediately prior to such subdivision or combination.

Any adjustment made pursuant to this clause (3) shall become effective immediately after 5:00 p.m., New York City time, on the effective date of such subdivision or combination.

(4) We distribute to all holders of our common stock evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets, excluding:

- any dividend or distribution covered by clause (1) above;
- any rights or warrants covered by clause (2) above;
- any dividend or distribution covered by clause (5) below; and
- any spin-off to which the provisions set forth below in this clause (4) shall apply,

in which event each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for the determination of holders of our common stock entitled to receive such distribution will be multiplied by a fraction:

- the numerator of which is the current market price of our common stock, and
- the denominator of which is the current market price of our common stock minus the fair market value, as determined by our Board of Directors, on such date fixed for determination of the portion of the evidences of indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets so distributed applicable to one share of our common stock.

In the event that we make a distribution to all holders of our common stock consisting of capital stock of, or similar equity interests in, or relating to a subsidiary or other business unit of ours (herein referred to as a “spin-off”), each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for the determination of holders of our common stock entitled to receive such distribution will be multiplied by a fraction:

- the numerator of which is the sum of the current market price of our common stock and the fair market value, as determined by our Board of Directors, of the portion of those shares of capital

stock or similar equity interests so distributed applicable to one share of common stock as of the fifteenth trading day after the effective date for such distribution (or, if such shares of capital stock or equity interests are listed on a national or regional securities exchange, the current market price of such securities), and

- the denominator of which is the current market price of our common stock.

Any adjustment made pursuant to this clause (4) shall become effective immediately after 5:00 p.m., New York City time, on the date fixed for the determination of the holders of our common stock entitled to receive such distribution. In the event that such distribution described in this clause (4) is not so made, each fixed conversion rate shall be readjusted, effective as of the date our Board of Directors publicly announces its decision not to make such distribution, to such fixed conversion rate that would then be in effect if such distribution had not been declared. If an adjustment to each fixed conversion rate is required under this clause (4) during any settlement period in respect of shares of Series B preferred stock that have been tendered for conversion, delivery of the shares of our common stock issuable upon conversion will be delayed to the extent necessary in order to complete the calculations provided for in this clause (4).

(5) We make a distribution consisting exclusively of cash to all holders of our common stock, excluding:

- any cash that is distributed in a reorganization event (as described below),
- any dividend or distribution in connection with our liquidation, dissolution or winding up, and
- any consideration payable as part of a tender or exchange offer,

in which event, each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date fixed for determination of the holders of our common stock entitled to receive such distribution will be multiplied by a fraction:

- the numerator of which is the current market price of our common stock, and
- the denominator of which is the current market price of our common stock minus the amount per share of such distribution.

Any adjustment made pursuant to this clause (5) shall become effective immediately after 5:00 p.m., New York City time, on the date fixed for the determination of the holders of our common stock entitled to receive such distribution. In the event that any distribution described in this clause (5) is not so made, each fixed conversion rate shall be readjusted, effective as of the date our Board of Directors publicly announces its decision not to make such distribution, to such fixed conversion rate which would then be in effect if such distribution had not been declared.

(6) We or any of our subsidiaries successfully complete a tender or exchange offer pursuant to a Schedule TO or registration statement on Form S-4 for our common stock (excluding any securities convertible or exchangeable for our common stock), where the cash and the value of any other consideration included in the payment per share of our common stock exceeds the current market price of our common stock, in which event each fixed conversion rate in effect at 5:00 p.m., New York City time, on the date of expiration of the tender or exchange offer (the “expiration date”) will be multiplied by a fraction:

- the numerator of which shall be equal to the sum of:

  (i) the aggregate cash and fair market value (as determined by our Board of Directors) on the expiration date of any other consideration paid or payable for shares purchased in such tender or exchange offer; and

(ii) the product of:

1. the current market price of our common stock; and

2. the number of shares of our common stock outstanding immediately after such tender or exchange offer expires (after giving effect to the purchase or exchange of shares pursuant to such tender or exchange offer), and

- the denominator of which shall be equal to the product of:

(i) the current market price of our common stock; and

(ii) the number of shares of our common stock outstanding immediately prior to the time such tender or exchange offer expires.

Any adjustment made pursuant to this clause (6) shall become effective immediately after 5:00 p.m., New York City time, on the seventh trading day immediately following the expiration date. In the event that we are, or one of our subsidiaries is, obligated to purchase shares of our common stock pursuant to any such tender offer or exchange offer, but we are, or such subsidiary is, permanently prevented by applicable law from effecting any such purchases, or all such purchases are rescinded, then each fixed conversation rate shall be readjusted to be such fixed conversion rate that would then be in effect if such tender offer or exchange offer had not been made. Except as set forth in the preceding sentence, if the application of this clause (6) to any tender offer or exchange offer would result in a decrease in each fixed conversation rate, no adjustment shall be made for such tender offer or exchange offer under this clause (6). If an adjustment to each fixed conversion rate is required pursuant to this clause (6) during any settlement period in respect of shares of Series B preferred stock that have been tendered for conversion, delivery of the related conversion consideration will be delayed to the extent necessary in order to complete the calculations provided for in this clause (6).

Except with respect to a spin-off, in cases where the fair market value of the evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets as to which clauses (4) or (5) above apply, applicable to one share of common stock, distributed to stockholders equals or exceeds the average of the closing prices of our common stock over the five consecutive trading day period ending on the trading day before the ex-date for such distribution, rather than being entitled to an adjustment in each fixed conversion rate, holders of the Series B preferred stock will be entitled to receive upon conversion, in addition to a number of shares of our common stock otherwise deliverable on the applicable conversion date, the kind and amount of the evidences of our indebtedness, shares of capital stock, securities, rights to acquire our capital stock, cash or other assets comprising the distribution that such holder would have received if such holder had owned, immediately prior to the record date for determining the holders of our common stock entitled to receive the distribution, for each share of Series B preferred stock, a number of shares of our common stock equal to the maximum conversion rate in effect on the date of such distribution.

To the extent that we have a rights plan in effect with respect to our common stock on any conversion date, upon conversion of any shares of the Series B preferred stock, you will receive, in addition to our common stock, the rights under the rights plan, unless, prior to such conversion date, the rights have separated from our common stock, in which case each fixed conversion rate will be adjusted at the time of separation as if we made a distribution to all holders of our common stock as described in clause (4) above, subject to readjustment in the event of the expiration, termination or redemption of such rights. Any distribution of rights or warrants pursuant to a rights plan that would allow you to receive upon conversion, in addition to any shares of our common stock, the rights described therein (unless such rights or warrants have separated from our common stock) shall not constitute a distribution of rights or warrants that would entitle you to an adjustment to the conversion rate.

For the purposes of determining the adjustment to the fixed conversion rate for the purposes of:

- clauses (2), (4) in the event of an adjustment not relating to a spin-off and (5) above, the "current market price" of our common stock is the average of the closing prices of our common stock over the five consecutive trading day period ending on the trading day before the "ex-date" with respect to the issuance or distribution requiring such computation;

- clause (4) above in the event of an adjustment relating to a spin-off, the "current market price" of our common stock, capital stock or equity interest, as applicable, is the average of the closing prices over the first ten consecutive trading days commencing on and including the fifth trading day following the effective date of such distribution; and

- clause (6) above, the "current market price" of our common stock is the average of the closing prices of our common stock over the five consecutive trading day period ending on the seventh trading day after the expiration date of the tender or exchange offer.

The term "ex-date," when used with respect to any issuance or distribution, means the first date on which shares of our common stock trade without the right to receive such issuance or distribution.

In the event of:

- any consolidation or merger of us with or into another person (other than a merger or consolidation in which we are the continuing corporation and in which the shares of our common stock outstanding immediately prior to the merger or consolidation are not exchanged for cash, securities or other property of us or another person);

- any sale, transfer, lease or conveyance to another person of all or substantially all of our property and assets;

- any reclassification of our common stock into securities, including securities other than our common stock; or

- any statutory exchange of our securities with another person (other than in connection with a merger or acquisition),

in each case, as a result of which our common stock would be converted into, or exchanged for, securities, cash or property (each, a "reorganization event"), each share of Series B preferred stock outstanding immediately prior to such reorganization event shall, without the consent of the holders of the Series B preferred stock, become convertible into the kind of securities, cash and other property that such holder would have been entitled to receive if such holder had converted its Series B preferred stock into common stock immediately prior to such reorganization event (such securities, cash and other property, the "exchange property"). For purposes of the foregoing, the type and amount of exchange property in the case of any reorganization event that causes our common stock to be converted into the right to receive more than a single type of consideration (determined based in part upon any form of shareholder election) will be deemed to be the weighted average of the types and amounts of consideration received by the holders of our common stock that affirmatively make such an election. The number of units of exchange property for each share of Series B preferred stock converted following the effective date of such reorganization event will be determined by the applicable conversion rate then in effect on the applicable conversion date (without interest thereon and without any right to dividends or distributions thereon which have a record date prior to the date such shares of Series B preferred stock are actually converted). The applicable conversion rate, in the case of a mandatory conversion, and the minimum conversion rate, in the case of an early conversion, shall be determined using the applicable market value of the exchange property. Holders have the right to convert their shares of Series B preferred stock early in the event of certain cash mergers as described in the section of this prospectus entitled "—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount."

In addition, we may make such increases in each fixed conversion rate as we deem advisable in order to avoid or diminish any income tax to holders of our common stock resulting from any dividend or distribution of shares of our common stock (or issuance of rights or warrants to acquire shares of our common stock) or from any event treated as such for income tax purposes or for any other reason. We may only make such a discretionary adjustment if we make the same proportionate adjustment to each fixed conversion rate.

In the event of a taxable distribution to holders of our common stock that results in an adjustment of each fixed conversion rate or an increase in each fixed conversion rate in our discretion, holders of Series B preferred stock may, in certain circumstances, be deemed to have received a distribution subject to U.S. federal income tax as a dividend. In addition, non-U.S. holders of Series B preferred stock may, in certain circumstances, be deemed to have received a distribution subject to U.S. federal withholding tax requirements. See the section of this prospectus entitled "Material U.S. Federal Tax Considerations—Tax Consequences to U.S. Holders—Distributions on Series B Preferred Stock and Common Stock."

Adjustments to the fixed conversion rates will be calculated to the nearest 1/10,000th of a share. Prior to the mandatory conversion date, no adjustment in a fixed conversion rate will be required unless the adjustment would require an increase or decrease of at least one percent in such fixed conversion rate. If any adjustment is not required to be made because it would not change the fixed conversion rates by at least one percent, then the adjustment will be carried forward and taken into account in any subsequent adjustment; provided, however, that with respect to adjustments to be made to the fixed conversion rates in connection with cash dividends paid by us, we will make such adjustments, regardless of whether such aggregate adjustments amount to one percent or more of the fixed conversion rates no later than of each calendar year; provided further that on the earlier of the mandatory conversion date, an early conversion date and the effective date of a cash acquisition, adjustments to the fixed conversion rates will be made with respect to any such adjustment carried forward that has not been taken into account before such date.

No adjustment to the conversion rate will be made if holders may participate in the transaction that would otherwise give rise to such adjustment as if they held, for each share of Series B preferred stock, a number of shares of our common stock equal to the maximum conversion rate then in effect.

The applicable conversion rate will not be adjusted:

(a) upon the issuance of any common stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on our securities and the investment of additional optional amounts in common stock under any plan;

(b) upon the issuance of any common stock or rights or warrants to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by us or any of our subsidiaries;

(c) upon the issuance of any common stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security outstanding as of the date the Series B preferred stock were first issued;

(d) for a change in the par value or no par value of our common stock; or

(e) for accumulated and unpaid dividends on the Series B preferred stock, except as described above under "—Mandatory Conversion," "—Conversion at the Option of the Holder" and "—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount."

We will be required, within five business days after the conversion rate is adjusted, to provide or cause to be provided written notice of the adjustment to the holders of shares of Series B preferred stock. We will also be required to deliver a statement setting forth in reasonable detail the method by which the adjustment to each fixed conversion rate was determined and setting forth each revised fixed conversion rate.

If an adjustment is made to the fixed conversion rates, an inversely proportional adjustment also will be made to the threshold appreciation price and the initial price solely for the purposes of determining which clauses of the definition of the conversion rate will apply on the mandatory conversion date. Because the applicable market value is an average of the closing prices of our common stock over a 40 consecutive trading day period, we will make appropriate adjustments to the closing prices prior to the relevant ex-date, effective date or expiration date, as the case may be, used to calculate the applicable market value to account for any adjustments to the initial price, the threshold appreciation price and the fixed conversion rates that become effective during the period in which the applicable market value is being calculated.

If:

- the record date for a dividend or distribution on our common stock occurs after the end of the 40 consecutive trading day period used for calculating the applicable market value and before the mandatory conversion date, and
- that dividend or distribution would have resulted in an adjustment of the number of shares issuable to the holders of Series B preferred stock had such record date occurred on or before the last trading day of such 40-trading day period,

then we will deem the holders of Series B preferred stock to be holders of record of our common stock for purposes of that dividend or distribution. In this case, the holders of the Series B preferred stock would receive the dividend or distribution on our common stock together with the number of shares of common stock issuable upon mandatory conversion of the Series B preferred stock.

Transfer Restrictions

Certain transfer restrictions will apply to shares of the Series B preferred stock. These restrictions are intended to protect against a limitation on our ability to use net operating loss carryovers and other tax benefits. See the section of this prospectus entitled “Description of Capital Stock—Certain Provisions of Our Certificate of Incorporation and Bylaws—Transfer Restrictions” for a more detailed description of these restrictions.

Book-entry, Delivery and Form

The certificates representing the Series B preferred stock will be issued in fully registered form. Ownership of beneficial interests in a global security will be limited to persons who have accounts with DTC (“participants”) or persons who hold interests through such participants. Ownership of beneficial interests in a global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants).

So long as DTC, or its nominee, is the registered owner or holder of a global security, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Series B preferred stock represented by such global security for all purposes under the certificate of designations and the securities. No beneficial owner of an interest in a global security will be able to transfer that interest except in accordance with the applicable procedures of DTC in addition to those provided for under the certificate of designations.

Payments of dividends on the global security will be made to DTC or its nominee, as the case may be, as the registered owner thereof. Neither we nor the party serving as registrar and transfer, conversion and dividend disbursing agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

We expect that DTC or its nominee, upon receipt of any payment of dividends in respect of a global security, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global security as shown on the records of DTC or its nominee, as the case may be. We also expect that payments by participants to owners of beneficial interests in such global security held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds.

We understand that DTC is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include:

- securities brokers and dealers;
- banks and trust companies; and
- clearing corporations and certain other organizations.

Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly (indirect participants).

Although DTC is expected to follow the foregoing procedures in order to facilitate transfers of interests in a global security among its participants, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we nor the party serving as registrar and transfer, conversion and dividend disbursing agent will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

If DTC is at any time unwilling or unable to continue as a depositary for the global security and we do not appoint a successor depositary within 90 days, we will issue certificated shares in exchange for the global securities. Holders of an interest in a global security may receive certificated shares, at our option, in accordance with the rules and procedures of DTC in addition to those provided for under the certificate of designations. Beneficial interests in global securities held by any direct or indirect participant may also be exchanged for certificated shares upon request to DTC by such direct participant (for itself or on behalf of an indirect participant), to the transfer agent in accordance with their respective customary procedures.

The information in this section concerning DTC and its book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

MATERIAL U.S. FEDERAL TAX CONSIDERATIONS

The following discussion describes material U.S. federal income and estate tax consequences associated with the purchase, ownership and disposition of the Series B preferred stock and the ownership and disposition of our common stock received as a dividend thereon or upon conversion thereof, as of the date of this prospectus. It is assumed in this discussion that you hold shares of our Series B preferred stock or common stock as capital assets within the meaning of Section 1221 of the IRC (generally, property held for investment). This discussion does not address all aspects of U.S. federal income or estate taxation. Furthermore, the discussion below is based upon the provisions of the IRC, the existing and proposed Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as of the date of this prospectus, and all of which are subject to change or differing interpretation, possibly with retroactive effect. This discussion does not address any state, local or foreign tax consequences, nor any federal tax consequences other than federal income and estate tax consequences. Persons considering the purchase, ownership, and disposition of our Series B preferred stock, and the ownership and disposition of our common stock received as a dividend thereon or upon conversion thereof, should consult their tax advisors concerning U.S. federal, state, local, foreign or other tax consequences in light of their particular situations.

THIS SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR SERIES B PREFERRED STOCK, AND THE OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK RECEIVED AS A DIVIDEND THEREON OR UPON CONVERSION THEREOF AND IS NOT TAX OR LEGAL ADVICE. PROSPECTIVE HOLDERS OF OUR SERIES B PREFERRED STOCK AND COMMON STOCK SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL, FOREIGN AND OTHER TAX LAWS).

Tax Consequences to U.S. Holders

A “U.S. Holder” of our Series B preferred stock or common stock means a holder that is for U.S. federal income tax purposes:

- An individual citizen or resident of the United States;
- A corporation (or other entity taxable as a corporation) created or organized in or under the laws of the United States or any state thereof or the District of Columbia;
- An estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- A trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our Series B preferred stock or common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership purchasing Series B preferred stock, we urge you to consult your tax advisor.

Distributions on Series B Preferred Stock and Common Stock

In general, any distribution we make to a U.S. Holder with respect to its shares of our Series B preferred stock or our common stock that constitutes a dividend for U.S. federal income tax purposes will be taxable upon receipt as ordinary income, although possibly at reduced rates, as discussed below. Any distribution of common stock treated as a dividend will be subject to tax as a dividend in the amount of the fair market value of our

common stock on the date of the distribution. That amount will also constitute the U.S. Holder's tax basis, and the holding period for the common stock will begin on the day following the distribution date. A distribution will constitute a dividend for U.S. federal income tax purposes to the extent made out of our current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Any distribution not constituting a dividend will be treated first as reducing the adjusted basis in the U.S. Holder's shares of our Series B preferred or common stock (as applicable) and, to the extent it exceeds such basis, will be treated as capital gain from the sale or exchange of such stock.

Dividends received by corporate U.S. Holders will be eligible for the dividends-received deduction, subject to certain restrictions, including restrictions relating to the holder's taxable income, holding period and debt financing. Under current law, dividends paid to individual U.S. Holders in taxable years beginning before January 1, 2011, will qualify for taxation at special rates if certain holding period and other applicable requirements are met.

As a holder of Series B preferred stock, you may be treated as receiving a constructive dividend distribution from us if the conversion rate is adjusted and as a result of such adjustment your proportionate interest in our assets or earnings and profits is increased. In some circumstances, either an increase in the conversion rate, or a failure to make an adjustment to the conversion rate, may result in a deemed taxable distribution to a holder of Series B preferred stock or common stock, if as a result of such failure, the proportionate interests of such holders in our assets or earnings and profits is increased. It is anticipated that such constructive dividends would be reported to you in the same manner as actual dividends. However, adjustments to the conversion rate made pursuant to a bona fide, reasonable anti-dilution adjustment formula generally should not result in a constructive dividend distribution.

A dividend that exceeds certain thresholds in relation to a U.S. Holder's tax basis in our Series B preferred stock or common stock (as applicable) could be characterized as an "extraordinary dividend." Generally, a corporate U.S. Holder that receives an extraordinary dividend is required to reduce its stock basis by the portion of such dividend that is not taxed because of the dividends-received deduction. If the amount of the reduction exceeds the U.S. Holder's tax basis in our Series B preferred stock or common stock (as applicable), the excess is treated as taxable gain. If you are a non-corporate U.S. holder and you receive an extraordinary dividend in taxable years beginning before January 1, 2011, you will be required to treat any losses on the sale of our Series B preferred stock or common stock as long-term capital losses to the extent of the extraordinary dividends you receive that qualify for the special tax rate on certain dividends described above.

Sale or Exchange of Series B Preferred Stock and Common Stock

Upon the sale or other disposition of our Series B preferred stock (other than pursuant to a conversion into common stock) or our common stock, you will generally recognize capital gain or loss equal to the difference between the amount realized and your adjusted tax basis in such stock. Such capital gain or loss will generally be long-term capital gain or loss if your holding period in respect of the stock is more than one year. For a discussion of your tax basis and holding period in respect of common stock received in the conversion of the Series B preferred stock, see below under "—Conversion of Series B Preferred Stock into Common Stock." Under current law, net long-term capital gain recognized in tax years beginning prior to January 1, 2011 by U.S. Holders who are individuals is eligible for a reduced rate of taxation. The deductibility of capital losses is subject to limitations.

Conversion of Series B Preferred Stock into Common Stock

A U.S. Holder will not recognize any income, gain, or loss upon the mandatory or optional conversion of Series B preferred stock into common stock, except that any cash or common stock you receive in respect of dividends in arrears will generally be taxable as described in "—Distributions on Series B Preferred Stock and Common Stock" above. In addition, any cash you receive in lieu of a fractional share of common stock will

generally be treated as if you received the fractional share, and then received the cash in redemption of the fractional share. The deemed redemption will generally result in capital gain or loss equal to the difference between the amount of cash received and your tax basis in the stock that is allocable to the fractional share.

Your tax basis in the common stock you receive upon a conversion (including any basis allocable to a fractional share) will generally equal the tax basis of the Series B preferred stock that was converted. Your tax basis in a fractional share will be determined by allocating your tax basis in the common stock between the common stock you receive upon conversion and the fractional share in accordance with their respective fair market values. Your holding period for the common stock you receive (other than common stock received in respect of dividends in arrears) will include your holding period for the converted Series B preferred stock.

If a U.S. Holder's Series B preferred stock is converted pursuant to certain other transactions, including our consolidation or merger into another person or a "cash acquisition" (as described in "Description of Series B Preferred Stock—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount"), the tax treatment of the conversion will depend upon the facts underlying the particular transaction triggering the conversion. Under those circumstances, U.S. Holders should consult their tax advisers to determine the specific tax treatment of a conversion.

Information Reporting and Backup Withholding

U.S. backup withholding (currently at a rate of 28%) is imposed on certain payments to persons that fail to furnish the information required under the U.S. information reporting requirements. Dividends on Series B preferred stock and common stock paid to a U.S. Holder will generally be exempt from backup withholding, provided the U.S. Holder meets applicable certification requirements, including providing a taxpayer identification number, or otherwise establishes an exemption. We must report annually to the Internal Revenue Service and to each U.S. Holder the amount of dividends paid to that holder and the proceeds from the sale, exchange or other disposition of our Series B preferred stock or our common stock, unless a U.S. Holder is an exempt recipient.

Backup withholding does not represent an additional tax. Any amounts withheld from a payment to a holder under the backup withholding rules will be allowed as a credit against the holder's United States federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the Internal Revenue Service.

Tax Consequences to Non-U.S. Holders

A "Non-U.S. Holder" is a beneficial owner of our Series B preferred stock or our common stock (other than an entity or arrangement classified as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder. Special rules may also apply to certain Non-U.S. Holders, such as:

- U.S. expatriates;
- "controlled foreign corporations";
- "passive foreign investment companies"; and
- investors in pass-through entities that are subject to special treatment under the IRC.

Non-U.S. Holders are urged to consult their tax advisors to determine the U.S. federal, state, local, and other tax consequences that may be relevant to them.

Distributions on Series B Preferred Stock and Common Stock

Except as described below, if you are a non-U.S. Holder of our Series B preferred stock or our common stock, actual and constructive dividends generally are subject to withholding of U.S. federal income tax at a 30% rate, or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate. Even if you are eligible for a lower treaty rate, we generally will be required to withhold at a 30% rate (rather than the lower treaty rate) on dividend payments to you, unless you have furnished to us (1) a valid Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, your status as a non-U.S. person and your entitlement to the lower treaty rate with respect to such payments, or (2) in the case of payments made outside the U.S. to an offshore account (generally, an account maintained by you at an office or branch of a bank or other financial institution at any location outside the U.S.), other documentary evidence establishing your entitlement to the lower treaty rate in accordance with U.S. Treasury regulations. If you are eligible for a reduced rate of U.S. withholding tax under a tax treaty, you may generally obtain a refund of any amounts withheld in excess of that rate by timely filing a refund claim with the Internal Revenue Service.

Under certain circumstances described above in "—Tax Consequences to U.S. Holders—Distributions on Series B Preferred Stock and Common Stock," Non-U.S. Holders may be deemed to receive constructive dividends. Because any constructive dividend to a Non-U.S. Holder will not give rise to any cash from which any applicable U.S. federal withholding tax can be satisfied, we intend to offset any withholding tax that we are required to collect against the fair market value of any common stock, cash payments or other distributions otherwise deliverable to you. As a result, if we make an adjustment to the conversion rate and the adjustment gives rise to a constructive dividend, non-U.S. holders should expect additional U.S. withholding on subsequent distributions.

If you wish to claim the benefit of an applicable treaty for dividends, you will be required to complete Internal Revenue Service Form W-8BEN (or other applicable form) and certify under penalties of perjury that you are not a U.S. person and that you are entitled to the benefits of the applicable treaty.

Dividends that are effectively connected with your conduct of a trade or business within the United States or, if certain tax treaties apply, are attributable to your U.S. permanent establishment, are not subject to the withholding tax, but instead are subject to U.S. federal income tax on a net income basis in the same manner as if you were a U.S. Holder. Special certification and disclosure requirements, including the completion of Internal Revenue Service Form W-8ECI (or any successor form), must be satisfied for effectively connected income to be exempt from withholding. If you are a foreign corporation, any such effectively connected dividends received by you may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

Special certification and other requirements apply to certain Non-U.S. Holders that are entities rather than individuals.

Sale or Exchange of Series B Preferred Stock and Common Stock

You generally will not be subject to U.S. federal income tax with respect to gain recognized on a sale or other disposition of shares of our Series B preferred stock (including the deemed exchange that gives rise to a payment of cash in lieu of a fractional share) or our common stock unless:

- The gain is effectively connected with your conduct of a trade or business in the United States and, if certain tax treaties apply, is attributable to your U.S. permanent establishment;

- If you are an individual and hold shares of our Series B preferred stock or our common stock as a capital asset, you are present in the United States for 183 days or more in the taxable year of the sale or other disposition, and certain other conditions are met; or

- We are or have been a "U.S. real property holding corporation" for U.S. federal income tax purposes and you held, directly or indirectly, at any time during the five-year period ending on the date of disposition, more than 5% of our Series B preferred stock or our common stock (as applicable) and you are not eligible for any treaty exemption.

If you are an individual and are described in the first bullet above, you will be subject to tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates in the same manner as if you were a U.S. Holder. If you are an individual and are described in the second bullet above, you will be subject to a flat 30% tax on the gain derived from the sale, which may be offset by U.S. source capital losses (even though you are not considered a resident of the United States). If you are a foreign corporation and are described in the first bullet above, you will be subject to tax on your gain under regular graduated U.S. federal income tax rates in the same manner as if you were a U.S. Holder and, in addition, may be subject to the branch profits tax on your effectively connected earnings and profits at a rate of 30% or at such lower rate as may be specified by an applicable income tax treaty.

We believe we are not and do not anticipate becoming a "U.S. real property holding corporation" for U.S. federal income tax purposes.

Conversion of Series B Preferred Stock into Common Stock

Generally, if you are a Non-U.S. Holder, you will not recognize any income, gain or loss on the conversion of the Series B preferred stock into our common stock. However, any cash or common stock you receive in respect of dividends in arrears will generally be treated as a taxable distribution subject to withholding, as described above in "—Distributions on Series B Preferred Stock and Common Stock." In addition, cash received in lieu of a fractional share of common stock will generally be treated as described above in "—Sale or Exchange of Series B Preferred Stock and Common Stock."

If a Non-U.S. Holder's Series B preferred stock is converted pursuant to certain other transactions, including our consolidation or merger into another person or a "cash acquisition" (as described in "Description of Series B Preferred Stock—Conversion at the Option of the Holder upon Cash Acquisition; Cash Acquisition Dividend Make-whole Amount"), the tax treatment of the conversion will depend upon the facts underlying the particular transaction triggering the conversion. Under those circumstances, Non-U.S. Holders should consult their tax advisers to determine the specific tax treatment of a conversion.

New Withholding Legislation

Newly enacted legislation imposes withholding taxes on certain types of payments made to certain non-U.S. entities. The legislation generally applies to payments made after December 31, 2012. Under this legislation, the failure to comply with certification, information reporting and other specified requirements (that are different from, and in addition to, the beneficial owner certification requirements described below) could result in a 30% withholding tax being imposed on payments of dividends on, and sales proceeds of, our Series B preferred stock and common stock to certain Non-U.S. Holders. Under certain circumstances, a Non-U.S. Holder of our Series B preferred stock or our common stock may be eligible for a refund or credit of such taxes. Investors are encouraged to consult with their tax advisors regarding the possible implications of this legislation on their investment in our Series B preferred stock or our common stock.

Federal Estate Tax

Shares of our Series B preferred stock and our common stock owned or treated as owned by an individual who is not a citizen or resident (as specially defined for U.S. federal estate tax purposes) of the United States at the time of death will be includible in the individual's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise, and therefore may be subject to U.S. federal estate tax.

Information Reporting and Backup Withholding

Under certain circumstances, Treasury regulations require information reporting and backup withholding on certain payments on Series B preferred stock and common stock.

U.S. backup withholding (currently at a rate of 28%) is imposed on certain payments to persons that fail to furnish the information required under the U.S. information reporting requirements. Dividends on Series B preferred stock and common stock paid to a Non-U.S. Holder will generally be exempt from backup withholding, provided the Non-U.S. Holder meets applicable certification requirements, including providing a correct and properly executed Internal Revenue Service Form W-8BEN or otherwise establishes an exemption. We must report annually to the Internal Revenue Service and to each Non-U.S. Holder the amount of dividends paid to that holder and the U.S. federal withholding tax withheld with respect to those dividends, regardless of whether withholding is reduced or eliminated by an applicable tax treaty. Copies of these information reports may also be made available under the provisions of an applicable treaty or other agreement to the tax authorities of the country in which the Non-U.S. Holder is a resident.

Under current Treasury regulations, payments of proceeds from the sale of our Series B preferred stock and our common stock effected through a foreign office of a broker to its customer generally are not subject to information reporting or backup withholding. However, if the broker is a U.S. person, a controlled foreign corporation for U.S. federal income tax purposes, a foreign person 50% or more of whose gross income is effectively connected with a United States trade or business for a specified three-year period, or a foreign partnership with significant United States ownership or engaged in a United States trade or business, then information reporting (but not backup withholding) will be required, unless the broker has in its records documentary evidence that the beneficial owner of the payment is a Non-U.S. Holder or is otherwise entitled to an exemption (and the broker has no knowledge or reason to know to the contrary), and other applicable certification requirements are met. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a United States person. Information reporting and backup withholding generally will apply to payments of proceeds from the sale of our Series B preferred stock and common stock effected through a United States office of any United States or foreign broker, unless the beneficial owner, under penalties of perjury, certifies, among other things, its status as a Non-U.S. Holder, or otherwise establishes an exemption. The certification procedures required to obtain a reduced rate of withholding under a treaty will satisfy the certification requirements necessary to avoid backup withholding as well.

Backup withholding does not represent an additional tax. Any amounts withheld from a payment to a holder under the backup withholding rules will be allowed as a credit against the holder’s United States federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the Internal Revenue Service.

UNDERWRITING

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, the number of shares of our Series B preferred stock indicated below:

Name	Number of Shares
Morgan Stanley & Co. Incorporated	
J.P. Morgan Securities LLC	
Goldman, Sachs & Co.	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Barclays Capital Inc.	
Citigroup Global Markets Inc.	
Credit Suisse Securities (USA) LLC	
Deutsche Bank Securities Inc.	
RBC Capital Markets Corporation	
Banco Bradesco BBI S.A.	
CIBC World Markets Corp.	
Commerz Markets LLC	
BNY Mellon Capital Markets, LLC	
ICBC International Securities Limited	
Itau BBA USA Securities, Inc.	
Lloyds TSB Bank plc	
China International Capital Corporation Hong Kong Securities Limited	
Loop Capital Markets LLC	
The Williams Capital Group, L.P.	
Soleil Securities Corporation	
Scotia Capital (USA) Inc.	
SMBC Nikko Capital Markets Limited	
U.S. Bancorp Investments, Inc.	
Sanford C. Bernstein & Co., LLC	
Cabrera Capital Markets, LLC	
CastleOak Securities, L.P.	
CF Global Trading LLC	
C.L. King & Associates, Inc.	
CRT Investment Banking LLC	
FBR Capital Markets & Co.	
Gardner Rich, LLC	
Lebenthal & Co., LLC	
M. R. Beal & Company	
Muriel Siebert & Co., Inc.	
Samuel A. Ramirez & Company, Inc.	
Total	60,000,000

We may add additional underwriters to the table above. Any such underwriters would be selected by us taking into account various criteria, including among other things their marketing and distribution capability, ownership and management diversity, and automotive industry expertise.

The underwriters are offering the shares of Series B preferred stock subject to their receipt and acceptance of the shares from us, subject to prior sale and subject to their right to reject any order in whole or in part. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of Series B preferred stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of Series B preferred stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares of Series B preferred stock covered by the underwriters' over-allotment option described below. The underwriting agreement also provides that if one or more underwriters default, the purchase commitments of the non-defaulting underwriters may be increased or the offering may be terminated.

The underwriters initially propose to offer part of the shares of Series B preferred stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of $ a share of Series B preferred stock under the public offering price. After the initial offering of the shares of Series B preferred stock, the offering price and other selling terms may from time to time be varied by the representatives. Sales of shares of Series B preferred stock outside of the United States may be made by affiliates of the underwriters.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 9,000,000 additional shares of Series B preferred stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of Series B preferred stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of Series B preferred stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of Series B preferred stock listed next to the names of all underwriters in the preceding table. If the underwriters purchase any additional shares of Series B preferred stock, they will offer the additional shares on the same terms as the other shares of Series B preferred stock that are the subject of this offering.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional 9,000,000 shares of Series B preferred stock.

		Total	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions to be paid by us	$	$	$
Proceeds, before expenses, to us	$	$	$

We estimate that the total offering expenses payable by us for the offering of common stock and this offering, exclusive of the underwriting discounts and commissions payable by us in this offering, are approximately $22.9 million. The underwriters have agreed to reimburse us for a portion of our legal and road show costs and expenses incurred in connection with the common stock offering and Series B preferred stock offering, up to a maximum aggregate amount of $3.0 million.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of Series B preferred stock offered by them.

Our Series B preferred stock has been approved for listing on the New York Stock Exchange under the trading symbol "GM Pr B", subject to official notice of issuance.

We and each of our executive officers and directors have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, we and they will not, during the period ending 180 days after the date of this prospectus (the restricted period):

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock (including, with respect to our executive officers and directors, without limitation, shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock which may be deemed to be beneficially owned by the executive officer or director in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant), or, in the case of our executive officers and directors, publicly disclose the intention to make any offer, sale, pledge or disposition; or

- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of common stock or Series B preferred stock or such other securities,

whether any such transaction described above is to be settled by delivery of shares of common stock or Series B preferred stock or such other securities, in cash or otherwise.

In addition, we have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, we will not, during the restricted period, file with the SEC a registration statement under the Securities Act (or with any Canadian securities commission a prospectus under Canadian securities laws) relating to any shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock. Furthermore, each of our executive officers and directors has agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC on behalf of the underwriters, such person will not, during the restricted period, make any demand for or exercise any right with respect to the registration of any shares of common stock or Series B preferred stock or any security convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock.

The restrictions on us described above do not apply to the sale of shares of common stock or Series B preferred stock to the underwriters.

With respect to us, the restrictions above also do not apply to:

- the issuance and/or sale of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock or the grant of equity-based awards (including options, restricted stock awards, restricted stock units and/or salary stock units) pursuant to the terms of any agreement or pursuant to any employee stock option plan, employee stock incentive plan or employee stock ownership plan existing as of the date of this prospectus or described herein;

- the issuance of shares of common stock or Series B preferred stock upon the conversion, exercise, exchange or settlement of any securities that are convertible into, exercisable or exchangeable for, or which may be settled for shares of common stock or Series B preferred stock (including warrants, options, restricted stock awards, restricted stock units and salary stock units) and that are outstanding as of the date of this prospectus or are described herein;

- the issuance of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for common stock or Series B preferred stock in connection with transfers to dividend reinvestment plans or to employee benefit plans in effect as of the date of this prospectus;

- the issuance of shares of common stock or Series B preferred stock to existing holders of such stock for purposes of effecting a stock dividend or stock split;

- the issuance of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for common stock or Series B preferred stock as consideration or partial consideration for any bona fide merger, acquisition, business combination or other strategic or commercial transaction or relationship; provided that the shares of common stock or Series B preferred stock, options, warrants or other convertible or exchangeable securities relating to common stock or Series B preferred stock so issued shall not have a fair market value (as reasonably determined by us after consultation with Morgan Stanley & Co. Incorporated and J.P. Morgan Securities LLC) in an amount greater than $5.0 billion and provided that the recipient of any securities so issued shall execute a lock-up agreement containing substantially the same lock-up restrictions described above for the balance of the restricted period;

- the filing of a registration statement on Form S-4 and/or Form S-8 (or any successor form) or of a prospectus under Canadian securities laws in connection with any of the foregoing exceptions; or

- the filing of any registration statement (or prospectus under Canadian securities laws) to the extent required by the exercise of a demand registration right by MLC pursuant to the Equity Registration Rights Agreement.

With respect to our executive officers and directors, the restrictions described above also do not apply to:

- sales, transfers or other dispositions of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock pursuant to a sales plan pursuant to Rule 10b5-1 under the Exchange Act existing as of the date of this prospectus in the form existing at such time;

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock to any beneficiary of such executive officer or director pursuant to a will or other testamentary document or applicable laws of descent;

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock as a bona fide gift or gifts;

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock to any trust, partnership or limited liability company for the direct or indirect benefit of such executive officer or director or their immediate family;

- distributions of shares of common stock or Series B preferred stock to their members, limited partners, stockholders or creditors; or

- transfers of shares of common stock or Series B preferred stock or any securities convertible into or exercisable or exchangeable for shares of common stock or Series B preferred stock to a corporation, partnership, limited liability company or other business entity that is a controlled or managed affiliate,

provided that, in the case of any transfer or distribution pursuant to the second, third, fourth, fifth and sixth bullets above, each transferee shall sign and deliver a lock-up letter containing substantially the same lock-up restrictions described above for the balance of the restricted period.

In addition, if (1) during the last 17 days of the restricted period, we issue an earnings release or material news or a material event relating to us occurs; or (2) prior to the expiration of the restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the restricted period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

In order to facilitate the offering of the Series B preferred stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Series B preferred stock. Specifically, the underwriters may sell more shares of Series B preferred stock than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares of Series B preferred stock available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing shares of Series B preferred stock in the open market. In determining the source of shares of Series B preferred stock to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares of Series B preferred stock compared to the price available under the over-allotment option. The underwriters may also sell shares of Series B preferred stock in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing shares of Series B preferred stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Series B preferred stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of Series B preferred stock in the open market to stabilize the price of the Series B preferred stock. The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions. The activities described above may raise or maintain the market price of the Series B preferred stock above independent market levels or prevent or retard a decline in the market price of the Series B preferred stock. The underwriters are not required to engage in these activities and may end any of these activities at any time if they are commenced.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to allocate a number of shares of Series B preferred stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

Prior to this offering, there has been no public market for our Series B preferred stock. The initial public offering price was determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours. We cannot assure you, however, that the price at which the shares of Series B preferred stock will sell in the public market after this offering will not be lower than the public offering price or that an active trading market in the shares of our Series B preferred stock will develop and continue after this offering.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking and other services for us for which they received or will receive compensatory fees and expense reimbursements.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Certain of the underwriters are not U.S.-registered broker-dealers and, therefore, to the extent that they intend to effect any sales of the securities in the United States, they will do so through one or more U.S. registered broker-dealers, which may be affiliates of such underwriters, in accordance with the applicable U.S. securities laws and regulations, and as permitted by FINRA regulations. One or more of the underwriters may be unable to make offers or sales in the United States other than through Rule 15a-6 under the Exchange Act.

60,000,000 Shares

% Series B Mandatory Convertible Junior Preferred Stock

PRELIMINARY PROSPECTUS

November 3, 2010

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the various expenses, other than underwriting discounts and commissions, incurred or to be incurred by us in connection with the sale of securities. All of the amounts shown are estimated, except the Securities and Exchange Commission registration fee, the New York Stock Exchange and Toronto Stock Exchange listing fees and the FINRA registration fee.

SEC registration fee	$ 1,165,560
FINRA filing fee	75,500
New York Stock Exchange and Toronto Stock Exchange listing fees	260,000
Printer fees and expenses	8,300,000
Legal fees and expenses	6,500,000
Accounting fees and expenses	3,500,000
Transfer agent and registrar fees	50,000
Miscellaneous fees and expenses	3,000,000
Total	$ 22,851,060

The underwriters have agreed to reimburse us for a portion of our legal and road show costs and expenses incurred in connection with the common stock offering and Series B preferred stock offering, up to a maximum aggregate amount of $3.0 million.

Item 14. Indemnification of Directors and Officers.

We indemnify our directors and officers under Section 145 of the DGCL.

Our Certificate of Incorporation, as amended, provides that no director shall be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability: (1) for any breach of the director's duty of loyalty to us or our stockholders; (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (3) under Section 174, or any successor provision thereto, of the DGCL; or (4) for any transaction from which the director derived an improper personal benefit.

Under Article V of our Bylaws, we shall indemnify and advance expenses to every director and officer in the manner and to the full extent permitted by applicable law as it presently exists, or may hereafter be amended, against any and all amounts (including judgments, fines, payments in settlement, attorneys' fees, and other expenses) reasonably incurred by or on behalf of such person in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative ("a proceeding"), in which such director or officer was or is made or is threatened to be made a party or called as a witness or is otherwise involved by reason of the fact that such person is or was a director or officer of ours, or is or was serving at our request as a director, officer, employee, fiduciary, or member of any other corporation, partnership, joint venture, trust, organization, or other enterprise, whether the basis of such proceeding is an alleged action in an official capacity as a director, officer, employee, fiduciary, or member. We shall not be required to indemnify a person in connection with a proceeding initiated by such person if the proceeding was not authorized by our Board of Directors.

Under Article V of our Bylaws, we shall pay the expenses of directors and officers incurred in defending any proceeding in advance of its final disposition; provided, however, that the advancement of expenses shall be made only upon receipt of an undertaking by the director or officer to repay all amounts advanced if it should be ultimately determined that by final judicial decision from which there is no further right of appeal the director or officer is not entitled to be indemnified under Article V of the Bylaws or otherwise.

Under Article V of our Bylaws, if a claim for indemnification or advancement of expenses by an officer or director under Article V of our Bylaws is not paid in full within 90 days after we have received a written claim, the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action, we shall have the burden of proving that the claimant was not entitled to the requested indemnification or advancement of expenses under applicable law.

The rights conferred on any person by Article V of our Bylaws shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of our Certificate of Incorporation or Bylaws, agreement, vote of stockholders or disinterested directors, or otherwise.

We are insured against liabilities which may be incurred by reason of Article V of our Bylaws. In addition, directors and officers are insured, at our expense, against some liabilities which might arise out of their employment.

Item 15. Recent Sales of Unregistered Securities

Holding Company Merger

In October 2009 in connection with a holding company merger effected pursuant to an Agreement and Plan of Merger, dated as of October 15, 2009 by and among us, Prior GM (our previous legal entity, which is now a wholly-owned subsidiary of the Company), and an indirect wholly-owned subsidiary of Prior GM, we issued new securities. These new securities were issued solely in exchange for the corresponding securities of Prior GM. These new securities have the same economic terms and provisions as the corresponding Prior GM securities and upon completion of the holding company merger were held by our securityholders in the same class evidencing the same proportional interest in us as the securityholders held in Prior GM.

Common Stock

- Issued 912,394,068 shares to the UST;
- Issued 175,105,932 shares to Canada Holdings;
- Issued 262,500,000 shares to the New VEBA; and
- Issued 150,000,000 shares to MLC.

Series A Preferred Stock

- Issued 83,898,305 shares to the UST;
- Issued 16,101,695 shares to Canada Holdings; and
- Issued 260,000,000 shares to the New VEBA.

The shares of Series A Preferred Stock have a liquidation amount of $25.00 per share and accrue cumulative dividends at a rate equal to 9.0% per annum (payable quarterly on March 15, June 15, September 15, and December 15) if, as and when declared by our Board of Directors. So long as any share of our Series A Preferred Stock remains outstanding, no dividend or distribution may be declared or paid on our common stock unless all accrued and unpaid dividends have been paid on our Series A Preferred Stock, subject to exceptions, such as dividends on our common stock payable solely in shares of our common stock. On or after December 31, 2014, we may redeem, in whole or in part, the shares of Series A Preferred Stock at the time outstanding, at a redemption price per share equal to $25.00 per share plus any accrued and unpaid dividends, subject to limited exceptions.

Warrants

- Issued warrants to MLC to acquire 136,363,636 shares of our common stock, exercisable at any time prior to July 10, 2016, with an exercise price of $10.00 per share;
- Issued warrants to MLC to acquire 136,363,636 shares of our common stock, exercisable at any time prior to July 10, 2019, with an exercise price of $18.33 per share; and
- Issued warrants to the New VEBA to acquire 45,454,545 shares of our common stock, exercisable at any time prior to December 31, 2015, with an exercise price set at $42.31 per share.

The number of shares of our common stock underlying each of the warrants issued to MLC and the New VEBA and the per share exercise price thereof are subject to adjustment as a result of certain events, including stock splits, reverse stock splits and stock dividends.

363 Sale

The foregoing securities were issued to the UST, Canada Holdings, the New VEBA, and MLC solely in exchange for the corresponding securities of Prior GM in connection with the holding company merger. The consideration originally paid for the securities of Prior GM with respect to each of the UST, Canada Holdings, the New VEBA, and MLC in connection with the formation of Prior GM and the 363 Sale on July 10, 2009 was as follows:

UST

- The UST's existing credit agreement with Old GM;
- The UST's portion of Old GM's DIP Facility (other than debt we assumed or MLC's wind-down facility) and all of the rights and obligations as lender thereunder;
- The warrants Old GM previously issued to the UST; and
- Any additional amounts UST loaned to Old GM prior to the closing of the 363 Sale with respect to each of the foregoing UST credit facilities.

Canada Holdings

- Certain existing loans made to GMCL by EDC;
- Canada Holding's portion of the DIP Facility (other than debt we assumed or MLC's wind-down facility); and
- The loans made to Prior GM under the loan agreement between Prior GM, EDC and UST immediately following the closing of the 363 Sale on July 10, 2009.

New VEBA

- The compromise of certain claims against MLC existing under the 2008 UAW Settlement Agreement.

MLC

- The assets acquired by us pursuant to the Purchase Agreement, offset by the liabilities we assumed pursuant to the Purchase Agreement.

Securities Act Exemption

The securities of Prior GM, and our securities issued in replacement thereof in the holding company merger, were issued pursuant to an exemption from registration provided by Section 4(2) under the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

(a) A list of exhibits filed with this registration statement on Form S-1 is set forth in the Exhibit Index and is incorporated herein by reference.

(b) Schedule II — Valuation and Qualifying Accounts is set forth after the Exhibit Index below and incorporated herein by reference.

Item 17. Undertakings.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act, General Motors Company has duly caused this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Detroit, State of Michigan, on November 3, 2010.

GENERAL MOTORS COMPANY

By: /s/ DANIEL F. AKERSON
Name: Daniel F. Akerson
Title: Chief Executive Officer (Principal Executive Officer)

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ DANIEL F. AKERSON Daniel F. Akerson	Chief Executive Officer (Principal Executive Officer)	November 3, 2010
/s/ CHRISTOPHER P. LIDDELL Christopher P. Liddell	Vice Chairman and Chief Financial Officer (Principal Financial Officer)	November 3, 2010
/s/ NICK S. CYPRUS Nick S. Cyprus	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	November 3, 2010
* Edward E. Whitacre, Jr.	Chairman of the Board	November 3, 2010
* David Bonderman	Director	November 3, 2010
* Erroll B. Davis, Jr.	Director	November 3, 2010
* Stephen J. Girsky	Director	November 3, 2010
* E. Neville Isdell	Director	November 3, 2010
* Robert D. Krebs	Director	November 3, 2010
* Philip A. Laskawy	Director	November 3, 2010

*	Director	November 3, 2010
Kathryn V. Marinello		
*	Director	November 3, 2010
Patricia F. Russo		
*	Director	November 3, 2010
Carol M. Stephenson		
*	Director	November 3, 2010
Cynthia A. Telles		

* The undersigned, by signing her name hereto, does execute this Registration Statement on behalf of the persons identified above pursuant to a power of attorney.

By: /s/ ANNE T. LARIN
Anne T. Larin
Attorney-in-Fact

EXHIBIT INDEX

Exhibit Number	Description of Documents
1.1	Form of Common Stock Underwriting Agreement**
1.2	Form of Series B Mandatory Convertible Junior Preferred Stock Underwriting Agreement**
3.1	Amended and Restated Certificate of Incorporation of General Motors Company, as amended, incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009
3.2	General Motors Company Amended and Restated Bylaws dated August 3, 2010, incorporated herein by reference to Exhibit 3.2 to the Current Report on Form 8-K of General Motors Company filed August 9, 2010
3.3	Certificate of Amendment of Amended and Restated Certificate of Incorporation of General Motors Company*
3.4	Certificate of Amendment of Amended and Restated Certificate of Incorporation of General Motors Company*
4.1	Certificate of Designations of Series A Fixed Rate Cumulative Perpetual Preferred Stock of General Motors Company, incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009
4.2	Form of Certificate of Designations of Series B Mandatory Convertible Junior Preferred Stock of General Motors Company**
5.1	Opinion of Robert C. Shrosbree*
10.1†	Second Amended and Restated Secured Credit Agreement among General Motors Company, as Borrower, the Guarantors, and the United States Department of the Treasury, as Lender, dated August 12, 2009, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009
10.2†	Assignment and Assumption Agreement and Third Amendment to Second Amended and Restated Secured Credit Agreement among General Motors LLC, General Motors Holdings LLC, General Motors Company and the United States Department of the Treasury, as Lender, dated as of October 19, 2009, incorporated herein by reference to Exhibit 10.3 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009
10.3†	Credit Agreement, dated as of October 27, 2010, among the General Motors Holdings LLC, the lenders party thereto, Citibank, N.A., as administrative agent, and Bank of America, N.A., as syndication agent*
10.5†	Second Amended and Restated Loan Agreement by and among General Motors of Canada Limited, as Borrower, and the other loan parties and Export Development Canada, as Lender, dated July 10, 2009, incorporated herein by reference to Exhibit 10.8 to the Current Report on Form 8-K of General Motors Company filed August 7, 2009
10.6	Amendment to Second Amended and Restated Loan Agreement by and among General Motors of Canada Limited, as Borrower, and the other loan parties and Export Development Canada, as Lender, dated October 15, 2009, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed October 23, 2009
10.7	Settlement Agreement dated as of September 10, 2009, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed September 17, 2009

10.8	Agreement, dated as of October 15, 2009 between General Motors Company (fka General Motors Holding Company), General Motors LLC (fka General Motors Company) and Motors Liquidation Company, incorporated herein by reference to Exhibit 10.7 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009
10.9	Stockholders Agreement, dated as of October 15, 2009 between General Motors Company, the United States Department of the Treasury, Canada GEN Investment Corporation (fka 7176384 Canada Inc.), the UAW Retiree Medical Benefits Trust, and, for limited purposes, General Motors LLC, incorporated herein by reference to Exhibit 10.8 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009
10.10	Master Disposition Agreement among Delphi Corporation, GM Components Holdings, LLC, General Motors Company, Motors Liquidation Company (fka General Motors Corporation), DIP Holdco 3, LLC, and the other sellers and other buyers party thereto dated July 26, 2009, incorporated herein by reference to Exhibit 10.9 to the Current Report on Form 8-K of General Motors Company filed August 7, 2009
10.11	Investment Commitment Agreement by and among Silver Point Capital Fund, LP, Silver Point Capital Offshore Fund, Ltd., Elliott Associates, LP, DIP Holdco 3, LLC, and General Motors Company dated July 26, 2009, incorporated herein by reference to Exhibit 10.10 to the Current Report on Form 8-K of General Motors Company filed August 7, 2009
10.12	UAW Retiree Settlement Agreement, dated July 10, 2009, between General Motors Company and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (the UAW), with the UAW also entering into the agreement as the authorized representative of certain persons receiving retiree benefits pursuant to collectively bargained plans, programs and/or agreement between General Motors Company and the UAW, incorporated herein by reference to Exhibit 10.12 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.13	Amended and Restated Global Settlement Agreement Between Delphi Corporation and General Motors Corporation, Dated September 12, 2008, incorporated herein by reference to Exhibit 10(b) to the Quarterly Report on Form 10-Q of Motors Liquidation Company filed November 10, 2008
10.14	Form of Compensation Statement, incorporated herein by reference to Exhibit 10.14 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.15	Summary of Employment Arrangement between General Motors Company and Edward E. Whitacre, Jr., incorporated herein by reference to Item 5.02 of the Current Report on Form 8-K of General Motors Company filed February 19, 2010
10.16	Employment Agreement for Christopher P. Liddell, incorporated herein by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q of General Motors Company filed May 17, 2010
10.17	General Motors Company Short Term Incentive Plan, incorporated by reference to Exhibit 10.17 to Amendment No. 2 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed October 14, 2010
10.18	Summary of Consulting Arrangement between General Motors Company and Stephen J. Girsky, incorporated herein by reference to Item 1.01 of the Current Report on Form 8-K of General Motors Company filed January 15, 2010
10.19	Summary of Employment Arrangement between General Motors Company and Stephen J. Girsky, incorporated herein by reference to Item 1.01 of the Current Report on Form 8-K of General Motors Company filed March 5, 2010
10.20	General Motors Executive Retirement Plan, as amended August 2, 2010, incorporated by reference to Exhibit 10.20 to Amendment No. 2 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed October 14, 2010
10.21	General Motors Company 2009 Long-Term Incentive Plan, as amended October 5, 2010, incorporated by reference to Exhibit 10.21 to Amendment No. 2 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed October 14, 2010

10.22	General Motors Company Salary Stock Plan, as amended October 5, 2010, incorporated by reference to Exhibit 10.22 to Amendment No. 2 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed October 14, 2010
10.23	Form of Restricted Stock Unit Grant made to top 25 highly compensated employees under General Motors Company 2009 Long-Term Incentive Plan, as Amended March 1, 2010, incorporated herein by reference to Exhibit 10.20 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.24	Form of Restricted Stock Unit Grant (Cash Settlement) made to top 25 highly compensated employees under General Motors Company 2009 Long-Term Incentive Plan, as Amended March 1, 2010, incorporated herein by reference to Exhibit 10.21 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.25	Form of Restricted Stock Unit Grant made to certain executive officers, incorporated herein by reference to Exhibit 10.a to the Quarterly Report on Form 10-Q of Motors Liquidation Company filed May 8, 2008
10.26	General Motors Company Vehicle Operations—Senior Management Vehicle Program (SMVP) Supplement, revised December 15, 2005, incorporated herein by reference to Exhibit 10(g) to the Annual Report on Form 10-K of Motors Liquidation Company filed March 28, 2006
10.27†	Amended and Restated United States Consumer Financing Services Agreement between GMAC LLC and General Motors Corporation dated May 22, 2009, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed August 7, 2009
10.28†	Amended and Restated Master Services Agreement between GMAC LLC and General Motors Corporation dated May 22, 2009, incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K of General Motors Company filed August 7, 2009
10.30	Agreement, dated as of October 22, 2001, between General Motors Corporation and General Motors Acceptance Corporation, incorporated herein by reference to Exhibit 10 to the Annual Report on Form 10-K of Motors Liquidation Company filed March 28, 2006
10.31	United States Consumer Agreement, dated as of November 30, 2006, between General Motors Corporation and GMAC LLC, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of Motors Liquidation Company filed November 30, 2006
10.32	Amended and Restated Warrant Agreement, dated as of October 16, 2009, between General Motors Company and U.S. Bank National Association, including Form of Warrant Certificate attached as Exhibit D thereto, relating to warrants with a $30 original ($10 after stock split) exercise price and a July 10, 2016 expiration date, incorporated herein by reference to Exhibit 10.29 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.33	Amended and Restated Warrant Agreement, dated as of October 16, 2009, between General Motors Company and U.S. Bank National Association, including Form of Warrant Certificate attached as Exhibit D thereto, relating to warrants with a $55 original ($18.33 after stock split) exercise price and a July 10, 2019 expiration date, incorporated herein by reference to Exhibit 10.30 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.34	Amended and Restated Warrant Agreement, dated as of October 16, 2009, between General Motors Company and U.S. Bank National Association, including Form of Warrant Certificate attached as Exhibit D thereto, relating to warrants with a $126.92 original ($42.31 after stock split) exercise price and a December 31, 2015 expiration date, incorporated herein by reference to Exhibit 10.31 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010
10.35	Equity Registration Rights Agreement, dated as of October 15, 2009, between General Motors Company, the United States Department of Treasury, Canada GEN Investment Corporation (fka 7176384 Canada Inc.), the UAW Retiree Medical Benefits Trust, Motors Liquidation Company, and, for limited purposes, General Motors LLC, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of Motors Liquidation Company filed October 21, 2009

10.36	Amended and Restated Master Sale and Purchase Agreement, dated June 26, 2009, between General Motors Corporation, Saturn LLC, Saturn Distribution Corporation, Chevrolet-Saturn of Harlem, Inc., and General Motors Company (fka NGMCO, Inc.), incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K of Motors Liquidation Company filed July 2, 2009
10.37	First Amendment to Amended and Restated Master Sale and Purchase Agreement, dated June 30, 2009, between General Motors Corporation, Saturn LLC, Saturn Distribution Corporation, Chevrolet-Saturn of Harlem, Inc., and General Motors Company (fka NGMCO, Inc.), incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K of Motors Liquidation Company filed July 8, 2009
10.38	Second Amendment to Amended and Restated Master Sale and Purchase Agreement, dated July 5, 2009, between General Motors Corporation, Saturn LLC, Saturn Distribution Corporation, Chevrolet-Saturn of Harlem, Inc., and General Motors Company (fka NGMCO, Inc.), incorporated herein by reference to Exhibit 2.2 to the Current Report on Form 8-K of Motors Liquidation Company filed July 8, 2009
10.39	Summary of Employment Arrangement between General Motors Company and Daniel F. Akerson, incorporated herein by reference to Item 5.02 of the Current Report on Form 8-K of General Motors Company filed September 10, 2010
10.40	Summary of Fee Arrangement between General Motors Company and Edward E. Whitacre, Jr., incorporated herein by reference to Item 5.02 of the Current Report on Form 8-K of General Motors Company filed September 10, 2010
10.41	Letter Agreement regarding the Second Amended and Restated Secured Credit Agreement among General Motors Holdings LLC, as Borrower, the Guarantors, and the United States Department of the Treasury, as Lender, dated September 22, 2010, incorporated by reference to Exhibit 10.41 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed September 23, 2010
10.42	Letter Agreement regarding Series A Purchase, dated October 27, 2010, between General Motors Company and the United States Department of the Treasury, incorporated herein by reference to Item 10.42 to Amendment No. 4 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed September 28, 2010
10.43	Letter Agreement regarding Equity Registration Rights Agreement, dated October 21, 2010, among General Motors Company, the United States Department of Treasury, Canada GEN Investment Corporation, the UAW Retiree Medical Benefits Trust and Motors Liquidation Company*
12.1	Computation of Ratios of Earnings to Fixed Charges and Preferred Stock Dividends for the Six Months Ended June 30, 2010 and the Periods July 10, 2009 through December 31, 2009 and January 1, 2009 through July 9, 2009 and for the Years Ended December 31, 2008, 2007, 2006 and 2005, incorporated by reference to Exhibit 12.1 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed August 18, 2010
21.1	List of Subsidiaries of General Motors Company, incorporated by reference to Exhibit 21.1 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed August 18, 2010
23.1	Consent of Deloitte & Touche LLP (General Motors Company)*
23.2	Consent of Deloitte & Touche LLP (Ally Financial Inc. fka GMAC Inc.)*
23.3	Consent of Robert C. Shrosbree (included in Exhibit 5.1)*
24.1	Powers of Attorney for Directors of General Motors Corporation, incorporated by reference to Exhibit 24.1 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed August 18, 2010

99.1	Consolidated Financial Statements of Ally Financial Inc. (fka GMAC Inc.) and subsidiaries at December 31, 2009 and 2008 and for each of the three years in the period ended December 31, 2009, incorporated herein by reference to Exhibit 99.1 to Amendment No. 3 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed October 25, 2010
99.2	Consolidated Financial Statements of Ally Financial Inc. (fka GMAC Inc.) and subsidiaries at June 30, 2010 (unaudited) and December 31, 2009 and for the three and six month periods ended June 30, 2010 (unaudited) and the three and six month periods ended June 30, 2009 (unaudited), incorporated by reference to Exhibit 99.2 to Amendment No. 2 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed October 14, 2010

* Filed herewith.

** To be filed by amendment.

† Certain confidential portions have been omitted pursuant to a request for confidential treatment, which has been separately filed with the Securities and Exchange Commission.

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS

(Dollars in millions)

Description	Balance at Beginning of Period	Additions Charged to Costs and Expenses	Additions Charged to Other Accounts	Deductions	Effect of Application of Fresh-Start Reporting	Balance at End of Period
Successor						
For the period July 10, 2009 through December 31, 2009						
Allowances Deducted from Assets						
Accounts and notes receivable (for doubtful receivables)	$ —	251	—	1	—	$ 250
Other investments and miscellaneous assets (receivables and other)	$ —	—	7	—	—	$ 7
Predecessor						
For the period January 1, 2009 through July 9, 2009						
Allowances Deducted from Assets						
Accounts and notes receivable (for doubtful receivables)	$ 422	1,482	76	6	(1,974)	$ —
Other investments and miscellaneous assets (receivables and other)	$ 43	—	3	—	(46)	$ —
For the Year Ended December 31, 2008						
Allowances Deducted from Assets						
Accounts and notes receivable (for doubtful receivables)	$ 338	157	—	73	—	$ 422
Other investments and miscellaneous assets (receivables and other)	$ 14	—	29	—	—	$ 43
For the Year Ended December 31, 2007						
Allowances Deducted from Assets						
Accounts and notes receivable (for doubtful receivables)	$ 397	—	11	70	—	$ 338
Other investments and miscellaneous assets (receivables and other)	$ 17	—	—	3	—	$ 14

Exhibit 3.3

CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
GENERAL MOTORS COMPANY

General Motors Company, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), does hereby certify that:

1. The name of the Corporation is General Motors Company.

2. The date of filing of the Corporation's original Certificate of Incorporation with the Secretary of State of the State of Delaware was August 11, 2009.

3. The date of filing of the Amended and Restated Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware was October 15, 2009.

4. This amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

5. This Certificate of Amendment shall be effective upon filing.

6. The Amended and Restated Certificate of Incorporation of the Corporation is amended by deleting the first paragraph of ARTICLE FOURTH thereof in its entirety and inserting the following:

"FOURTH. The total number of shares of capital stock which the Corporation shall have authority to issue is 7,000,000,000, consisting of 2,000,000,000 shares of Preferred Stock, par value $0.01 per share (hereinafter referred to as "Preferred Stock"), and 5,000,000,000 shares of Common Stock, par value $0.01 per share (hereinafter referred to as "Common Stock").

Upon this Certificate of Amendment of Amended and Restated Certificate of Incorporation of the Corporation becoming effective pursuant to the General Corporation Law of the State of Delaware (the "Effective Time"), each share of common stock of the Corporation, par value $0.01 per share (the "Old Common Stock"), issued and outstanding immediately prior to the Effective Time, shall without further action on the part of the Corporation or any holder of Old Common Stock automatically be reclassified as and subdivided into three (3) shares of Common Stock. Any stock certificate that, immediately prior to the Effective Time, represented shares of the Old Common Stock will, from and after the Effective Time, automatically and without the necessity of presenting the same for exchange, represent the number of shares of the Common Stock as equals the product obtained by multiplying the number of shares of Old Common Stock represented by such certificate immediately prior to the Effective Time by three (3); provided, however, that each holder of record of a certificate that represented shares of Old Common Stock shall receive upon surrender of such certificate a new certificate representing the number of shares of Common Stock into which the shares of Old Common Stock represented by such certificate have been reclassified pursuant hereto."

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment as of this 1st day of November, 2010

GENERAL MOTORS COMPANY

By: /s/ Anne T. Larin
Name: Anne T. Larin
Title: Secretary

Exhibit 3.4

CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
GENERAL MOTORS COMPANY

General Motors Company, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), does hereby certify that:

1. The name of the Corporation is General Motors Company.

2. The date of filing of the Corporation's original Certificate of Incorporation with the Secretary of State of the State of Delaware was August 11, 2009.

3. The date of filing of the Amended and Restated Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware was October 15, 2009.

4. This amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

5. This Certificate of Amendment shall be effective upon filing.

6. The Amended and Restated Certificate of Incorporation of the Corporation is amended to add the following provisions as ARTICLE TENTH thereof:

TENTH.

Section 1. Definitions. As used in this ARTICLE TENTH, the following capitalized terms have the following meanings when used herein with initial capital letters (and any references to any portions of Treasury Regulation §1.382–2T shall include any successor provisions):

"Agent" has the meaning set forth in Section 5 of this ARTICLE TENTH.

"Board of Directors" or "Board" means the board of directors of the Corporation.

"Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

"Close of Business" on any given date shall mean 5:00 p.m., New York time, on such date; provided, however, that, if such date is not a Business Day, it shall mean 5:00 p.m., New York time, on the next succeeding Business Day.

"Code" means the United States Internal Revenue Code of 1986, as amended, including any successor statute.

"Common Stock" means the common stock, par value $0.01 per share, of the Corporation, and any Security Entitlement with respect to such Common Stock.

"Corporation Security" or "Corporation Securities" means (i) shares of Common Stock, (ii) shares of Preferred Stock (other than preferred stock described in Section 1504(a)(4) of the Code or treated as so described pursuant to Treasury Regulation §1.382–2(a)(3)(i)), (iii) warrants, rights, or options (including options within the meaning of Treasury Regulation §1.382–2T(h)(4)(v)) to purchase Securities of the Corporation and (iv) any Stock; provided, however, that "Corporation Security" or "Corporation Securities" shall not mean shares of Series A Fixed Rate Cumulative Perpetual Preferred Stock, par value $0.01 per share, of the Corporation.

"Excess Securities" has the meaning given such term in Section 4(a) of this ARTICLE TENTH;

"Expiration Date" means the earliest of (i) the Close of Business on December 31, 2013, subject to extension in accordance with Section 2(b) of this ARTICLE TENTH; (ii) the date upon which the Board of Directors determines by resolution that due to the repeal of Section 382 of the Code, or any other change in law, this ARTICLE TENTH is no longer necessary for the preservation of Tax Benefits; (iii) the first day of any taxable year of the Corporation to which the Board of Directors determines by resolution that no Tax Benefits may be carried forward; or (iv) such date as the Board of Directors determines for the restrictions set forth in Section 2 of this ARTICLE TENTH to terminate.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Five Percent Transaction" has the meaning set forth in Section 2(a) of this ARTICLE TENTH.

"Five Percent Stockholder" means a Person with a Percentage Stock Ownership of 4.9% or more.

"MLC Entity" means Motors Liquidation Company or any trust (whether one or more) created pursuant to a chapter 11 plan of Motors Liquidation Company, as amended or modified from time to time, which has been confirmed by the United States Bankruptcy Court for the Southern District of New York or any other entity distributing Corporation Securities pursuant to such chapter 11 plan.

"Percentage Stock Ownership" means the percentage stock ownership interest of any Person for purposes of Section 382 of the Code as determined in accordance with Treasury Regulation §§1.382–2T(g), (h) and (k) and 1.382–4;

provided, that (1) for purposes of applying Treasury Regulation §1.382–2T(k)(2), the Corporation shall be treated as having "actual knowledge" of the beneficial ownership of all outstanding shares of Stock that would be attributed to any individual or entity, and (2) for the sole purpose of determining the Percentage Stock Ownership of any entity (and not for the purpose of determining the Percentage Stock Ownership of any other Person), Corporation Securities held by such entity shall not be treated as no longer owned by such entity pursuant to Treasury Regulation §1.382–2T(h)(2)(i)(A).

"Person" means any individual, firm, corporation, business trust, joint stock company, partnership, trust, limited liability company, limited partnership, governmental or other entity, or any group of Persons making a "coordinated acquisition" of shares or otherwise treated as an entity within the meaning of Treasury Regulation §1.382–3(a)(1), and shall include any successor (by merger or otherwise) of any such entity; provided, however, that a Person shall not mean a Public Group.

"Preferred Stock" means the preferred stock, par value $0.01 per share, of the Corporation.

"Prohibited Distributions" means any and all dividends or other distributions paid by the Corporation with respect to any Excess Securities received by a Purported Transferee.

"Prohibited Transfer" means any Transfer or purported Transfer of Corporation Securities to the extent that such Transfer is prohibited and/or void under this ARTICLE TENTH.

"Proposed Transaction" has the meaning set forth in Section 3(b) of this ARTICLE TENTH.

"Public Group" has the meaning set forth in Treasury Regulation §1.382–2T(f)(13).

"Purported Transferee" has the meaning set forth in Section 4(a) of this ARTICLE TENTH.

"Request" has the meaning set forth in Section 3(b) of this ARTICLE TENTH.

"Requesting Person" has the meaning set forth in Section 3(b) of this ARTICLE TENTH.

"Securities" and "Security" each has the meaning set forth in Section 7 of this ARTICLE TENTH.

"Security Entitlement" has the meaning set forth in Section 8-102(17) of the Uniform Commercial Code.

"Stock" means any interest or Security Entitlement that would be treated as "stock" of the Corporation pursuant to Treasury Regulation §1.382–2T(f)(18).

"Subsidiary" or "Subsidiaries" of any Person means any corporation or other entity of which securities or other ownership interests having ordinary voting power sufficient to elect a majority of the board of directors or other Persons performing similar functions are beneficially owned, directly or indirectly, by such Person, and any corporation or other entity that is otherwise controlled by such Person.

"Tax Benefits" means the net operating loss carryovers, capital loss carryovers, general business credit carryovers, alternative minimum tax credit carryovers and foreign tax credit carryovers, as well as any loss or deduction attributable to a "net unrealized built-in loss" of the Corporation or any of its Subsidiaries as of December 31, 2009, within the meaning of Section 382 of the Code.

"Transfer" means, any direct or indirect sale, transfer, assignment, conveyance, pledge or other disposition or other action taken by a Person, other than the Corporation, that alters the Percentage Stock Ownership of any Person. A Transfer also shall include the creation or grant of an option (including an option within the meaning of Treasury Regulation §1.382–2T(h)(4)(v)). Notwithstanding anything to the contrary, a Transfer shall not include any Transfer (determined without regard to this sentence) (i) by any MLC Entity to or for the benefit of creditors of Motors Liquidation Company, beneficiaries of any trust created pursuant to a chapter 11 plan of Motors Liquidation Company as amended or modified from time to time, which has been confirmed by the United States Bankruptcy Court for the Southern District of New York or another MLC Entity, (ii) by any Person distributing Corporation Securities pursuant to a chapter 11 plan of Motors Liquidation Company as amended or modified from time to time, which has been confirmed by the United States Bankruptcy Court for the Southern District of New York, and (iii) by any Person for distribution in the Initial Public Offering (as defined in ARTICLE NINTH). For the avoidance of doubt, a Transfer shall not include (i) the creation or grant of an option by the Corporation or (ii) the issuance or grant of Stock by the Corporation (including, but not limited to, the exercise of any warrant issued by the Corporation).

"Transferee" means, with respect to any Transfer, any Person to whom Corporation Securities are, or are proposed to be, Transferred.

"Transferor" means, with respect to any Transfer, any Person by or from whom Corporation Securities are, or are proposed to be, Transferred.

"Treasury Regulations" means the regulations, including temporary regulations or any successor regulations promulgated under the Code, as amended from time to time.

Section 2. Transfer and Ownership Restrictions.

(a) In order to preserve the Tax Benefits, from and after the day prior to the Initial Public Offering (as defined in ARTICLE NINTH), any attempted Transfer of Corporation Securities prior to the Expiration Date and any attempted Transfer of Corporation Securities pursuant to an agreement entered into prior to the Expiration Date shall be prohibited and void *ab initio* to the extent that, as a result of such Transfer (or any series of Transfers of which such Transfer is a part), either (i) any Person would become a Five Percent Stockholder or (ii) the Percentage Stock Ownership in the Corporation of any Five Percent Stockholder would be increased (any such Transfer that would have the result described in clauses (i) or (ii), a "Five Percent Transaction"). The prior sentence is not intended to prevent the Corporation Securities from being DTC-eligible or CDS-eligible and shall not preclude either the transfer to DTC, CDS or to any other securities intermediary, as such term is defined in § 8-102(14) of the Uniform Commercial Code, of Corporation Securities not previously held through DTC, CDS or such intermediary or the settlement of any transactions in the Corporation Securities entered into through the facilities of a national securities exchange, any national securities quotation system or any electronic or other alternative trading system; provided that if such transfer or the settlement of the transaction would result in a Prohibited Transfer, such Transfer shall nonetheless be a Prohibited Transfer subject to all of the provisions and limitations set forth in the remainder of this ARTICLE TENTH.

(b) The Expiration Date is subject to extension for two (2) additional one (1) year terms (*i.e.*, until December 31, 2014, and December 31, 2015) if, in each case, the Board of Directors determines by a resolution adopted not more than three (3) months prior to the then scheduled Expiration Date that the extension of the transfer restrictions provided in Section 2(a) of this ARTICLE TENTH is reasonably necessary in order to preserve the Tax Benefits and would be in the best interests of the Corporation and its stockholders.

Section 3. Exceptions; Waiver of Transfer and Ownership Restrictions.

(a) Any Transfer of Corporation Securities that would otherwise be prohibited pursuant to Section 2(a) of this ARTICLE TENTH shall nonetheless be permitted if (i) prior to such Transfer being consummated (or, in the case of an involuntary Transfer, as soon as practicable after the transaction is consummated), the Board of Directors approves the Transfer in accordance with Sections 3(b) or 3(c) of this ARTICLE TENTH (such approval may relate to a Transfer or series of identified Transfers), (ii) such Transfer is pursuant to any transaction, including, but not limited to, a merger or consolidation, in which all holders of

Corporation Securities receive, or are offered the same opportunity to receive, cash or other consideration for all such Corporation Securities, and upon the consummation of which the acquiror will own at least a majority of the outstanding shares of Common Stock or (iii) such Transfer is a Transfer to an underwriter for distribution in a public offering; provided, however, that Transfers by such underwriter to purchasers in such offering remain subject to this ARTICLE TENTH.

(b) The restrictions contained in this ARTICLE TENTH are for the purposes of reducing the risk that any "ownership change" (as defined in the Code) with respect to the Corporation may limit the Corporation's ability to utilize its Tax Benefits. The restrictions set forth in Section 2(a) of this ARTICLE TENTH shall not apply to a proposed Transfer that is a Five Percent Transaction if the Transferor or the Transferee obtains the authorization of the Board of Directors in the manner described below. In connection therewith, and to provide for effective policing of these provisions, any Person who desires to effect a Five Percent Transaction (a "Requesting Person") shall, prior to the date of such transaction for which the Requesting Person seeks authorization (the "Proposed Transaction"), request in writing (a "Request") that the Board of Directors review the Proposed Transaction and authorize or not authorize the Proposed Transaction in accordance with this Section 3(b). A Request shall be mailed or delivered to the Secretary of the Corporation at the Corporation's principal place of business. Such Request shall be deemed to have been received by the Corporation when actually received by the Corporation. A Request shall include: (i) the name, address and telephone number of the Requesting Person; (ii) the number and Percentage Stock Ownership of Corporation Securities then beneficially owned by the Requesting Person; (iii) a reasonably detailed description of the Proposed Transaction or Proposed Transactions for which the Requesting Person seeks authorization; and (iv) a request that the Board of Directors authorize the Proposed Transaction pursuant to this Section 3(b). The Board of Directors shall, in good faith, endeavor to respond to each Request within twenty (20) Business Days of receiving such Request. The Board of Directors may authorize a Proposed Transaction if it determines that the Proposed Transaction would not jeopardize the Corporation's ability to preserve and use the Tax Benefits. Any determination by the Board of Directors not to authorize a Proposed Transaction shall cause such Proposed Transaction to be deemed a Prohibited Transfer. The Board of Directors may impose any conditions that it deems reasonable and appropriate in connection with authorizing any Proposed Transaction. In addition, the Board of Directors may require an affidavit or representations from such Requesting Person or opinions of counsel to be rendered by counsel selected by the Requesting Person (and reasonably acceptable to the Board of Directors), in each case, as to such matters as the Board of Directors may reasonably determine with respect to the preservation of the Tax Benefits. Any Requesting Person who makes a Request to the Board of Directors shall reimburse the Corporation, within thirty (30) days of demand therefor, for all reasonable out-of-pocket costs and expenses incurred by the

Corporation with respect to any Proposed Transaction, including, without limitation, the Corporation's reasonable costs and expenses incurred in determining whether to authorize the Proposed Transaction, which costs may include, but are not limited to, any expenses of counsel and/or tax advisors engaged by the Board of Directors to advise the Board of Directors or deliver an opinion thereto. Any authorization of the Board of Directors hereunder may be given prospectively or retroactively. Furthermore, the Board of Directors shall approve within ten (10) Business Days of receiving a Request as provided in this Section 3(b) any proposed Transfer: (x) that does not add to any aggregate increase in Percentage Stock Ownership by the Five Percent Stockholders (as determined after giving effect to the proposed Transfer) over the lowest Percentage Stock Ownership by the Five Percent Stockholders (as determined immediately before the proposed Transfer) at any time during the relevant testing period, in all cases for purposes of Section 382 of the Code, (y) if such proposed Transfer and all prior and anticipated Transfers effected or expected to be effected during the relevant testing period do not result in an aggregate "owner shift" (as defined in the Code) of more than 40% for purposes of Section 382 of the Code, or (z) that results in or is part of an "ownership change" (as defined in the Code) that is described in Section 382(n)(1) of the Code, as interpreted by any applicable regulations or official interpretations, including without limitation, any private letter rulings received by the Corporation (and the Corporation will promptly seek any such private letter ruling reasonably requested by a stockholder). For purposes of clause (x) of the preceding sentence, any MLC Entity's ownership shall be considered as having been acquired during the relevant testing period, and, for the avoidance of doubt, Percentage Stock Ownership shall be determined without regard to the potential application of Code Section 382(n) to an "ownership change" attributable, in part, to such Percentage Stock Ownership.

(c) Notwithstanding the foregoing, the Board of Directors may determine that the restrictions set forth in Section 2(a) of this ARTICLE TENTH shall not apply to any particular transaction or transactions, whether or not a request has been made to the Board of Directors, including a Request pursuant to Section 3(b) of this ARTICLE TENTH, subject to any conditions that it deems reasonable and appropriate in connection therewith. Any determination of the Board of Directors hereunder may be made prospectively or retroactively.

(d) The Board of Directors, to the fullest extent permitted by law, may exercise the authority granted by this ARTICLE TENTH through duly authorized officers or agents of the Corporation. Nothing in this Section 3 shall be construed to limit or restrict the Board of Directors in the exercise of its fiduciary duties under applicable law.

Section 4. Excess Securities.

(a) No employee or agent of the Corporation shall record any Prohibited Transfer, and the purported Transferee of such a Prohibited Transfer (the "Purported Transferee") shall not be recognized as a stockholder of the Corporation for any purpose whatsoever in respect of the Corporation Securities which are the subject of the Prohibited Transfer (the "Excess Securities"). Until the Excess Securities are acquired by another Person in a Transfer that is not a Prohibited Transfer, the Purported Transferee shall not be entitled to any rights of stockholders of the Corporation with respect to such Excess Securities, including, without limitation, the right to vote such Excess Securities and to receive dividends or distributions, whether liquidating or otherwise, in respect thereof, if any, and the Excess Securities shall be deemed to remain with the Transferor unless and until the Excess Securities are transferred to the Agent pursuant to Section 5 of this ARTICLE TENTH or until an approval is obtained under Section 3 of this ARTICLE TENTH. After the Excess Securities have been acquired in a Transfer that is not a Prohibited Transfer, the Corporation Securities shall cease to be Excess Securities. For this purpose, any Transfer of Excess Securities not in accordance with the provisions of this Section 4 or Section 5 of this ARTICLE TENTH shall also be a Prohibited Transfer.

(b) The Corporation may make such arrangements or issue such instructions to its stock transfer agent as may be determined by the Board of Directors to be necessary or advisable to implement this ARTICLE TENTH, including, without limitation, authorizing, in accordance with Section 9 of this ARTICLE TENTH, such transfer agent to require an affidavit from a Purported Transferee regarding such Person's actual and constructive ownership of stock and other evidence that a Transfer will not be prohibited by this ARTICLE TENTH as a condition to registering any Transfer.

Section 5. Transfer to Agent. If the Board of Directors determines that a Transfer of Corporation Securities constitutes a Prohibited Transfer then, upon written demand by the Corporation sent within thirty (30) days of the date on which the Board of Directors determines that the attempted Transfer constitutes a Prohibited Transfer, the Purported Transferee shall transfer or cause to be transferred any certificate or other evidence of ownership of the Excess Securities within the Purported Transferee's possession or control, together with any Prohibited Distributions, to an agent designated by the Board of Directors (the "Agent"). The Agent shall thereupon sell to a buyer or buyers, which may include the Corporation, the Excess Securities transferred to it in one or more arm's-length transactions (on the public securities market on which such Excess Securities are traded, if possible, or otherwise privately); provided, however, that any such sale must not constitute a Prohibited Transfer and provided, further, that the Agent shall effect such sale or sales in an orderly fashion and shall not be required to effect any such sale within any specific time frame if, in the Agent's discretion, such sale or sales would disrupt the market for the Corporation Securities, would otherwise adversely affect the value of the Corporation Securities or would be in violation of applicable securities laws. If the Purported Transferee has resold the Excess Securities before receiving the Corporation's demand to surrender Excess Securities to the Agent, the Purported Transferee

shall be deemed to have sold the Excess Securities for the Agent, and shall be required to transfer to the Agent any Prohibited Distributions and proceeds of such sale, except to the extent that the Corporation grants written permission to the Purported Transferee to retain a portion of such sales proceeds not exceeding the amount that the Purported Transferee would have received from the Agent pursuant to Section 6 of this ARTICLE TENTH if the Agent rather than the Purported Transferee had resold the Excess Securities.

Section 6. Application of Proceeds and Prohibited Distributions. The Agent shall apply any proceeds of a sale by it of Excess Securities and, if the Purported Transferee has previously resold the Excess Securities, any amounts received by the Agent from a Purported Transferee, together, in either case, with any Prohibited Distributions, as follows: (a) first, such amounts shall be paid to the Agent to the extent necessary to cover its costs and expenses incurred in connection with its duties hereunder; (b) second, any remaining amounts shall be paid to the Purported Transferee, up to the amount paid by the Purported Transferee for the Excess Securities (or the fair market value at the time of the Transfer, in the event the purported Transfer of the Excess Securities was, in whole or in part, a gift, inheritance or similar Transfer, such fair market value to be calculated on the basis of the closing market price for the Corporation Securities on the principal U.S. stock exchange on which the Corporation Securities are listed or admitted for trading on the day before the Prohibited Transfer, provided, however, that (1) if the Corporation Securities are not listed or admitted for trading on any U.S. stock exchange but are traded in the over-the-counter market, such fair market value shall be calculated based upon the difference between the highest bid and lowest asked prices, as such prices are reported by the National Association of Securities Dealers through its NASDAQ system or any successor system on the day before the Prohibited Transfer or, if not so reported, on the last preceding day for which such quotations exist, or (2) if the Corporation Securities are neither listed nor admitted to trading on any U.S. stock exchange and are not traded in the over-the-counter market, then such fair market value shall be determined in good faith by the Board of Directors); and (c) third, any remaining amounts shall be paid to the Transferor that was party to the subject Prohibited Transfer, or, if the Transferor that was party to the subject Prohibited Transfer cannot be readily identified, to one or more organizations qualifying under section 501(c)(3) of the Code (or any comparable successor provision) selected by the Board of Directors. The Purported Transferee of Excess Securities shall have no claim, cause of action or any other recourse whatsoever against any Transferor of Excess Securities. The Purported Transferee's sole right with respect to such shares shall be limited to the amount payable to the Purported Transferee pursuant to this Section 6. In no event shall the proceeds of any sale of Excess Securities pursuant to this Section 6 inure to the benefit of the Corporation or the Agent, except to the extent used to cover costs and expenses incurred by the Agent in performing its duties hereunder.

Section 7. Modification of Remedies for Certain Indirect Transfers. In the event of any Transfer that does not involve a transfer of securities of the Corporation within the meaning of Delaware law ("Securities," and individually, a "Security") but which would cause (i) any Person to become a Five Percent Stockholder or (ii) the Percentage Stock Ownership in the Corporation of any Five Percent Stockholder to be increased, the application of Section 5 and Section 6 of this ARTICLE TENTH shall be modified as described in this Section 7. In such case, no such Five Percent Stockholder shall be required to dispose of any interest that is not a Security, but such Five Percent Stockholder and/or any Person whose ownership of Securities is attributed to such Five Percent Stockholder shall be deemed to have disposed of and shall be required to dispose of sufficient Securities (which Securities shall be disposed of in the inverse order in which they were acquired) to cause such Five Percent Stockholder, following such disposition, not to be in violation of this ARTICLE TENTH. Such disposition shall be deemed to occur simultaneously with the Transfer giving rise to the application of this provision, and such number of Securities that are deemed to be disposed of shall be considered Excess Securities and shall be disposed of through the Agent as provided in Sections 5 and 6 of this ARTICLE TENTH, except that the maximum aggregate amount payable either to such Five Percent Stockholder, or to such other Person that was the direct holder of such Excess Securities, in connection with such sale shall be the fair market value of such Excess Securities at the time of the purported Transfer. All expenses incurred by the Agent in disposing of such Excess Securities shall be paid out of any amounts due such Five Percent Stockholder or such other Person. The purpose of this Section 7 is to extend the restrictions in Sections 2 and 5 of this ARTICLE TENTH to situations in which there is a Five Percent Transaction without a direct Transfer of Securities, and this Section 7, along with the other provisions of this ARTICLE TENTH, shall be interpreted to produce the same results, with differences as the context requires, as a direct Transfer of Corporation Securities.

Section 8. Legal Proceedings; Prompt Enforcement. If the Purported Transferee fails to surrender the Excess Securities or the proceeds of a sale thereof, in either case, with any Prohibited Distributions, to the Agent within thirty (30) days from the date on which the Corporation makes a written demand pursuant to Section 5 of this ARTICLE TENTH (whether or not made within the time specified in Section 5 of this ARTICLE TENTH), then the Corporation may take any actions it deems necessary to enforce the provisions hereof, including the institution of legal proceedings to compel the surrender. Nothing in this Section 8 shall (a) be deemed inconsistent with any Transfer of the Excess Securities provided in this ARTICLE TENTH being void *ab initio*, (b) preclude the Corporation in its discretion from immediately bringing legal proceedings without a prior demand or (c) cause any failure of the Corporation to act within the time periods set forth in Section 5 of this ARTICLE TENTH to constitute a waiver or loss of any right of the Corporation under this ARTICLE TENTH. The Board of Directors may authorize such additional actions as it deems advisable to give effect to the provisions of this ARTICLE TENTH.

Section 9. Obligation to Provide Information. As a condition to the registration of the Transfer of any Stock, any Person who is a beneficial, legal or record holder of Stock, and any proposed Transferee and any Person controlling, controlled by or under common control with the proposed Transferee, shall provide an affidavit containing such information, to the extent reasonably available and legally permissible, as the Corporation may reasonably request from time to time in order to determine compliance with this ARTICLE TENTH or the status of the Tax Benefits of the Corporation.

Section 10. Legends. The Board of Directors may require that any certificates issued by the Corporation evidencing ownership of shares of Stock that are subject to the restrictions on transfer and ownership contained in this ARTICLE TENTH bear the following legend:

"THE TRANSFER OF SECURITIES REPRESENTED HEREBY IS SUBJECT TO RESTRICTION PURSUANT TO ARTICLE TENTH OF THE AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF GENERAL MOTORS COMPANY, AS AMENDED AND IN EFFECT FROM TIME TO TIME, A COPY OF WHICH MAY BE OBTAINED FROM THE CORPORATION UPON REQUEST."

The Board of Directors may also require that any certificates issued by the Corporation evidencing ownership of shares of Stock that are subject to conditions imposed by the Board of Directors under Section 3 of this ARTICLE TENTH also bear a conspicuous legend referencing the applicable restrictions.

The Corporation shall have the power to make appropriate notations upon its stock transfer records and to instruct any transfer agent, registrar, securities intermediary or depository with respect to the requirements of this ARTICLE TENTH for any uncertificated Corporation Securities or Corporation Securities held in an indirect holding system.

Section 11. Authority of Board of Directors.

(a) All determinations and interpretations of the Board of Directors shall be interpreted or determined, as the case may be, by the Board of Directors in its sole discretion.

(b) The Board of Directors shall have the power to determine all matters necessary for assessing compliance with this ARTICLE TENTH, including, without limitation, (i) the identification of Five Percent Stockholders, (ii) whether a Transfer is a Five Percent Transaction or a Prohibited Transfer, (iii) the Percentage Stock Ownership in the Corporation of any Five Percent Stockholder, (iv) whether an instrument constitutes a Corporation Security, (v) the amount (or fair market value) due to a Purported Transferee pursuant to Section 6 of this

ARTICLE TENTH, and (vi) any other matters which the Board of Directors determines to be relevant; and the good faith determination of the Board of Directors on such matters shall be conclusive and binding for all the purposes of this ARTICLE TENTH. In addition, the Board of Directors may, to the extent permitted by law, from time to time establish, modify, amend or rescind by-laws, regulations and procedures of the Corporation not inconsistent with the provisions of this ARTICLE TENTH for purposes of determining whether any Transfer of Corporation Securities would jeopardize the Corporation's ability to preserve and use the Tax Benefits and for the orderly application, administration and implementation of this ARTICLE TENTH.

(c) Nothing contained in this ARTICLE TENTH shall limit the authority of the Board of Directors to take such other action to the extent permitted by law as it deems necessary or advisable to protect the Corporation and its stockholders in preserving the Tax Benefits. Without limiting the generality of the foregoing, in the event of a change in law making one or more of the following actions necessary or desirable, the Board of Directors may, by adopting a written resolution, (i) modify the ownership interest percentage in the Corporation or the Persons covered by this ARTICLE TENTH, (ii) modify the definitions of any terms set forth in this ARTICLE TENTH or (iii) modify the terms of this ARTICLE TENTH as appropriate, in each case, in order to prevent an ownership change for purposes of Section 382 of the Code as a result of any changes in applicable Treasury Regulations or otherwise; provided, however, that the Board of Directors shall not cause there to be such modification unless it determines, by adopting a written resolution, that such action is reasonably necessary or advisable to preserve the Tax Benefits or that the continuation of these restrictions is no longer reasonably necessary for the preservation of the Tax Benefits; provided, further, that notwithstanding anything to the contrary herein, the Board of Directors shall not amend this ARTICLE TENTH so as to prohibit, restrict or condition a Transfer described in the last two sentences of the definition of "Transfer," change, alter or modify the definition of "Person" nor amend this proviso. Stockholders of the Corporation shall be notified of such determination through a filing with the Securities and Exchange Commission or such other method of notice as the Secretary of the Corporation shall deem appropriate.

(d) In the case of an ambiguity in the application of any of the provisions of this ARTICLE TENTH, including any definition used herein, the Board of Directors shall have the power to determine the application of such provisions with respect to any situation based on its reasonable belief, understanding or knowledge of the circumstances. In the event this ARTICLE TENTH requires an action by the Board of Directors but fails to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of this ARTICLE TENTH. All such actions, calculations, interpretations and determinations that are done or made by the Board of Directors in good faith shall be conclusive and binding on the Corporation, the Agent, and all other parties for

all other purposes of this ARTICLE TENTH. The Board of Directors may delegate all or any portion of its duties and powers under this ARTICLE TENTH to a committee of the Board of Directors as it deems necessary or advisable and, to the fullest extent permitted by law, may exercise the authority granted by this ARTICLE TENTH through duly authorized officers or agents of the Corporation. Nothing in this ARTICLE TENTH shall be construed to limit or restrict the Board of Directors in the exercise of its fiduciary duties under applicable law.

Section 12. Reliance. To the fullest extent permitted by law, the Corporation and the members of the Board of Directors shall be fully protected in relying in good faith upon the information, opinions, reports or statements of the chief executive officer, the chief financial officer, the chief accounting officer or the corporate controller of the Corporation or of the Corporation's legal counsel, independent auditors, transfer agent, investment bankers or other employees and agents in making the determinations and findings contemplated by this ARTICLE TENTH, and the members of the Board of Directors shall not be responsible for any good faith errors made in connection therewith. For purposes of determining the existence and identity of, and the amount of any Corporation Securities owned by any stockholder, the Corporation is entitled to rely on the existence and absence of filings of Schedule 13D or 13G under the Exchange Act (or similar filings), as of any date, subject to its actual knowledge of the ownership of Corporation Securities.

Section 13. Benefits of This ARTICLE TENTH. Nothing in this ARTICLE TENTH shall be construed to give to any Person other than the Corporation or the Agent any legal or equitable right, remedy or claim under this ARTICLE TENTH. This ARTICLE TENTH shall be for the sole and exclusive benefit of the Corporation and the Agent.

Section 14. Severability. The purpose of this ARTICLE TENTH is to facilitate the Corporation's ability to maintain or preserve its Tax Benefits. If any provision of this ARTICLE TENTH or the application of any such provision to any Person or under any circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this ARTICLE TENTH.

Section 15. Waiver. With regard to any power, remedy or right provided herein or otherwise available to the Corporation or the Agent under this ARTICLE TENTH, (a) no waiver will be effective unless expressly contained in a writing signed by the waiving party, and (b) no alteration, modification or impairment will be implied by reason of any previous waiver, extension of time, delay or omission in exercise, or other indulgence.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment as of this 1st day of November, 2010

GENERAL MOTORS COMPANY

By: /s/ Anne T. Larin
Name: Anne T. Larin
Title: Secretary

Exhibit 5.1

Robert C. Shrosbree
Attorney

General Motors Company
Legal Staff
300 GM Renaissance Center
Mail Code: 482-C23-D24
Detroit, Michigan, 48265-3000
Tel 313-665-8452
Fax 313-665-4979
robert.shrosbree@gm.com

OPINION AND CONSENT OF ROBERT C. SHROSBREE, ESQ.

November 3, 2010

General Motors Company
300 Renaissance Center
Detroit, Michigan 48265-3000

Re: Registration of Securities on Form S-1

Ladies and Gentlemen:

I have acted as attorney for General Motors Company, a Delaware corporation (the "Company"), in connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") of the Company's Registration Statement on Form S-1 (Registration No. 333-168919) initially filed by the Company with the Commission on August 18, 2010 under the Securities Act of 1933, as amended (the "Securities Act") (such Registration Statement, as amended or supplemented, the "Registration Statement"), relating to the registration of the offer and sale of (i) shares of common stock, par value $0.01 per share of the Company (the "Common Stock"), to be sold by certain selling stockholders of the Company (the "Selling Stockholder Shares"), (ii) shares of Series B mandatory convertible junior preferred stock, par value $0.01 per share (the "Series B Preferred Stock"), to be sold by the Company (the "Preferred Shares") and (iii) shares of Common Stock issuable upon conversion of the Preferred Shares (the "Underlying Common Shares").

I understand that the Selling Stockholder Shares are to be sold by the selling stockholders pursuant to the terms of an underwriting agreement in substantially the form filed as an exhibit to the Registration Statement and that the Preferred Shares are to be sold by the Company pursuant to the terms of an underwriting agreement (the "Series B Preferred Stock Underwriting Agreement") in substantially the form filed as an exhibit to the Registration Statement.

In connection with this opinion, I have examined originals, or copies certified or otherwise identified to my satisfaction, of such documents, corporate records and other instruments as I have deemed necessary for the purposes of this opinion, including (a) the certificate of incorporation and bylaws of the Company, each as amended to date; (b) certain minutes and records of corporate proceedings of the Company; and (c) the Registration Statement and exhibits thereto.

For purposes of this opinion, I have assumed the authenticity of all documents submitted to me as originals, the conformity to the originals of all documents submitted to me as copies and the authenticity of the originals of all documents submitted to me as copies. I have also assumed the legal capacity of all natural persons, the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered, the authority of such persons signing on behalf of the parties thereto other than the Company, and the due authorization, execution and delivery of all documents by the parties thereto other than the Company. As to any facts material to the opinions expressed herein, I have relied upon statements and representations of officers and other representatives of the Company or certificates or comparable documents of public officials and officers and other representatives of the Company.

Based upon and subject to the qualifications, assumptions and limitations set forth in this letter, I am of the opinion that:

(1) The Selling Stockholder Shares have been validly issued and are fully paid and non-assessable.

(2) When the Preferred Shares have been issued, delivered and paid for in accordance with the Series B Preferred Stock Underwriting Agreement and as described in the Registration Statement, the Preferred Shares will be validly issued, fully paid and non-assessable.

(3) When the Underlying Common Shares have been issued and delivered upon conversion of the Preferred Shares in accordance with the terms of the Series B Preferred Stock and the certificate of designations for the Series B Preferred Stock and as described in the Registration Statement, the Underlying Common Shares will be validly issued, fully paid and non-assessable.

My advice on every legal issue in this letter is based exclusively on the General Corporation Law of the State of Delaware (including the statutory provisions, all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting the foregoing) and represents my opinion as to how such issue would be resolved were it to be considered by the highest court in the jurisdiction that enacted such law. The manner in which any particular issue would be treated in any actual court case would depend in part on facts and circumstances particular to the case, and this letter is not intended to guarantee the outcome of any legal dispute which may arise in the future.

I do not find it necessary for the purposes of this opinion, and accordingly I do not purport to cover herein, the application of the securities or “Blue Sky” laws of the various states to the issuance and sale of the Selling Stockholder Shares, the Preferred Shares and the Underlying Common Shares. This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. This opinion is furnished to the Company in connection with the filing of the Registration Statement and is not to be used, circulated, quoted or otherwise relied upon by the Company for any other purposes.

I hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to the use of my name in the Registration Statement under the heading “Legal Matters.” In giving this consent, I do not thereby admit that I am in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission. This opinion and consent may be incorporated by reference in a subsequent registration statement on Form S-1 filed pursuant to Rule 462(b) under the Securities Act with respect to any of the offerings contemplated by the Registration Statement and shall cover such additional securities, if any, registered on such subsequent registration statement.

Very truly yours,

/s/ ROBERT C. SHROSBREE

Robert C. Shrosbree
Attorney

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

Exhibit 10.3

EXECUTION VERSION

$5,000,000,000

CREDIT AGREEMENT

among

GENERAL MOTORS HOLDINGS LLC,

THE SEVERAL LENDERS FROM TIME TO TIME PARTIES HERETO,

CITIBANK, N.A.,

as Administrative Agent,

BANK OF AMERICA, N.A.,

as Syndication Agent

and

BARCLAYS BANK PLC	CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH	DEUTSCHE BANK AG NEW YORK BRANCH
GOLDMAN SACHS BANK USA	JPMORGAN CHASE BANK, N.A.	MORGAN STANLEY BANK, N.A.
ROYAL BANK OF CANADA		UBS LOAN FINANCE LLC

as Documentation Agents

Dated as of October 27, 2010

CITIGROUP GLOBAL MARKETS INC.		BANC OF AMERICA SECURITIES LLC
BARCLAYS CAPITAL	CREDIT SUISSE SECURITIES (USA) LLC	DEUTSCHE BANK SECURITIES, INC.
GOLDMAN SACHS BANK USA	J.P. MORGAN CHASE SECURITIES LLC	MORGAN STANLEY SENIOR FUNDING, INC.
RBC CAPITAL MARKETS		UBS SECURITIES LLC

as Bookrunners and Lead Arrangers

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

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[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

CREDIT AGREEMENT, dated as of October 27, 2010 (this "Agreement"), among GENERAL MOTORS HOLDINGS LLC, a Delaware limited liability company (the "Borrower"), the several banks and other financial institutions or entities from time to time parties hereto, as lenders (collectively, the "Lenders"), CITIBANK, N.A., as administrative agent (in such capacity, the "Administrative Agent") for the Lenders, and BANK OF AMERICA, N.A., as syndication agent (in such capacity, the "Syndication Agent").

The parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

"2009 10-K" has the meaning assigned to such term in Section 4.1.

"ABR" means for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1.00%) equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1.00% and (c) the Eurodollar Base Rate, calculated as of such date in respect of a proposed Eurodollar Loan with a one-month interest period, plus 1.00%. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Base Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Base Rate, respectively.

"ABR Loans" means Loans the rate of interest applicable to which is based upon the ABR.

"Additional Class A Subsidiary Guarantor" means each Domestic Subsidiary of the Parent, other than an Excluded Subsidiary, an Additional Class B Subsidiary Guarantor, an Initial Subsidiary Guarantor, or an Other Subsidiary Guarantor, that, as of the last day of any fiscal year of the Parent after the Effective Date, (a) has Consolidated Total Assets with a Net Book Value in excess of $500,000,000, (b) at least 80% or more of the Voting Stock of such Domestic Subsidiary is owned, directly or indirectly, by the Parent, and (c) none of the Capital Stock of such Domestic Subsidiary is publicly held, in each case as determined by the Borrower on the Applicable Identification Date.

"Additional Class B Subsidiary Guarantor" means each Domestic Subsidiary of the Parent, other than an Excluded Subsidiary, an Additional Class A Subsidiary Guarantor, an Initial Subsidiary Guarantor, or an Other Subsidiary Guarantor, (a) that, following the Effective Date, has either been acquired by a Loan Party or been the recipient from a Loan Party of a single investment having a value (determined by reference to the Net Book Value thereof, in the case of an investment of non-cash assets) of $500,000,000 or more and (b) that, as of the last day of the first fiscal quarter of the Parent following the fiscal quarter in which such acquisition or investment was made, (i) has Consolidated Total Assets with a Net Book Value in excess of $500,000,000, (ii) at least 80% or more of the Voting Stock of such Domestic Subsidiary is owned, directly or indirectly, by the Parent, and (iii) none of the Capital Stock of such Domestic Subsidiary is publicly held, in each case as determined by the Borrower on the Applicable Identification Date.

"Additional Subsidiary Guarantor" means an Additional Class A Subsidiary Guarantor or an Additional Class B Subsidiary Guarantor.

"Administrative Agent" has the meaning assigned to such term in the preamble hereto.

"Agents" means (i) prior to the Collateral Release Date, the Administrative Agent and the Collateral Trustee, collectively, and (ii) from and after the Collateral Release Date, the Administrative Agent.

"Agreement" has the meaning assigned to such term in the preamble hereto.

"Applicable Compliance Date" means (a) with respect to an Additional Subsidiary Guarantor, the last day of the fiscal quarter of the Parent following the Applicable Joinder Date for such Additional Subsidiary Guarantor and (b) with respect to an Other Subsidiary Guarantor, the last day of the fiscal quarter of the Parent following the fiscal quarter of the Parent in which such Other Subsidiary Guarantor is designated as such by the Borrower.

"Applicable Identification Date" means, with respect to an Additional Class A Subsidiary Guarantor, 120 days following the end of the fiscal year of the Parent as of which such Subsidiary first satisfied all of the requirements set forth in the definition of "Additional Class A Subsidiary Guarantor"; and with respect to an Additional Class B Subsidiary Guarantor, 90 days following the end of the fiscal quarter of the Parent as of which such Subsidiary first satisfied all of the requirements set forth in the definition of "Additional Class B Subsidiary Guarantor".

"Applicable Joinder Date" means, with respect to an Additional Subsidiary Guarantor, the last day of the fiscal quarter of the Parent following the fiscal quarter in which the Applicable Identification Date for such Additional Subsidiary Guarantor occurred.

"Applicable Lending Office" means, for any Lender, such Lender's office, branch or affiliate designated for Eurodollar Loans, ABR Loans, L/C Obligations or Letters of Credit, as applicable, as notified to the Administrative Agent and the Borrower or as otherwise specified in the Assignment and Assumption pursuant to which such Lender became a party hereto, any of which offices may, subject to Section 2.16, be changed by such Lender upon 10 days' prior written notice to the Administrative Agent and the Borrower.

"Applicable Margin" means (a) for the first three months after the Effective Date, (i) 3.00% per annum in the case of ABR Loans and (ii) 4.00% per annum in the case of Eurodollar Loans and (b) thereafter, the rate per annum set forth under the relevant column heading in the Pricing Grid.

"Applicable Mortgage Deadline" has the meaning assigned to such term in Section 6.8(b).

"Applicable Pledge Deadline" means, with respect to a direct, "first-tier" Domestic Subsidiary of a Loan Party, or a direct, "first-tier" Foreign Subsidiary of a Loan Party, in each case to the extent the Capital Stock of which does not otherwise constitute Excluded Collateral, the last day of the fiscal quarter of the Parent following the fiscal quarter as of which such Domestic Subsidiary or Foreign Subsidiary, as the case may be, first satisfied the Pledge Threshold.

"Application" means, with respect to an Issuing Lender, an application, in such form as such Issuing Lender may specify from time to time, requesting such Issuing Lender to issue a Letter of Credit.

"Approved Electronic Platform" has the meaning assigned to such term in Section 10.2.

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in revolving bank loans and similar revolving extensions of credit in the ordinary course and that is administered or managed by (a) a Lender, (b) an affiliate of a Lender or (c) an entity or an affiliate of an entity that administers or manages a Lender.

"Arrangers" has the meaning assigned to such term in Section 9.10,

"Assignee" has the meaning assigned to such term in Section 10.6(b)(i).

"Assignment and Assumption" means an Assignment and Assumption, substantially in the form of Exhibit H.

"Available Commitment" means, with respect to any Lender at any time, an amount equal to (a) such Lender's Commitment then in effect minus (b) such Lender's Extensions of Credit then outstanding.

"Benefitted Lender" has the meaning assigned to such term in Section 10.7.

"Board" means the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Borrower" has the meaning assigned to such term in the preamble hereto.

"Borrowing Base" means, as of any date of determination, the Aggregate Borrowing Base Amount (as defined in Schedule 1.1B) calculated in accordance with Schedule 1.1B, as the same may be amended from time to time. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the Administrative Agent on the Closing Date or pursuant to Section 6.2(b), as applicable (adjusted on a pro forma basis for any of the following that are consummated after the last day of the fiscal period covered by such Borrowing Base Certificate: (a) any Disposition, and the application of the proceeds thereof, described in clause (f) of the definition of Permitted Asset Sales, or any Disposition of the Capital Stock of Ally Financial Inc., (b) any addition to the Borrowing Base of additional Collateral in accordance with Schedule 1.1B, and (c) the sale or other Disposition of all or substantially all of the assets (on a consolidated basis) of a direct "first tier" Foreign Subsidiary of a Loan Party, the Capital Stock of which (immediately prior to such sale or other Disposition) was Collateral).

"Borrowing Base Certificate" means a certificate substantially in the form of Exhibit F.

"Borrowing Base Collateral Account" has the meaning assigned to such term in Schedule 1.1B.

"Borrowing Base Coverage Ratio" means, at any time, the ratio of (a) the Borrowing Base at such time (adjusted on a pro forma basis to the extent, and in the manner, required by this Agreement) to (b) the sum of (i) the Dollar Equivalent Outstanding Amount of Covered Debt at such time (after giving effect to any application of proceeds to the extent required or permitted by this Agreement) and (ii) the Total Available Commitments at such time.

"Borrowing Date" means any Business Day specified by the Borrower as a date on which the Borrower requests the Lenders to make Loans hereunder.

"Business Day" means any day other than a Saturday, Sunday or other day on which banks in New York City are permitted to close; provided, however, that when used in connection with (a) a Eurodollar Loan, the term "Business Day" shall also exclude any day on which banks are not open for

dealings in Dollar deposits in the London Interbank market and (b) any Optional Currency, the term "Business Day" shall also exclude any day on which banks in the principal financial center of the country of such Optional Currency are not open for general business.

"Capital Lease Obligations" means as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Change of Control" means the occurrence of any of the following events: (a) at any time prior to consummation of an initial public offering of the common stock of the Parent, the Permitted Holders shall cease to own and control of record and beneficially at least a majority on a fully diluted basis of the Voting Stock of the Parent; (b) at any time on or after consummation of an initial public offering of the common stock of the Parent, either (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), excluding the Permitted Holders, shall become, or obtain rights (whether by means of warrants, options or otherwise) to become, the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d) 5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Parent or (ii) Continuing Directors cease to constitute at least a majority of the members of the board of directors of the Parent; or (c) the Parent shall cease to own, directly or through one or more wholly-owned Subsidiaries that are or become Loan Parties in accordance with Section 6.7(c), 100% of the outstanding Capital Stock of the Borrower free and clear of all Liens (other than non-consensual Liens). For the avoidance of doubt, if the Parent and the Borrower are merged in a transaction permitted by Section 7.7, references in clauses (a) and (b) of this definition to the Parent shall be deemed to be references to the surviving or resulting entity and clause (c) of this definition shall be deemed to be deleted.

"Closing Date" has the meaning assigned to such term in Section 5.2.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means all property of the Loan Parties, now owned or hereafter acquired, in which the Borrower or a Subsidiary Guarantor has granted a Lien pursuant to any Security Document; provided that for purposes of Section 7.3 and 7.4 "Collateral" also means property in which a Loan Party is required to grant a Lien pursuant hereto and, following the Collateral Release Date, such property that, but for the occurrence of the Collateral Release Date, would have been "Collateral" assuming the Security Documents as in effect on such date had remained in effect and assuming the obligations under Section 6.8 had remained in effect; provided, however, that the term "Collateral" shall not include any Excluded Collateral.

"Collateral Release Condition" means the first date on or as of which any two or more of the following ratings have been issued by the relevant rating agency: (a) in the case of S&P, a "Long-Term Local Issuer Credit Rating" for the Parent of at least BBB-; (b) in the case of Moody's, a "Long-Term Corporate Family Rating" for the Parent of at least Baa3; or (c) in the case of Fitch, a "Long-Term Issuer Default Rating" for the Parent of at least BBB-. If the rating system of S&P, Moody's and/or Fitch

shall change, or if any such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Administrative Agent (in consultation with the Lenders) shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency.

"Collateral Release Date" has the meaning assigned to such term in Section 10.15(c).

"Collateral Trust Agreement" means the Collateral Trust Agreement to be executed and delivered by the Borrower, each Subsidiary Guarantor, the Collateral Trustee and the other parties named therein, substantially in the form of Exhibit B.

"Collateral Trustee" means Wilmington Trust Company, in its capacity as trustee under the Collateral Trust Agreement and, as the context may require, any co-trustee appointed pursuant to the terms of the Collateral Trust Agreement.

"Collateralized" means, with respect to any Letter of Credit, that such Letter of Credit is secured by cash collateral arrangements and/or backstop letters of credit entered into on terms and in amounts reasonably satisfactory to the relevant Issuing Lender; and the terms "Collateralize" and "Collateralization" shall have correlative meanings.

"Commitment" means, as to any Lender, the obligation of such Lender to make Loans and participate in Letters of Credit in an aggregate principal and/or face amount not to exceed the amount set forth under the heading "Commitment" opposite such Lender's name on Schedule 1.1A or in the Assignment and Assumption pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof.

"Commitment Fee Rate" means (a) for the first three months after the Effective Date, 0.75% per annum and (b) thereafter, the rate per annum set forth under the column heading "Commitment Fee Rate" in the Pricing Grid.

"Commitment Period" means with respect to any Lender, the period from and including the Effective Date (or in the case of a Lender that becomes a party hereto after the Effective Date, the date on which such Lender becomes a party hereto) to, but excluding, the Termination Date applicable to such Lender.

"Communications" means each notice, demand, communication, information, document and other material provided for hereunder or under any other Loan Document or otherwise transmitted between the parties hereto relating to this Agreement, the other Loan Documents, any Loan Party or its affiliates, or the transactions contemplated by this Agreement or the other Loan Documents.

"Compliance Certificate" means a certificate duly executed by a Responsible Officer, substantially in the form of Exhibit L.

"Conduit Lender" means, with respect to any Lender (a "designating Lender") any special purpose corporation organized and administered by such designating Lender for the purpose of making Loans otherwise required to be made by such designating Lender and designated by such designating Lender in a written instrument delivered to the Borrower and the Administrative Agent; provided, that (x) no Lender may designate an Ineligible Assignee to be a Conduit Lender; and (y) the designation by any designating Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations to fund a Loan and to participate in each Letter of Credit under this Agreement if, for any reason, its Conduit Lender fails to fund any such Loan or fund any such participation in a Letter

of Credit, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to Section 2.13, 2.14, 2.15 or 10.5 than the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender or (b) be deemed to have any Commitment.

"Consolidated Domestic Liquidity" means, as of any date of determination, the sum of (a) the lesser of (i) the Total Available Commitments as of such date and (ii) the excess, if any, of (A) the Borrowing Base as of such date, over (B) the Covered Debt at such date (it being understood and agreed that after the Collateral Release Date, this clause (a) shall be equal to the Total Available Commitments as of the date of determination) plus (b) the total available commitments (after giving effect to any applicable borrowing base limitations) under other then-effective committed credit facilities of any Loan Party plus (c) total cash (other than restricted cash), cash equivalents, and Marketable Securities of the Parent and its Domestic Subsidiaries (other than Domestic Subsidiaries of the Parent that constitute Finance Subsidiaries, if any), as determined by the Borrower based on adjustments to the amount of total cash (other than restricted cash), cash equivalents and Marketable Securities, as reported in the Parent's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as applicable, filed with the SEC.

"Consolidated Global Liquidity" means as of any date of determination, the sum of (a) the lesser of (i) the Total Available Commitments as of such date and (ii) the excess, if any, of (A) the Borrowing Base as of such date, over (B) the Covered Debt at such date (it being understood and agreed that after the Collateral Release Date, this clause (a) shall be equal to the Total Available Commitments as of the date of determination) plus (b) the total available commitments (after giving effect to any applicable borrowing base limitations) under other then-effective committed credit facilities of the Parent or any of its Subsidiaries plus (c) total cash (other than restricted cash), cash equivalents and Marketable Securities of the Parent and its Subsidiaries (other than Subsidiaries of the Parent that constitute Finance Subsidiaries, if any), as reported in the Parent's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as applicable, filed with the SEC.

"Consolidated Total Assets" means, at any date, with respect to any Person, the amount set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet (or the equivalent) of such Person and its consolidated Subsidiaries.

"Continuing Director" means, at any date, an individual (a) who is a member of the board of directors of the Parent on the Effective Date, (b) who has been elected as a member of such board of directors with a majority of the total votes of Permitted Holders that were cast in such election voted in favor of such member or (c) who has been nominated or appointed to be a member of such board of directors, or approved, by a majority of the other Continuing Directors then in office.

"Control Investment Affiliate" means, as to any Person, any other Person that (a) directly or indirectly, is controlled by, or is under common control with, such Person and (b) is organized by such Person primarily for the purpose of making equity or debt investments in one or more companies. For purposes of this definition, "control" of a Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Covered Debt" means, collectively, (a) Total Extensions of Credit, (b) Permitted Additional First Lien Debt and (c) Permitted First Lien Non-Loan Exposure.

"Cumulative Growth Amount" means, as of any date, (a) an amount, not less than zero, equal to 50% of the sum of (i) "Net cash provided by (used in) operating activities" as set forth on the statement of cash flows of the Parent and its consolidated Subsidiaries as reported in the Parent's Quarterly or Annual Report(s) on Form 10-Q or 10-K filed with the SEC for the period (taken as one accounting period) from January 1, 2011 to the last day of the most recent fiscal quarter or fiscal year of the Parent, as the case may be, for which financial statements have been delivered or deemed delivered pursuant to Section 6.1, plus (ii) "Net cash provided by (used in) investing activities", net of acquisitions or liquidations of investments in Marketable Securities on the sector statement of cash flows of the Parent and its consolidated Subsidiaries as reported in such Quarterly Report(s) or Annual Report(s) for such period, minus (b) the aggregate amount of Restricted Payments made pursuant to clause (k) of Section 7.6 prior to such date (other than any such Restricted Payments made during an Unrestricted Payment Period).

"Currency" means Dollars or any Optional Currency.

"Debt" means, as to any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments and (c) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) and (b) above.

"Default" means any of the events specified in Section 8, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

"Defaulting Lender" means, at any time, a Lender (a) that has defaulted in its obligation to make Loans or participate in Letters of Credit under this Agreement, (b) that has, or the direct or indirect parent company of which has, notified the Administrative Agent or the Borrower, or has stated publicly, that it will not comply with any such funding obligation under this Agreement or that it will not comply with its funding obligations under other agreements in which it is obligated to extend credit generally, (c) that has, for three or more Business Days, failed to confirm in writing to the Borrower, in response to a written request of the Borrower after the Borrower has a reasonable basis to believe such Lender will not comply with its funding obligations under this Agreement, that it will comply with its funding obligations under this Agreement; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Borrower's receipt of such confirmation, or (d) with respect to which a Lender Insolvency Event has occurred and is continuing.

"Designated Cash Management Obligations" means, without duplication, the obligations of the Parent or any Subsidiary of the Parent to banks, financial institutions, investment banks and others in respect of banking, cash management (including, without limitation, Automated Clearinghouse transactions), custody and other similar services and company paid credit cards that permit employees to make purchases on behalf of the Parent or any Subsidiary of the Parent, which obligations have been or are designated by the Borrower in accordance with the Collateral Trust Agreement from time to time as constituting "Designated Cash Management Obligations."

"Designated Hedging Obligations" means, without duplication, the obligations of the Parent or any Subsidiary of the Parent under or in connection with any Hedging Obligation, either as a direct obligor or as a guarantor of the direct obligor's obligations under or in connection with any Hedging Obligation, to counterparties, in each case, which obligations have been or are designated by the Borrower in accordance with the Collateral Trust Agreement from time to time as constituting "Designated Hedging Obligations".

"Disposition" means, with respect to any property, any sale, transfer or other disposition thereof; and the terms "Dispose" and "Disposed of" shall have correlative meanings; provided that, for the avoidance of doubt, (a) the pledge or collateral assignment of property, or the granting of a Lien on property, and (b) the licensing and sublicensing of intellectual property and other general intangibles on customary terms and conditions in the ordinary course of business of the licensing or sublicensing party shall not constitute a "Disposition".

"Dollar Equivalent" means, on any date of determination, (a) with respect to any amount denominated in Dollars, such amount and (b) with respect to an amount denominated in any other currency, the equivalent in Dollars of such amount determined by the Administrative Agent in accordance with normal banking industry practice using the Exchange Rate on the date of determination of such equivalent, and such determination shall be conclusive in the absence of manifest error. In making any determination of the Dollar Equivalent, the Administrative Agent shall use the relevant Exchange Rate in effect on the date on which the Borrower delivers a request for a Letter of Credit or on such other date upon which a Dollar Equivalent is required to be determined pursuant to the provisions of this Agreement. As appropriate, amounts specified herein as amounts in Dollars shall be or include any relevant Dollar Equivalent amount.

"Dollars" and "$" mean the lawful money of the United States.

"Domestic Subsidiary" means, with respect to any Person, any Subsidiary of such Person organized under the laws of any jurisdiction within the United States. Unless otherwise qualified, all references to a "Domestic Subsidiary" or to "Domestic Subsidiaries" in this Agreement shall refer to a Domestic Subsidiary or Domestic Subsidiaries of the Borrower.

"Effective Date" has the meaning assigned to such term in Section 5.1.

"Eligible Value" has the meaning assigned to such term in Schedule 1.1B.

"Environmental Laws" means any and all foreign, federal, state, provincial, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating or imposing liability or standards of conduct concerning protection of human health, the environment or natural resources, as now or may at any time hereafter be in effect.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that together with the Borrower is treated as a single employer under Section 414(b) or (c) of the Code.

"ERISA Default" means (a) any of the following (i) the occurrence of a nonexempt "prohibited transaction" (within the meaning of Section 406 of ERISA or Section 4975 of the Code) with respect to any Plan to which the Borrower or any ERISA Affiliate is a "party in interest" (within the meaning of Section 3(14) of ERISA) or a "disqualified person" (within the meaning of Section 4975 of the Code); (ii) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (iii) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, the failure to make by

its due date a required installment under Section 430(j) of the Code with respect to any Plan or the failure by the Borrower or any ERISA Affiliate to make any required contribution to a Multiemployer Plan; (iv) the incurrence by the Borrower or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Plan; (v) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to the intention to terminate any Plan or to appoint a trustee to administer any Plan under Section 4042 of ERISA; or (vi) the incurrence by the Borrower or any ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; and (b) in each case in clauses (i) through (vi), such event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a Material Adverse Effect.

"Eurocurrency Reserve Requirements" means for any day as applied to a Eurodollar Loan, the aggregate (without duplication) of the maximum rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including, without limitation, basic, supplemental, marginal and emergency reserves under any regulations of the Board or any other banking authority to which any Lender is subject) dealing with reserve requirements prescribed for eurodollar funding (currently referred to as "Eurocurrency liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System of the United States. Such reserve percentages shall include those imposed under Regulation D. Eurodollar Loans shall be deemed to constitute Eurocurrency liabilities (as defined in Regulation D of the Board) and as such shall be deemed to be subject to such reserve requirements without benefit of or credit for proration, exceptions or offsets which may be available from time to time to any Lender under Regulation D. Eurocurrency Reserve Requirements shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Eurodollar Base Rate" means, with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the rate per annum determined on the basis of the rate for deposits in Dollars for a period equal to such Interest Period commencing on the first day of such Interest Period appearing on page LIBOR01 of the Reuters screen as of 11:00 A.M., London time, two Business Days prior to the beginning of such Interest Period. In the event that such rate does not appear on such page of the Reuters screen (or otherwise on such screen), the "Eurodollar Base Rate" shall be determined by reference to such other comparable publicly available service for displaying eurodollar rates as may be selected by the Administrative Agent with the consent of the Borrower (such consent not to be unreasonably withheld) or, in the absence of such availability, by reference to the rate at which the Administrative Agent is offered Dollar deposits at or about 11:00 A.M., New York City time, two Business Days prior to the beginning of such Interest Period in the interbank eurodollar market where its eurodollar and foreign currency and exchange operations are then being conducted for delivery on the first day of such Interest Period for the number of days comprised therein.

"Eurodollar Loans" means Loans the rate of interest applicable to which is based upon the Eurodollar Rate.

"Eurodollar Rate" means, with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upward to the nearest $^{1}/_{100}$th of 1%):

$$\frac{\text{Eurodollar Base Rate}}{\text{1.00 - Eurocurrency Reserve Requirements}}$$

"Eurodollar Tranche" means the collective reference to Eurodollar Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

"Event of Default" means any of the events specified in Section 8, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

"Exchange Act" means the Securities and Exchange Act of 1934, as amended.

"Exchange Rate" means, for any day with respect to any currency (other than Dollars), the rate at which such currency may be exchanged into Dollars, as set forth at 11:00 A.M., London time, on such day on the applicable Reuters currency page with respect to such currency. In the event that such rate does not appear on the applicable Reuters currency page, the Exchange Rate with respect to such currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrower or, in the absence of such agreement, such Exchange Rate shall instead be the spot rate of exchange of the Administrative Agent in the London Interbank market or other market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 11:00 A.M., London time, on such day for the purchase of Dollars with such currency, for delivery two Business Days later; provided, however, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"Excluded Collateral" means (a) Restricted Collateral, (b) Section 136 Collateral, (c) the Capital Stock of Excluded Subsidiaries, (d) cash, cash equivalents, and Marketable Securities (except as proceeds of other assets that constitute Collateral or except to the extent deposited in or credited to a Borrowing Base Collateral Account), (e) investments in Unconsolidated Subsidiaries of any Loan Party or in any Person that is not a Subsidiary (other than investments in the Capital Stock of Ally Financial Inc.), (f) real property interests other than the Mortgaged Property, (g) all copyrights and copyright licenses, registered or otherwise, non-U.S. intellectual property, and all intellectual property owned by General Motors LLC or GM Global Technology Operations, Inc. related to Nexteer Automotive or developed by, or on behalf of, GM Daewoo Auto & Technology Company, (h) vehicles, vessels, aircraft or any other asset subject to any certificate of title or other registration statute of the United States, any state or other jurisdiction, unless such asset is subject to the Lien granted under a Trust Security Document in favor of the Collateral Trustee and a grantor thereunder, at its discretion, perfects such Lien, (i) more than 65% of the Voting Stock of the direct, "first-tier" Foreign Subsidiaries of each Loan Party (or the Voting Stock in excess of some percentage higher than 65% in instances where the Borrower determines, in its sole discretion, that such higher percentage can be pledged with no adverse Tax effect in the United States), (j) all of the Capital Stock of the Parent or the Borrower, (k) all of the Capital Stock of any Subsidiary of a Loan Party that is not a direct, "first-tier" Subsidiary of a Loan Party, (l) all assets (or Capital Stock) related to Nexteer Automotive, (m) accounts receivable that are owing by Ally Financial Inc., (n) any other assets as to which the Borrower or the Administrative Agent has determined in its good faith and commercially reasonable judgment that the cost of obtaining a perfected security interest therein is excessive in relation to the value of the security to be afforded thereby, and (o) all Supporting Obligations (including all Letter-of-Credit Rights) (as each such term is defined in the UCC) related to any of the foregoing.

"Excluded Subsidiary" means (a) the Borrower, (b) each of the Initial Excluded Subsidiaries, (c) each Subsidiary of the Parent that (i) is prohibited by any applicable requirement of law or Governmental Authority from guaranteeing the obligations of the other Loan Parties or (ii) is acquired after the Closing Date and, at the time of acquisition, is a party to, or is bound by, any contract,

agreement, instrument, indenture or other Contractual Obligation pursuant to which such Subsidiary's agreement to guarantee the obligations of the other Loan Parties is prohibited by, or would constitute a default or breach of, or would result in the termination of, such contract, agreement, instrument, indenture or other Contractual Obligation; provided that such contract, agreement, instrument, indenture or other Contractual Obligation shall not have been entered into in contemplation of such acquisition; provided further, that such Subsidiary shall cease to be an Excluded Subsidiary upon the termination of such contract, agreement, instrument, indenture or other Contractual Obligation, and will become an Additional Subsidiary Guarantor only if required by and pursuant to this Agreement, (d) each Foreign Subsidiary that is not a direct, "first-tier" Subsidiary of a Loan Party, (e) each Unconsolidated Subsidiary, (f) each Finance Subsidiary of the Parent and (g) each Subsidiary that is a dealership.

"Extending Lender" has the meaning assigned to such term in Section 2.20(a).

"Extensions of Credit" means, as to any Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Loans held by such Lender then outstanding and (b) such Lender's Percentage of the L/C Obligations then outstanding.

"Facility Rating" means, as of any date, the credit rating by Moody's, S&P or Fitch, as applicable, for the facility provided hereunder.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement, including any regulations or official interpretations thereof whether issued before or after the date of this Agreement.

"Federal Funds Effective Rate" means for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Fee Payment Date" means (a) the fifteenth day of each March, June, September and December (or, if any such day is not a Business Day, the next succeeding Business Day) and (b) the last day of the final Fee Payment Period.

"Fee Payment Period" means, initially, the period from and including the Closing Date to but excluding the initial Fee Payment Date, and thereafter, each period commencing on and including a Fee Payment Date to but excluding the succeeding Fee Payment Date (except that the final Fee Payment Period for any Lender shall end on the date on which the Commitment of such Lender terminates and its Extensions of Credit have been reduced to zero).

"Finance Subsidiary" means, with respect to any Person, any Subsidiary of such Person which is primarily engaged in leasing or financing activities including (a) lease and purchase financing provided by such Subsidiary to dealers and consumers, (b) leasing or financing of installment receivables or otherwise providing banking, financial or insurance services to the Borrower and/or its affiliates or others or (c) financing the Borrower's and/or its affiliates' operations.

"Financial Officer" means, with respect to any Person, the chief financial officer, principal accounting officer, a financial vice president, treasurer, assistant treasurer, or controller of such Person.

"Fitch" means Fitch Ratings, a business segment of Fitch Group, Inc.

"Foreign Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is not a Domestic Subsidiary of such Person. Unless otherwise qualified, all references to a "Foreign Subsidiary" or to "Foreign Subsidiaries" in this Agreement shall refer to a Foreign Subsidiary or Foreign Subsidiaries of the Borrower.

"Funding Office" means the office of the Administrative Agent specified in Section 10.2 or such other office as may be specified from time to time by the Administrative Agent as its funding office with respect to the facility provided hereunder by written notice to the Borrower and the Lenders.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means any federal, state, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or any federal, state or municipal court, in each case whether of the United States or a foreign jurisdiction.

"Guarantee" means the Guarantee Agreement to be executed and delivered by each Guarantor, substantially in the form of Exhibit C.

"Guarantee Obligation" means, as to any Person (the "guaranteeing person"), if the primary purpose or intent thereof is to provide assurance that the Indebtedness of another Person will be paid or discharged, any obligation of the guaranteeing Person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (a) to advance or supply funds for the purchase or payment of any such primary obligation (b) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (c) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term "Guarantee Obligation" shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (ii) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's reasonably anticipated liability in respect thereof as determined by such guaranteeing person in accordance with GAAP.

"Guarantors" means, collectively, the Parent and the Subsidiary Guarantors.

"Hedging Obligations" means any of the following: (a) a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or

sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (b) which is a type of transaction that is similar to any transaction referred to in clause (a) above that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made.

"Indebtedness" of any Person at any date means, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements, (g) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (f) above, (h) all obligations of the kind referred to in clauses (a) through (g) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation and (i) all obligations of such Person in respect of Hedging Obligations. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

"Indemnified Liabilities" has the meaning assigned to such term in Section 10.5.

"Indemnitee" has the meaning assigned to such term in Section 10.5.

"Ineligible Assignee" means (a) any Person that is a hedge fund or a captive finance company or (b) any Person, or affiliate of any such Person, which is a captive finance company of, or which is engaged in, automobile manufacturing, automobile distribution, automobile parts manufacturing or automobile parts distribution irrespective of whether such Person (or an affiliate thereof) is a direct competitor of a Loan Party. For purposes of determining if a Person is an Ineligible Assignee, an institutional investor which is a passive investor in the financing of equipment or facilities used in automobile manufacturing, automobile distribution, automobile parts manufacturing or automobile parts distribution shall not, solely by reason of such investment, be deemed to be engaged in such businesses.

"Ineligible Participant" means any Person that is engaged in automobile manufacturing, automobile distribution, automobile parts manufacturing or automobile parts distribution and is a direct competitor of a Loan Party or any captive finance company controlled by such Person. For purposes of determining if a Person is an Ineligible Participant, an institutional investor which is a passive investor in the financing of equipment or facilities used in automobile manufacturing, automobile distribution, automobile parts manufacturing or automobile parts distribution shall not, solely by reason of such investment, be deemed to be engaged in such businesses.

"Initial Excluded Subsidiaries" means each of the Subsidiaries listed on Schedule 1.1D-1.

"Initial Subsidiary Guarantor" means each Domestic Subsidiary listed on Schedule 1.1D-2.

"Intellectual Property" means the collective reference to all rights, priorities and privileges with respect to intellectual property, arising under the laws of the United States or any State thereof, including copyrights, copyright licenses, patents, patent licenses, trademarks, trademark licenses, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom; provided, that Intellectual Property shall exclude Excluded Collateral.

"Interest Payment Date" means (a) as to any ABR Loan, the fifteenth day of each March, June, September and December to occur while such Loan is outstanding, (b) as to any Eurodollar Loan having an Interest Period of three months or less, the last day of such Interest Period, (c) as to any Eurodollar Loan having an Interest Period longer than three months, each day that is three months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (d) as to any Loan, the date of any repayment or prepayment made in respect thereof (to the extent of such repayment or prepayment).

"Interest Period" means, as to any Eurodollar Loan (a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Loan and ending two weeks or one, two, three or six months thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Loan and ending two weeks or one, two, three or six months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not later than 1:00 P.M., New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period is one month or more in length and would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) the Borrower may not select an Interest Period that would extend beyond the earliest Termination Date then in effect; and

(iii) any Interest Period that is one month or more in length and that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

"Issuing Lender" means, with respect to a Letter of Credit, the Lender or the Applicable Lending Office thereof that is requested to issue, or that issues, such Letter of Credit pursuant to an L/C Commitment.

"Joinder Agreement" means (i) with respect to the Collateral Trust Agreement, a joinder agreement substantially in the form of Exhibit B thereto, (ii) with respect to the Guarantee, a joinder agreement substantially in the form of Annex I thereto, and (iii) with respect to the Security Agreement, a joinder agreement substantially in the form of Annex I thereto.

"Judgment Currency" has the meaning assigned to such term in Section 10.13.

"L/C Commitment" means, as to any Lender (or Applicable Lending Office thereof), the obligation of such Person to issue Letters of Credit pursuant to Section 3 in an aggregate Outstanding Amount at any time not to exceed the amount set forth under the heading "L/C Commitment" opposite such Person's name on Schedule 1.1A or in the Assignment and Assumption pursuant to which such Lender becomes a party thereto, in each case,, as the same may be changed from time to time pursuant to the terms hereof, including Section 3.10.

"L/C Obligations" means, at any time, the Dollar Equivalent of the aggregate Outstanding Amount of all Letters of Credit, after giving effect to Section 3.9.

"L/C Participants" means, with respect to any Letter of Credit issued by an Issuing Lender, the collective reference to all of the Lenders (other than the Issuing Lender with respect to such Letter of Credit).

"L/C Sublimit" means $500,000,000; provided that, from time to time, the Borrower may increase the L/C Sublimit by notice to the Administrative Agent.

"Lenders" has the meaning assigned to such term in the preamble hereto; provided, that unless the context otherwise requires, each reference herein to the Lenders shall be deemed to include any Conduit Lender.

"Lender Insolvency Event" means, with respect to any Lender, that such Lender or its direct or indirect parent company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, intervenor or sequestrator or the like has been appointed for such Lender or its direct or indirect parent company, or such Lender or its direct or indirect parent company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment. For the avoidance of doubt, a Lender that participates in a government support program will not be considered to be the subject of a proceeding of the types described in this definition solely by reason of its participation in such government support program.

"Letter of Credit" has the meaning assigned to such term in Section 3.1(a), after giving effect to Section 3.9.

"Letter of Credit Fee" has the meaning assigned to such term in Section 3.3.

"Lien" means any mortgage, pledge, lien, security interest, charge, conditional sale or other title retention agreement or other similar encumbrance.

"Loans" has the meaning assigned to such term in Section 2.1(a).

"Loan Documents" means this Agreement, the Security Documents, the Guarantee, the Collateral Trust Agreement, the Notes, each Joinder Agreement and any amendment, waiver, supplement or other modification to any of the foregoing; provided, that from and after the Collateral Release Date, the Security Documents, and any related joinder agreement and the Collateral Trust Agreement and any related joinder agreement shall cease to be Loan Documents.

"Loan Parties" means, collectively, the Borrower, the Parent and each Subsidiary Guarantor; provided, however, that the term "Loan Parties" shall not include any such Person from and after the date such Person ceases for any reason not otherwise prohibited by the Loan Documents to be a party to the Loan Documents.

"Marketable Securities" means, with respect to any Person, investments by such Person in fixed income securities with original maturities greater than 90 days that have a determinable fair value, are liquid and are readily convertible into cash. For avoidance of doubt, (i) such investments are passive investments, purchased by such Person in the ordinary course of business as part of its liquidity and/or cash management activities, and (ii) for all purposes of the Loan Documents, the amount of Marketable Securities of the Parent and its Subsidiaries as of the last day of any fiscal quarter or fiscal year of the Parent is equal to the amount reported on the Parent's Annual Report on Form 10-K and Quarterly Report on Form 10-Q consolidated balance sheet for such fiscal quarter or fiscal year, as the case may be, as the line "Marketable securities", less any adjustment for securities that do not satisfy the requirements of the first sentence of this definition.

"Material Adverse Effect" means a material adverse effect on (a) the financial condition of the Loan Parties, taken as a whole or (b) the validity or enforceability of the Loan Documents, taken as a whole, or the rights and remedies of the Administrative Agent, the Collateral Trustee and the Lenders thereunder, taken as a whole.

"Material Foreign Pledged Issuer" means (i) a Foreign Subsidiary of the Borrower or a Subsidiary Guarantor listed on Schedule 1.1D-3, and (ii) any other direct, "first-tier" Foreign Subsidiary of the Borrower or a Subsidiary Guarantor which satisfies the Pledge Threshold.

"Material Indebtedness" means, with respect to a Loan Party, indebtedness for borrowed money of, or guaranteed by, such Loan Party having an aggregate principal amount, individually or in the aggregate, in excess of $1,000,000,000 (or the Dollar Equivalent thereof in any other currency).

"Material Loan Party" means (i) the Parent, (ii) the Borrower and (iii) any Subsidiary Guarantor that, at the time of determination, has Consolidated Total Assets equal to at least 10% of the Consolidated Total Assets of the Parent at such time, as reflected initially in the 2009 10-K and thereafter in the most recent annual consolidated financial statements of the Parent delivered or deemed delivered pursuant to Section 6.1.

"Moody's" means Moody's Investors Service, Inc.

"Mortgaged Property" means (a) each of the real property interests as of the Effective Date set forth in Schedule 1.1E, (b) each of the real property interests constituting the active manufacturing sites and proving grounds acquired or leased by the Borrower or a Subsidiary Guarantor after the Effective Date, in each case, having a Net Book Value (exclusive of any associated machinery and equipment), as of the last day of the first fiscal quarter of the Parent following such acquisition or lease, in excess of $75,000,000, (c) each of the real property interests constituting warehouse sites acquired by the Borrower or a Subsidiary Guarantor after the Effective Date having a Net Book Value (exclusive of any associated machinery and equipment), as of the last day of the first fiscal quarter of the Parent following such acquisition, in excess of $25,000,000, (d) each of the real property interests constituting the Warren Technology Center located in Warren, Michigan and described in Schedule 1.1E, (e) each of the real property interests constituting the Pontiac North Powertrain campus located in Pontiac, Michigan and described in Schedule 1.1E, and (f) each of the real property interests constituting the Renaissance Center campus located in Detroit, Michigan and described in Schedule 1.1E.

"Mortgages" means each of the mortgages, deeds of trust and deeds to secure debt made by the Borrower or any Subsidiary Guarantor in favor of, or for the benefit of, the Collateral Trustee for the benefit of the Secured Parties in respect of the Mortgaged Property, substantially in the form of Exhibit E (with such changes thereto as the Borrower and the Administrative Agent reasonably agree are advisable under the law of the jurisdiction in which such mortgage or deed of trust is to be recorded).

"Multiemployer Plan" means a multiemployer plan defined as such in Section 4001(a)(3) or Section 3(37) of ERISA to which contributions are required to be made by the Borrower or any ERISA Affiliate or to which the Borrower or any ERISA Affiliate may have any direct or indirect liability or obligation contingent or otherwise.

"Net Book Value" means with respect to any asset of any Person (a) other than accounts receivable, the gross book value of such asset on the balance sheet of such Person, minus depreciation in respect of such asset on such balance sheet and (b) with respect to accounts receivable, the gross book value thereof, minus any specific reserves attributable thereto.

"Net Cash Proceeds" means (a) the gross cash proceeds (including payments from time to time in respect of installment obligations, if applicable, and cash equivalents and Marketable Securities) received less (b) the sum of:

(i) the amount, if any, of all taxes paid or estimated to be payable by the Parent or any Subsidiary or affiliate thereof in connection with such transaction,

(ii) the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any taxes deducted pursuant to clause (i) above) (A) associated with the assets that are the subject of such transaction and (B) retained by the Parent or any Subsidiary or affiliate thereof,

(iii) the amount of any indebtedness secured by a Lien on the assets that are the subject of the transaction to the extent that the instrument creating or evidencing such indebtedness requires that such indebtedness be repaid upon consummation of such transaction, and

(iv) fees and expenses attributable to the transaction.

"Non-Excluded Taxes" has the meaning assigned to such term in Section 2.14(a).

"Non-Extending Lender" has the meaning assigned to such term in Section 2.20(b).

"Non-U.S. Lender" has the meaning assigned to such term in Section 2.14(d).

"Notes" has the meaning assigned to such term in Section 2.12(g).

"Notice of Acceleration" has the meaning assigned to such term in the Collateral Trust Agreement.

"Obligations" means, collectively, the unpaid principal of and interest on the Loans, Reimbursement Obligations and all other obligations and liabilities of the Borrower, the Parent or any Subsidiary (including interest accruing at the then applicable rate provided in this Agreement after the maturity of the Loans and Reimbursement Obligations and Post-Petition Interest (as defined in the Collateral Trust Agreement as in effect on the Closing Date)) to the Administrative Agent, any Lender or any Issuing Lender hereunder, 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 Loan Documents, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including all fees and disbursements of counsel to the Administrative Agent, the Lenders or the Issuing Lenders that are required to be paid by the Borrower pursuant to the terms of any of the Loan Documents).

"Optional Currency" means, at any time, any currencies which are freely convertible into Dollars and are freely traded and available in the London interbank eurocurrency market with the consent of the Administrative Agent and the applicable Issuing Lender.

"Original Currency" has the meaning assigned to such term in Section 10.13.

"Other Subsidiary Guarantor" means each Domestic Subsidiary of the Parent that is designated by the Borrower as a Subsidiary Guarantor but is not otherwise required to be a guarantor pursuant to the provisions of the Loan Documents and that becomes a party to the Guarantee and the Collateral Trust Agreement (and, if applicable, to one or more Security Documents) after the Effective Date pursuant to Section 6.7 or otherwise.

"Other Taxes" means any and all present or future stamp or documentary taxes and any other excise or property, intangible or mortgage recording taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

"Outstanding Amount" means (a) with respect to indebtedness for borrowed money, the aggregate outstanding principal amount thereof, (b) with respect to banker's acceptances, letters of credit or letters of guarantee, the aggregate undrawn, unexpired face amount thereof plus the aggregate unreimbursed drawn amount thereof, (c) with respect to Hedging Obligations, the aggregate amount recorded by the applicable obligor as its termination liability thereunder, (d) with respect to cash management obligations or guarantees that constitute Permitted First Lien Non-Loan Exposure, the aggregate maximum amount thereof (i) that the relevant cash management provider is entitled to assert as such as agreed from time to time by the applicable obligor and such provider or (ii) the principal amount of the indebtedness for borrowed money being guaranteed or, if less, the maximum amount of such guarantee set forth in the relevant guarantee and (e) with respect to any other obligations, the aggregate outstanding amount thereof.

"Parent" means General Motors Company, a Delaware corporation.

"Participant" has the meaning assigned to such term in Section 10.6(c).

"Participant Register" has the meaning assigned to such term in Section 10.6(c).

"Patent Security Agreement" means the Patent Security Agreement to be executed and delivered by General Motors LLC, GM Global Technology Operations, Inc. and the Collateral Trustee, substantially in the form of Exhibit D-1, and any additional Security Document executed and delivered by a Loan Party and relating to Patents (as therein defined), in each case as amended, supplemented, or otherwise modified from time to time.

"PBGC" means the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

"Percentage" means as to any Lender at any time, the percentage which such Lender's Commitment then constitutes of the Total Commitments or, at any time after the Commitments shall have expired or terminated, the percentage which the aggregate amount of such Lender's Loans then outstanding constitutes of the aggregate principal amount of all Loans then outstanding, provided, that, for purposes of Section 3.4, after the expiration or termination of all the Commitments, the Percentage of a Lender shall be deemed to be the Percentage in effect immediately prior to such expiration or termination as such Percentage may thereafter be adjusted to take into account the effect of assignments pursuant to Section 10.6(b).

"Perfection Period" has the meaning assigned to such term in Section 6.6.

"Permitted Additional First Lien Debt" means Debt of a Loan Party that has been designated by the Borrower as "Permitted Additional First Lien Debt" in accordance with the provisions of the Loan Documents; provided that, at the time of such designation and after giving effect to the incurrence (assuming for this purpose that the Outstanding Amount thereof, in the case of a revolving facility or line of credit, shall be deemed to be the maximum aggregate principal or face amount of Debt that can be outstanding at any one time under such facility or line, irrespective of when such amount is or may actually be incurred and, for the purpose, of this definition, all of which shall be deemed to have been incurred at the time of such designation) and application of proceeds thereof, the Borrowing Base Coverage Ratio is at least 1.20 to 1.00.

"Permitted Asset Sales" means sales or other Dispositions of:

(a) worn out or obsolete assets of a Loan Party (as determined by such Loan Party) and any other excess or surplus assets or assets no longer required in the business of a Loan Party (as determined by such Loan Party);

(b) the following assets or property of a Loan Party (i) in the ordinary course of business, inventory, (ii) accounts receivable (with or without recourse, and including any such receivables sold or financed pursuant to a receivables purchase or finance facility), (iii) cash, cash equivalents and Marketable Securities; and (iv) in the ordinary course of business, other assets,

(c) assets from one Loan Party to the Borrower or any Subsidiary thereof;

(d) assets that constitute Excluded Collateral;

(e) other assets that constitute Collateral in a single transaction or a series of related transactions having a Net Book Value less than $500,000,000; and

(f) other assets that constitute Collateral in a single transaction or a series of related transactions having a Net Book Value equal to or greater than $500,000,000; provided that (i) after giving *pro forma* effect to such sale and the application of proceeds therefrom, the Borrowing Base Coverage Ratio is at least 1.10 to 1.00 and (ii) any portion of the Net Cash Proceeds thereof not reinvested in the business of a Loan Party by the last day of the calendar month which is the 15th month following the month in which such Net Cash Proceeds were received (any such portion being referred to as "Surplus Proceeds") shall be applied, on or before the 10th Business Day of the next succeeding calendar month, to the extent, but only to the extent that Covered Debt is then outstanding, to reduce (whether by payment, repayment, or cash collateralization in a Borrowing Base Collateral Account maintained by the Collateral Trustee) the outstanding amount of Covered Debt, it being expressly understood and agreed that (i) amounts so paid or prepaid may be reborrowed (if otherwise permitted by the terms of the instrument or agreement relating thereto), and (ii) amounts so used to cash collateralize outstanding Covered Debt, together with accrued interest thereon, shall be released at any time that the Borrower so requests if no Default or Event of Default

shall have then occurred and be continuing or would result therefrom; provided, further, that the obligation to apply such Surplus Proceeds to reduce Covered Debt shall be inapplicable from and after the occurrence of the Collateral Release Date; and

(g) assets or Capital Stock of or relating to Nexteer Automotive, Delphi Automotive LLP and Ally Financial Inc.

"Permitted First Lien Non-Loan Exposure" means Designated Hedging Obligations, Designated Cash Management Obligations, reimbursement obligations in respect of letters of credit and bank guarantees, guarantees provided by a Loan Party or a Subsidiary of a Loan Party (including in respect of borrowed money), lines of credit, ACH and overdraft arrangements, and other obligations of a Loan Party or a Subsidiary of a Loan Party to Lenders or their affiliates or to other banks, financial institutions, investment banks or others that, in each case, have been designated by the Borrower as "Permitted First Lien Non-Loan Exposure"; provided that (a) after giving *pro forma* effect to such designation and any application of the proceeds thereof the Borrowing Base Coverage Ratio is at least 1.00 to 1.00 and (b) the aggregate Outstanding Amount of Permitted First Lien Non-Loan Exposure shall not exceed $2,000,000,000 at any time.

"Permitted Holders" means collectively, the United States Department of the Treasury, the UAW Retiree Medical Benefits Trust, Canada GEN Investment Corporation, Motors Liquidation Company, any stockholder of Motors Liquidation Company who receives a distribution of the Voting Stock of the Parent from Motors Liquidation Company (but only to the extent of the Voting Stock received in connection with such distribution) and any Control Investment Affiliate of any of the foregoing.

"Permitted Liens" means:

(a) Liens for Taxes, assessments, governmental charges and utility charges, in each case that (i) are not yet delinquent, (ii) are not yet subject to penalties or interest for non-payment, (iii) are due, but the Liens imposed for such Taxes, assessments or charges are unenforceable or (iv) are being contested in good faith by appropriate actions or proceedings, provided that if and to the extent required by GAAP, adequate reserves with respect thereto are maintained on the books of the relevant Loan Party in conformity with GAAP;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, supplier's, landlord's or other like Liens imposed by law or arising in the ordinary course of business (including deposits made to obtain the release of such Liens) that are not overdue for a period of more than 60 days or that are being contested in good faith by appropriate actions or proceedings;

(c) Liens securing Hedging Obligations not entered into for speculative purposes;

(d) statutory, common law or customary Liens (or similar rights) in favor of trustees and escrow agents, and netting and statutory or common law Liens, set-off rights, banker's Liens, Liens arising under Section 4-210 of the UCC and the like in favor of counterparties to financial obligations and instruments;

(e) permits, licenses, leases or subleases granted to others, encroachments, covenants, use agreements, easements, rights-of-way, reservations of

rights, title defects, servitudes, zoning and environmental restrictions, other restrictions and other similar encumbrances and other agreements incurred or entered into in the ordinary course of business or imposed by law that, individually or in the aggregate, do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the Loan Parties, taken as a whole;

(f) Liens arising under leases or subleases of real or personal property that do not, individually or in the aggregate, materially interfere with the ordinary conduct of business of the Loan Parties, taken as a whole;

(g) Liens, pledges or deposits made in the ordinary course of business or imposed by law in connection with workers' compensation, unemployment or other insurance (including self-insurance arrangements) or other types of social security or pension benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), licenses, leases (other than capital lease obligations), statutory or regulatory obligations and surety, appeal, customs or performance bonds and similar obligations, or deposits as security for contested taxes or import or customs duties or similar obligations or for the payment of rent, in each case, incurred in the ordinary course of business;

(h) Liens arising from UCC financing statement filings (or similar filings) regarding or otherwise arising under leases entered into by any Loan Party in the ordinary course of business or Liens or filings in connection with sales of accounts, payment intangibles, chattel paper or instruments;

(i) purchase money Liens granted by any Loan Party and Liens in respect of Capital Lease Obligations (including the interest of a lessor under any Capital Lease Obligation and purchase money Liens to which any property is subject at the time, on or after the date hereof, of a Loan Party's acquisition thereof including acquisitions through amalgamation, merger or consolidation) limited, in each case, to the property purchased with the proceeds of such purchase money indebtedness or subject to such Capital Lease Obligations, or Liens granted to secure Indebtedness provided or guaranteed by a Governmental Authority to finance research and development, limited to the property purchased or developed with the proceeds of such Indebtedness;

(j) Liens in existence on the Effective Date and listed on Schedule 7.3, provided that no such Lien is spread to cover any unrelated property acquired by a Loan Party after the Effective Date and that the amount of Indebtedness or other obligations secured thereby is not increased (except as otherwise permitted by this Agreement);

(k) Liens on property or Capital Stock of a Person at the time such Person becomes a Loan Party or a Subsidiary; provided however, that such Liens are not created, incurred or assumed in connection with, or in contemplation of, such other Person becoming a Subsidiary; provided further, however, that any such Lien may not extend to any other property owned by a Loan Party;

(l) Liens on property at the time a Loan Party acquires the property, including any acquisition by means of a merger or consolidation with or into such Loan Party; provided however, that such Liens are not created, incurred or assumed in connection with, or in contemplation of, such acquisition; provided further, however, that such Liens may not extend to any other property owned by a Loan Party;

(m) any Lien securing the renewal, extension, refinancing, replacing, amending, extending, modifying or refunding of any indebtedness or obligation secured by any Lien permitted by clause (i), (j), (k), (l), (p), (q), or (r) or this clause (m) without any change in the assets subject to such Lien;

(n) any Lien arising out of claims under a judgment rendered, decree or claim filed so long as such judgments, decrees or claims do not constitute an Event of Default;

(o) any Lien consisting of rights reserved to or vested in any Governmental Authority by any statutory provision;

(p) prior to the Collateral Release Date, Liens created pursuant to the Collateral Trust Agreement and the Trust Security Documents securing Covered Debt and amounts owing to the Collateral Trustee under the Collateral Trust Agreement;

(q) prior to the Collateral Release Date, Liens created pursuant to the Collateral Trust Agreement and the Trust Security Documents securing Permitted Second Lien Debt and amounts owing to the Collateral Trustee under the Collateral Trust Agreement;

(r) Liens in favor of lessors pursuant to Sale/Leaseback Transactions to the extent the Disposition of the assets subject to any such Sale/Leaseback Transaction is not prohibited by Section 7.5(b).

(s) Liens securing Indebtedness or other obligations comprising or Guarantee Obligations with respect to (i) letters of credit, bankers' acceptances and similar instruments issued in the ordinary course of business in respect of the financing of insurance premiums, customs, stay, performance, bid, surety or appeal bonds and similar obligations, (ii) completion guaranties, (iii) "take or pay" obligations in supply agreements, (iv) reimbursement obligations regarding workers' compensation claims, (v) indemnification, adjustment of purchase price and similar obligations incurred in connection with (A) the acquisition or disposition of any business or assets or (B) sales contracts, (vi) coverage of long term counterparty risk in respect of insurance companies, (vi) purchasing and supply agreements, (viii) rental deposits, (ix) judicial appeals and (x) service contracts;

(t) Liens securing Indebtedness or other obligations of a Subsidiary owing to a Loan Party;

(u) statutory and other Liens incurred or pledges or deposits made in favor of a Governmental Authority to secure the performance of obligations of a Loan Party or any Subsidiary under Environmental Laws to which any assets of such Loan Party or such Subsidiary is subject;

(v) Liens securing Indebtedness or other obligations incurred in the ordinary course of business in connection with banking, cash management (including, without limitation, Automated Clearinghouse transactions), custody and deposit accounts

and operations, netting services, employee credit card programs and similar arrangements and Liens securing indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(w) Liens under industrial revenue, municipal or similar bonds;

(x) servicing agreements, development agreements, site plan agreements and other agreements with Governmental Authorities pertaining to the use or development of any of the properties and assets of any Loan Party consisting of real or personal property;

(y) Liens arising from security interests granted by Persons who are not affiliates of a Loan Party in such Person's co-ownership interest in Intellectual Property that such Person co-owns together with any Loan Party;

(z) Liens under licensing agreements for use of Intellectual Property or licenses or sublicenses of Intellectual Property, in each case, entered into in the ordinary course of business;

(aa) Liens of sellers of goods to any Loan Party arising under Article 2 of the UCC or similar provisions of applicable law in the ordinary course of business; and

(bb) Liens whether or not permitted by the foregoing clauses securing Indebtedness and other obligations of any Loan Party; provided that the aggregate outstanding amount of all such Indebtedness and other obligations shall not exceed $250,000,000 at any time.

"Permitted Second Lien Debt" means Indebtedness of a Loan Party that (a) is subject to the Collateral Trust Agreement and (b) constitutes "Second Priority Secured Obligations" under (and as defined in) the Collateral Trust Agreement; provided, that the aggregate Outstanding Amount of Permitted Second Lien Debt (other than any such indebtedness incurred pursuant to Section 136 of the Energy Independence and Security Act of 2007) that constitutes Debt and has a final maturity date which is prior to the fifth anniversary of the Effective Date shall not exceed $3,000,000,000 at any time.

"Person" means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan" means, at a particular time, an employee pension benefit plan covered by Title IV of ERISA or Section 412 of the Code or Section 303 of ERISA, but excluding any Multiemployer Plan, (a) which is sponsored, established, contributed to or maintained by the Borrower or any ERISA Affiliate, (b) for which the Borrower or any ERISA Affiliate could have any liability, whether actual or contingent (whether pursuant to Section 4069 of ERISA or otherwise) or (c) for which the Borrower or any ERISA Affiliate is (or, if such Plan were terminated, would under Section 4062 or Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledge Threshold" means with respect to a direct, "first-tier" Domestic Subsidiary of a Loan Party, or a direct, "first-tier" Foreign Subsidiary of a Loan Party, that such Subsidiary, as of the last day of any fiscal quarter of the Parent, had Consolidated Total Assets of at least $250,000,000 (or the Dollar Equivalent thereof in any other currency).

"Post-Closing Deliverables" has the meaning assigned to such term in Section 6.6.

"Pricing Grid" has the meaning assigned to such term on Schedule 1.1G.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate in effect at its principal office in New York City (the Prime Rate not being intended to be the lowest rate of interest charged by the Administrative Agent in connection with extensions of credit to borrowers).

"Principal Trade Names" means GM, GMC, Chevrolet, Cadillac, and Buick and any variation thereof.

"Real Estate Deliverables" has the meaning assigned to such term in Schedule 1.1B.

"Register" has the meaning assigned to such term in Section 10.6(b)(iv).

"Regulation D" means Regulation D of the Board as in effect from time to time.

"Regulation T" means Regulation T of the Board as in effect from time to time.

"Regulation U" means Regulation U of the Board as in effect from time to time.

"Regulation X" means Regulation X of the Board as in effect from time to time.

"Reimbursement Date" has the meaning assigned to such term in Section 3.5.

"Reimbursement Obligation" means the obligation of the Borrower to reimburse an Issuing Lender pursuant to Section 3.5 for amounts drawn under Letters of Credit.

"Required Lenders" means, at any time, Lenders with Percentages aggregating greater than 50%.

"Requirements of Law" means as to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court of competent jurisdiction or other Governmental Authority, in each case applicable to and binding upon such Person and any of its property, and to which such Person and any of its property is subject.

"Responsible Officer" means the chief executive officer, president, chief accounting officer, chief financial officer, controller, assistant controller, treasurer or assistant treasurer of the Borrower.

"Restricted Collateral" means, collectively, (a) the Capital Stock of the Persons listed on Schedule 1.1C, (b) any asset or property, (i) to the extent that the assignment for collateral security purposes, pledge or grant of a Lien with respect thereto is prohibited by any applicable requirement of law or by any Governmental Authority, or (ii) to the extent that the assignment for collateral security purposes, pledge or grant of a Lien with respect thereto is prohibited by, constitutes a default or breach of, or results in the termination of the terms of any contract, agreement, instrument, or indenture relating to such asset or property, in each case, to the extent such law, prohibition or applicable provision is not rendered ineffective or unenforceable under other applicable law, and (c) any other asset or property of a

Loan Party that, but for a requirement to obtain a third party consent (to the extent that such requirement is not rendered ineffective or unenforceable under other applicable law) in order to assign for collateral security purposes, pledge or grant a Lien with respect to such asset or property as collateral, would constitute "Collateral", in each case only to the extent that, and for so long as, a third party consent that has not been obtained is required in order to pledge such asset or property as collateral, it being understood and agreed that no Loan Party shall have any obligation to solicit or obtain any such third party consent under any circumstances whatsoever.

"Restricted Payments" has the meaning assigned to such term in Section 7.6.

"S&P" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

"Sale/Leaseback Transaction" means any arrangement with any Person providing for the leasing by any Loan Party of real or personal property that has been or is to be sold or transferred by the applicable Loan Party to such Person, including any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of the applicable Loan Party.

"SEC" means the Securities and Exchange Commission, and any analogous Governmental Authority.

"Second Quarter 2010 10-Q" has the meaning assigned to such term in Section 4.1.

"Section 136 Collateral" means assets or property of a Person subject to a Lien to the extent that such Lien is statutorily required to be a first-priority Lien securing indebtedness of such Person in respect of loans made pursuant to Section 136 of the Energy Independence and Security Act of 2007.

"Secured Obligations" has the meaning assigned to such term in the Collateral Trust Agreement.

"Secured Parties" has the meaning assigned to such term in the Collateral Trust Agreement.

"Security Agreement" means the Security Agreement to be executed and delivered by the Borrower and each Subsidiary Guarantor, substantially in the form of Exhibit A.

"Security Agreement Joinder Agreement" means each joinder agreement to the Security Agreement to be executed and delivered pursuant to the Security Agreement.

"Security Documents" means the collective reference to the Security Agreement, each Security Agreement Joinder Agreement, the Mortgages, each Patent Security Agreement, each Trademark Security Agreement and all other security documents hereafter delivered to the Collateral Trustee granting a Lien on any property of any Person to secure the Secured Obligations.

"Subject Material Indebtedness" means, at any time, Material Indebtedness of a Loan Party that (a) is not primarily secured by a first lien on any Section 136 Collateral, (b) constitutes Permitted Additional First Lien Debt or Permitted Second Lien Debt, and (c) contains or has the benefit of a financial covenant or borrowing base covenant that is not at the time of determination included in this Agreement in substantially the same form and with the same (or more restrictive) covenant "levels".

"Subsidiary" means, with respect to any Person, any corporation, partnership, limited liability company or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity have or shall have the right to have voting power by reason of the happening of any contingency) is at the time directly or indirectly, owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Subsidiary Guarantor" means each Initial Subsidiary Guarantor, each Additional Subsidiary Guarantor and each Other Subsidiary Guarantor; provided, however, that the term "Subsidiary Guarantor" shall not include any such Person from and after the date such Person ceases for any reason not otherwise prohibited by the Loan Documents to be a party to the Guarantee.

"Surplus Proceeds" has the meaning assigned to such term in clause (f) of the definition of "Permitted Asset Sales".

"Syndication Agent" has the meaning assigned to such term in the preamble hereto.

"Taxes" means any taxes, charges or assessments, including but not limited to income, sales, use, transfer, rental, ad valorem, value-added, stamp, property, consumption, franchise, license, capital, net worth, gross receipts, excise, occupancy, intangibles or similar tax, charges or assessments.

"Termination Date" means, as to any Lender, initially, the fifth anniversary of the Effective Date, as such date for such Lender may be extended from time to time pursuant to Section 2.20.

"Total Available Commitments" means, at any time, an amount equal to the excess, if any, of (a) the Total Commitments then in effect, over (b) the Total Extensions of Credit then outstanding.

"Total Commitments" means, at any time, the aggregate amount of the Commitments then in effect.

"Total Extensions of Credit" means, at any time, the aggregate Outstanding Amount of the Extensions of Credit of the Lenders at such time.

"Trademark Security Agreement" means the Trademark Security Agreement to be executed and delivered by General Motors LLC, OnStar, LLC and the Collateral Trustee, substantially in the form of Exhibit D-2, and any additional Security Document executed and delivered by a Loan Party and relating to Trademarks (as therein defined), in each case as amended, supplemented, or otherwise modified from time to time .

"Transferee" means any Assignee or Participant.

"Trust Security Document" has the meaning assigned to such term in the Collateral Trust Agreement.

"Type" means, as to any Loan, its nature as an ABR Loan or a Eurodollar Loan.

"UCC" means the Uniform Commercial Code as in effect in any applicable jurisdiction.

"United States" means the United States of America and its territories and possessions.

"Unrestricted Payment Period" has the meaning assigned to such term in Section 7.6.

"Unconsolidated Subsidiary" means a subsidiary of the Parent or other Person whose financial results are not, in accordance with GAAP, included in the consolidated financial statements of the Parent.

"Voting Stock" means, with respect to any Person, such Person's Capital Stock having the right to vote for election of directors (or the equivalent thereof) of such Person under ordinary circumstances.

1.2 Other Definitional Provisions. (a) As used in this Agreement, the terms listed in Schedule 1.1B shall have the respective meanings set forth in such Schedule 1.1B. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms not defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP, (ii) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation", (iii) the word "incur" shall be construed to mean incur, create, issue, assume, become liable in respect of or suffer to exist (and the words "incurred" and "incurrence" shall have correlative meanings), (iv) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, (v) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time, (vi) references to any Person shall include its successors and permitted assigns, (vii) references to any law, treaty, statute, rule or regulation shall (unless otherwise specified) be construed as including all statutory provisions, regulatory provisions, rulings, opinions, determinations or other provisions consolidating, amending, replacing, supplementing or interpreting such law, treaty, statute, rule or regulation and (viii) unless otherwise specified, references to fiscal periods shall be deemed to be references to fiscal periods of the Parent.

(c) The words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole (including the Schedules and Exhibits hereto) and not to any particular provision of this Agreement (or the Schedules and Exhibits hereto), and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

1.3 Conversion of Foreign Currencies.

(a) Except as otherwise expressly set forth on Schedule 1.1B, the Administrative Agent shall determine the Dollar Equivalent of any amount as required hereby, and a determination thereof by the Administrative Agent shall be conclusive absent manifest error using the procedure set forth in the definition of "Dollar Equivalent" and Section 1.3(b). The Administrative Agent may, but shall not be obligated to, rely on any determination made by any Loan Party in any document delivered to the Administrative Agent.

(b) For purposes of determining compliance with any covenant or restriction in this Agreement that is based on the amount of any Indebtedness that is denominated in a currency other than Dollars, the Dollar Equivalent thereof shall be determined based on the Exchange Rate in effect at the time such Indebtedness was incurred unless the specific restriction or covenant provides a different method or time for valuation; provided that, for purposes of Section 3.1, the Dollar Equivalent of an outstanding Letter of Credit shall be determined on its issuance date and thereafter on the last day of each subsequent Fee Payment Period.

(c) The Administrative Agent may set up appropriate rounding off mechanisms or otherwise round-off amounts hereunder to the nearest higher or lower amount in whole Dollar or cent to ensure amounts owing by any party hereunder or that otherwise need to be calculated or converted hereunder are expressed in whole Dollars or in whole cents, as may be necessary or appropriate.

1.4 Other Interpretive Provisions; Amendments on the Collateral Release Date.

(a) If a Lien on Collateral satisfies the requirements of two or more clauses of the definition of Permitted Lien, the Borrower may, at any time and from time to time designate or redesignate such Lien as a Permitted Lien in any of such clauses and the Borrower need not classify such Lien solely by reference to one such clause. If a Permitted Asset Sale satisfies the requirements of two or more clauses (a) through (g) of the definition thereof, the Borrower may, at any time and from time to time designate or redesignate such Permitted Asset Sale as a Permitted Asset Sale in any of such clauses and the Borrower need not classify such Permitted Asset Sale solely by reference to one such clause. If a Restricted Payment satisfies the requirements of two or more clauses (a) through (j) of Section 7.6, the Borrower may, at any time and from time to time designate or redesignate such Restricted Payment as a permitted Restricted Payment in any of such clauses and the Borrower need not classify such permitted Restricted Payment solely by reference to one such clause. When calculating the amount of any obligation or liability for purposes of determining any component of the Borrowing Base or of eligibility for inclusion therein, if such obligation or liability is not an obligation or liability with a fixed or readily determinable amount, such amount shall be estimated by the Borrower to be the reasonably anticipated liability in respect thereof, in each case consistent with GAAP.

(b) It is understood and agreed that from and after the Collateral Release Date, the Collateral Trust Agreement and the Security Documents shall cease to be Loan Documents and shall cease to be applicable under or for purposes of this Agreement or any other Loan Document. Without intending to derogate from the foregoing, Sections 2.1(a)(ii), 2.6(a), 2.6(b), 2.6(c), 2.12(f), 3.1(a)(i)(C), 4.13 (insofar as it pertains to Schedule 4.13), 4.14, 5.3(c), 6.2(b), 6.2(c), 6.7 (with respect to the Collateral Trust Agreement and the Security Documents), 6.8, 6.9(b), 7.1, 7.5(b), 7.6, 8(e), 8(i), and 10.1(a)(F) and any definitions used solely in such sections shall cease to be applicable and this Agreement shall be deemed amended automatically on the Collateral Release Date by deleting the text of such Sections or definitions in their entirety and substituting for the text of each such Section or definition "[intentionally omitted]".

SECTION 2. AMOUNT AND TERMS OF COMMITMENTS

2.1 Commitments. (a) Subject to the terms and conditions hereof, each Lender severally agrees to make revolving loans ("Loans") in Dollars to the Borrower from time to time during the Commitment Period of such Lender; provided that, after giving effect to such borrowing and the use of proceeds thereof, (i) such Lender's Extensions of Credit do not exceed the amount of such Lender's Commitment, (ii) prior to the Collateral Release Date, the Outstanding Amount of Covered Debt shall not exceed the Borrowing Base at such time and (iii) the Total Extensions of Credit shall not exceed the Total Commitments then in effect. During the Commitment Period the Borrower may use the Commitments by

borrowing, prepaying the Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof. The Loans may from time to time be Eurodollar Loans, ABR Loans or any combination of the foregoing, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.2 and 2.7.

(b) The Borrower shall repay all outstanding Loans of a Lender on the Termination Date for such Lender.

2.2 Procedure for Borrowing. The Borrower may borrow under the Commitments during the Commitment Period on any Business Day, provided that, except in the case of a deemed request for an ABR Loan on the Reimbursement Date of a Reimbursement Obligation as contemplated by Section 3.5, the Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) prior to (a) 1:00 P.M., New York City time, three Business Days prior to the requested Borrowing Date, in the case of Eurodollar Loans, or (b) 12:00 Noon, New York City time, on the date of the proposed borrowing, in the case of ABR Loans), specifying (i) the amount and Type of Loans to be borrowed, (ii) the requested Borrowing Date and (iii) in the case of Eurodollar Loans, the respective lengths of the initial Interest Period(s) therefor. If no election as to the Type of a Loan is specified in any such notice, then the requested borrowing shall be an ABR Loan. If no Interest Period with respect to a Eurodollar Loan is specified in any such notice, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Except as otherwise contemplated by Section 3.5, each borrowing under the Commitments shall be in an amount equal to $50,000,000 (or, if the then aggregate Available Commitments are less than $50,000,000, such lesser amount) or a whole multiple of $10,000,000 in excess thereof. Upon receipt of any such notice (or, as provided in Section 3.5, deemed notice) from the Borrower, the Administrative Agent shall promptly notify each Lender thereof. Each Lender will make the amount of its pro rata share of each borrowing available to the Administrative Agent for the account of the Borrower at the Funding Office prior to 1:00 P.M. (or, in the case of an ABR Loan requested on the proposed Borrowing Date, 3:00 P.M.), New York City time, on the Borrowing Date requested (or deemed requested) by the Borrower in funds immediately available to the Administrative Agent. Subject to Section 3.5 (where the proceeds of such borrowing shall be applied to repay the related Reimbursement Obligation), such borrowing will then be made available to the Borrower by the Administrative Agent crediting the account of the Borrower on the books of such office or such other account as the Borrower may specify to the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent.

2.3 Commitment Fees, etc. (a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee for the period from and including the Effective Date (or such later date as of which such Lender shall become a Lender hereunder) to the date on which the Commitment of such Lender expires or otherwise terminates, computed at the Commitment Fee Rate on the average daily amount of the Available Commitment of such Lender during the related Fee Payment Period for which payment is made, payable in arrears on each Fee Payment Date, commencing on the first such date to occur after the Effective Date.

(b) The Borrower agrees to pay to the Administrative Agent the fees in the amounts and on the dates as set forth in its letter agreement (captioned "Administrative Agent Fee Letter") dated August 9, 2010 with the Administrative Agent.

2.4 Termination, Reduction of Commitments. The Borrower shall have the right, upon not less than three Business Days' notice to the Administrative Agent, to terminate the Commitments or, from time to time, to reduce the amount of the Commitments; provided that no such termination or reduction of Commitments shall be permitted if, after giving effect thereto and to any

prepayments of the Loans made on the effective date thereof, the Total Extensions of Credit would exceed the Total Commitments. In the event that the Administrative Agent receives such notice, the Administrative Agent shall give notice thereof to the Lenders as soon as practicable thereafter. Any such reduction shall be in an amount equal to $100,000,000 or a whole multiple of $25,000,000 in excess thereof, and shall reduce permanently the Commitments then in effect. Each notice delivered by the Borrower pursuant to this Section 2.4 shall be irrevocable; provided, that a notice to terminate any Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or a Change of Control, in which case, such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Notwithstanding the foregoing, the revocation of a termination notice shall not affect the Borrower's obligation to indemnify any Lender in accordance with Section 2.15 for any loss or expense sustained or incurred as a consequence thereof.

2.5 Optional Prepayments. The Borrower may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty, upon irrevocable notice delivered to the Administrative Agent no later than 1:00 P.M., New York City time, three Business Days prior thereto, in the case of Eurodollar Loans, and no later than 1:00 P.M., New York City time, on the day of such prepayment, in the case of ABR Loans, which notice shall specify the date and amount of prepayment and whether the prepayment is of Eurodollar Loans or ABR Loans; provided, that if a Eurodollar Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.15; provided, further, that such notice to prepay the Loans delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or a Change of Control, in either case, which such notice may be revoked by the Borrower (by further notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Notwithstanding the foregoing, the revocation of a prepayment notice shall not affect the Borrower's obligation to indemnify any Lender in accordance with Section 2.15 for any loss or expense sustained or incurred as a consequence thereof. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given (and not revoked as provided herein), the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Partial prepayments of Loans shall be in an aggregate principal amount of $25,000,000 or an integral multiple thereof.

2.6 Mandatory Prepayments. (a) If the Outstanding Amount of Covered Debt at any time shall exceed the Borrowing Base in effect at such time for any period of five (5) consecutive Business Days, the Borrower shall, within one (1) Business Day of the expiration of such five (5) Business Day period, either prepay and/or otherwise reduce, as applicable, the then outstanding Covered Debt in the amount of such excess or cure any such Borrowing Base deficiency by increasing the Borrowing Base by adding additional Collateral in accordance with Schedule 1.1B and the Borrowing Base shall thereupon be concurrently increased by the value of such additional Collateral.

(b) If, prior to the Collateral Release Date, the Borrower shall receive Net Cash Proceeds from any Disposition of assets permitted under clause (f) of the definition of Permitted Asset Sales, the Borrower shall apply such Net Cash Proceeds (to the extent that such Net Cash Proceeds constitute Surplus Proceeds) in the manner set forth in the first proviso to such clause (f).

(c) If, prior to the Collateral Release Date, the Borrower elects to prepay outstanding Covered Debt to comply with its obligations under Section 2.6(a), 2.6(b) or Section 7.1, such prepayment may be applied to outstanding Covered Debt in the order specified by the Borrower (and, for the avoidance of doubt, if two or more tranches of Eurodollar Loans are then outstanding, the Borrower may specify the order of prepayment thereof).

(d) On each Fee Payment Date on which any Letters of Credit denominated in an Optional Currency are outstanding, the Administrative Agent shall determine the Dollar Equivalent of the aggregate outstanding amount of such Letters of Credit as of the last day of the related Fee Payment Period. If, as of the last day of any such Fee Payment Period, the sum of (i) 105% of the Dollar Equivalent of such Letters of Credit plus (ii) the aggregate outstanding Extensions of Credit other than such Letters of Credit exceed the Total Commitments then in effect, then the Administrative Agent shall notify the Borrower and within five Business Days of such notice, the Borrower shall prepay Loans or Collateralize Letters of Credit in an aggregate principal or face amount at least equal to such excess.

2.7 Conversion and Continuation Options. (a) The Borrower may elect from time to time to convert Eurodollar Loans to ABR Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 1:00 P.M., New York City time, on the third Business Day preceding the proposed conversion date, provided that any such conversion of Eurodollar Loans that is not made on the last day of an Interest Period with respect thereto shall be subject to Section 2.15. The Borrower may elect from time to time to convert ABR Loans to Eurodollar Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 1:00 P.M., New York City time, on the third Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Interest Period therefor); provided that no ABR Loan may be converted into a Eurodollar Loan when (after giving effect to such Loan and to the application of proceeds thereof) any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversions (and the Administrative Agent shall notify the Borrower within a reasonable amount of time of any such determination). Upon receipt of any such conversion notice, the Administrative Agent shall promptly notify each relevant Lender and the Borrower.

(b) Any Eurodollar Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving irrevocable notice to the Administrative Agent, in accordance with the applicable provisions of the term "Interest Period" set forth in Section 1.1, of the length of the next Interest Period(s) to be applicable to such Loans; provided that no Eurodollar Loan may be continued as such when (after giving effect to such Loan and to the application of proceeds thereof) any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuations (and the Administrative Agent shall notify the Borrower within a reasonable amount of time of any such determination); and provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph such Loans shall be automatically continued as a Eurodollar Loan, on the last day of such then expiring Interest Period and shall have an Interest Period of two weeks duration. Upon receipt of any such continuation notice (or any such automatic continuation), the Administrative Agent shall promptly notify each relevant Lender and the Borrower thereof.

2.8 Limitations on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that no more than 30 Eurodollar Tranches shall be outstanding at any one time.

2.9 Interest Rates and Payment Dates. (a) Each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such Interest Period plus the Applicable Margin.

(b) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.

(c) (i) If all or a portion of the principal amount of any Loan or Reimbursement Obligation shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to (x) in the case of the Loans, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section plus 2% per annum or (y) in the case of Reimbursement Obligations, the rate applicable to ABR Loans plus 2% per annum, and (ii) if all or a portion of any interest payable on any Loan or Reimbursement Obligation or any commitment fee or Letter of Credit Fee payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount (in the case of any Reimbursement Obligations converted into Dollars on the applicable Reimbursement Date if necessary) shall bear interest at a rate per annum equal to the rate then applicable to ABR Loans, in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (as well after as before judgment).

(d) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to Section 2.9(c) shall be payable from time to time on demand.

2.10 Computation of Interest and Fees. (a) Interest and fees payable pursuant hereto shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed, except that, with respect to Eurodollar Loans, the interest thereon shall be calculated on the basis of a 360- day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the Lenders of each determination of a Eurodollar Rate. Any change in the interest rate on a Loan resulting from a change in the ABR or the Eurocurrency Reserve Requirements shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.10(a).

2.11 Inability to Determine Interest Rate; Illegality. (a) If prior to the first day of any Interest Period:

the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate for such Interest Period, or

the Administrative Agent shall have received notice from the Required Lenders that the Eurodollar Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as conclusively certified by such Lenders) of making or maintaining their affected Loans during such Interest Period;

the Administrative Agent shall give telecopy or telephonic notice thereof to the Borrower and the Lenders as soon as practicable thereafter. If any such notice is given, then (1) any Eurodollar Loans requested to be made on the first day of such Interest Period shall be made as ABR Loans, (2) any ABR Loans that were to have been converted on the first day of such Interest Period to Eurodollar Loans shall be continued as ABR Loans and (iii) any outstanding Eurodollar Loans shall be converted, on the last day of the then-current Interest Period, to ABR Loans. Until such relevant notice has been withdrawn by the Administrative Agent, no further Eurodollar Loans shall be made or continued as such, nor shall the Borrower have the right to convert ABR Loans to Eurodollar Loans.

(b) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof, in each case, made subsequent to the Effective Date, shall make it unlawful for any Lender to make or maintain Eurodollar Loans as contemplated by this Agreement, such Lender shall give notice thereof to the Administrative Agent and the Borrower describing the relevant provisions of such Requirement of Law (and, if the Borrower shall request, provide the Borrower with a memorandum or opinion of counsel of recognized standing (as selected by such Lender) as to such illegality), following which, (A) the commitment of such Lender hereunder to make Eurodollar Loans, continue such Eurodollar Loans as such and convert ABR Loans to Eurodollar Loans shall forthwith be cancelled and (B) such Lender's outstanding Eurodollar Loans denominated in Dollars shall be converted automatically on the last day of the then current Interest Periods with respect to such Loans (or within such earlier period as shall be required by law) to ABR Loans. If any such conversion or prepayment of a Eurodollar Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to any Lender whose Loan is converted or prepaid such amounts, if any, as may be required pursuant to Section 2.15.

2.12 Pro Rata Treatment and Payments; Evidence of Debt. (a) Each borrowing of Loans by the Borrower from the Lenders hereunder, each payment by the Borrower on account of any commitment fee and any reduction of the Commitments of the Lenders shall be made pro rata according to the respective Percentages, of the Lenders except to the extent required or permitted pursuant to Sections 2.17, 2.18 and 2.20.

(b) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Loans shall be made pro rata to the Lenders according to the respective outstanding principal amounts of the Loans then held by the Lenders except to the extent required or permitted pursuant to Sections 2.17, 2.18 and 2.20.

(c) All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 3:00 P.M., New York City time, on the due date thereof to the Administrative Agent, for the account of the Lenders, at the Funding Office, in the applicable Currency and in immediately available funds, except that payment of fronting fees owing to any Issuing Lender shall be made directly to the relevant Issuing Lender. The Administrative Agent shall distribute such payments to the Lenders promptly upon receipt in like funds as received. If any payment hereunder becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day, except as otherwise provided with respect to the payment of interest at the expiration of an Interest Period for a Eurodollar Loan as provided in the proviso to the definition of Interest Period. If any payment on a Eurodollar Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(d) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such

amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon, at a rate up to the greater of (i) the Federal Funds Effective Rate and (ii) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days after such Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans .

(e) Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment due to be made by the Borrower hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days after such due date, the Administrative Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.

(f) Notwithstanding anything to the contrary in this Section 2.12, prior to the Collateral Release Date, proceeds of the Collateral that are received by the Administrative Agent to pay or prepay the Loans while a Notice of Acceleration is in effect, shall be applied pursuant to Section 3.4 of the Collateral Trust Agreement. Unless all of the Obligations have become due and payable (whether at the stated maturity, by acceleration or otherwise), payments under the Guarantee shall be applied to the Obligations in such order of application as the relevant Loan Party may from time to time specify, subject however, to the provisions of Sections 2.12(a) and (b) (applied as if such payments were made by the Borrower) and Section 10.7.

(g) The Borrower agrees that, upon the request to the Administrative Agent by any Lender, the Borrower shall promptly execute and deliver to such Lender a promissory note of the Borrower evidencing the Loans of such Lender, substantially in the forms of Exhibit M (a "Note"), with appropriate insertions as to date and principal amount.

2.13 Requirements of Law.

Except with respect to Taxes, which shall be governed exclusively by Section 2.14 and to which this Section 2.13 shall not apply:

(a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority, in each case, made subsequent to the Effective Date:

(i) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender that is not otherwise included in the determination of the Eurodollar Rate; or

(ii) shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount that such Lender reasonably deems material, of making, converting into, continuing or maintaining Eurodollar Loans or issuing or participating in Letters of Credit, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall pay such Lender, within 15 Business Days of receipt of notice from the relevant Lender as described below, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable (it being understood that the provisions set forth in this Section 2.13(a) are not intended to derogate from the Borrower's rights provided in Sections 2.16 and 2.17). If any Lender becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify the Borrower (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled (including a reasonably detailed calculation of such amounts).

(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority, in each case, made subsequent to the Effective Date shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder or under or in respect of any Letter of Credit to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time, within 15 Business Days after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor (together with a reasonably detailed description and calculation of such amounts), the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such corporation for such reduction (it being understood that the provisions set forth in this Section 2.13(b) are not intended to derogate from the Borrower's rights provided in Sections 2.16 and 2.17).

(c) A certificate as to any additional amounts payable pursuant to this Section 2.13 submitted by any Lender to the Borrower (with a copy to the Administrative Agent) shall be prima facie evidence of the amount owing in the absence of manifest error. Notwithstanding anything to the contrary in this Agreement, (i) no Lender shall be entitled to request any payment or amount under this Section 2.13 unless such Lender is generally demanding payment (and certifies to the Borrower that it is generally demanding payment) under comparable provisions of its agreements with similarly situated borrowers of similar credit quality (provided that the Administrative Agent shall be under no obligation to verify any such request of a Lender) and (ii) the Borrower shall not be required to compensate a Lender pursuant to this Section 2.13 for any amounts incurred more than 90 days prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor; provided that, if the circumstances giving rise to such claim have a retroactive effect, then such 90 day period shall be extended to include the period of such retroactive effect, but not more than 180 days prior to the date that such notice was received by the Borrower. The obligations of the Borrower pursuant to this Section shall survive the termination of this Agreement and the payment of the Loans and all interest thereon and fees payable hereunder.

2.14 Taxes. (a) All payments made by or on behalf of the Borrower under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, excluding (i) taxes imposed on or measured by income or profits, including franchise taxes

(imposed in lieu of or in addition to net income taxes) imposed on the Administrative Agent or any Lender as a result of a present or former connection between the Administrative Agent or such Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the Administrative Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement or any other Loan Document), (ii) any branch profit taxes imposed by the United States or any similar tax imposed by any other Governmental Authority in a jurisdiction described in clause (i) above and (iii) any United States withholding taxes imposed by reason of FATCA. If any such non-excluded taxes, levies, imposts, duties, charges, fees, deductions or withholdings ("Non-Excluded Taxes") or Other Taxes are required to be withheld from any amounts payable to the Administrative Agent or any Lender hereunder, (i) the Borrower shall make such deductions and shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable laws and (ii) the amounts so payable to the Administrative Agent or such Lender hereunder shall be increased to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes and Other Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement, provided, however, that the Borrower shall not be required to increase any such amounts payable to the Administrative Agent or any Lender with respect to any Non-Excluded Taxes (1) that are attributable to any Lender's failure to comply with the requirements of paragraph (d) of this Section 2.14, or (2) that are United States withholding taxes imposed on amounts payable by the Borrower to any Lender at the time such Lender becomes a party to this Agreement (or designates a new Applicable Lending Office), except to the extent that such Lender (or its assignor, if any) was entitled, at the time of its designation of a new Applicable Lending Office (or assignment), to receive additional amounts from the Borrower with respect to such Non-Excluded Taxes pursuant to this Section 2.14.

(b) In addition, the Borrower shall pay any Other Taxes over to the relevant Governmental Authority in accordance with applicable law.

(c) Whenever any Non-Excluded Taxes or Other Taxes are payable by the Borrower, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof. If (i) the Borrower fails to pay any Non-Excluded Taxes or Other Taxes when due to the appropriate taxing authority, (ii) the Borrower fails to remit to the Administrative Agent the required receipts or other required documentary evidence or (iii) any Non-Excluded Taxes or Other Taxes are imposed directly upon the Administrative Agent or any Lender, the Borrower shall indemnify the Administrative Agent and the Lenders for such amount and any incremental taxes, interest, additions to tax, expenses or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure in the case of clauses (i) and (ii), or any such direct imposition in the case of clause (iii). The indemnification payment under this Section 2.14 shall be made within 30 days after the date the Administrative Agent or such Lender (as the case may be) makes a written demand therefor (together with a reasonably detailed calculation of such amounts).

(d) Each Lender (or Transferee) (i) that is not a "United States Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to the Borrower and the Administrative Agent (or in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of U.S. Internal Revenue Service Form W-8BEN, Form W-8ECI or Form W-8IMY (together with any applicable underlying IRS forms), or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit K-1, Exhibit K-2, Exhibit K-3 or Exhibit K-4, as applicable, and the applicable IRS Form W-8, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such

Non-U.S. Lender claiming complete exemption from U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents and (ii) that is a "United States Person" as defined in Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent (or in the case of a Participant, to the Lender from which the related participation shall have been purchased) two properly completed and duly executed copies of U.S. Internal Revenue Service Form W-9. Such forms shall be delivered by each Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). Thereafter, each Lender shall, to the extent it is legally able to do so, deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Lender at any other time prescribed by applicable law or as reasonably requested by the Borrower. Each Lender shall deliver to the Borrower and the Administrative Agent, any other form prescribed by applicable requirements of U.S. federal income tax law as a basis for claiming exemption from or a reduction in U.S. federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable requirements of law to permit the Borrower and the Administrative Agent to determine the withholding or deduction required to be made. Each Non-U.S. Lender shall promptly notify the Borrower at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower (and any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this Section 2.14, a Lender shall not be required to deliver any form pursuant to this Section 2.14 that such Lender is not legally able to deliver.

(e) If the Administrative Agent, any Transferee or any Lender determines, in its sole good faith discretion, that it has received a refund of any Non-Excluded Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.14, it shall pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.14 with respect to the Non-Excluded Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent, such Transferee or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that the Borrower, upon the request of the Administrative Agent, such Transferee or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, such Transferee or such Lender in the event the Administrative Agent, such Transferee or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to (i) interfere with the right of the Administrative Agent, any Transferee or any Lender to arrange its tax affairs in whatever manner it sees fit, (ii) obligate the Administrative Agent, any Transferee or any Lender to claim any tax refund, (iii) require the Administrative Agent, any Transferee or any Lender to make available its tax returns (or any other information relating to its taxes or any computation in respect thereof which it deems in its sole discretion to be confidential) to the Borrower or any other Person, or (iv) require the Administrative Agent, any Transferee or any Lender to do anything that would in its sole discretion prejudice its ability to benefit from any other refunds, credits, reliefs, remissions or repayments to which it may be entitled.

(f) Each Lender shall indemnify the Administrative Agent for the full amount of any taxes, levies, imposts, duties, charges, fees, deductions, withholdings or similar charges imposed by any Governmental Authority that are attributable to such Lender and that are payable or paid by the Administrative Agent, together with all interest, penalties, reasonable costs and expenses arising therefrom or with respect thereto, as determined by the Administrative Agent in good faith. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error.

(g) Each Assignee shall be bound by this Section 2.14.

(h) The agreements in this Section 2.14 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.15 Indemnity. The Borrower agrees to indemnify each Lender for, and to hold each Lender harmless from, any actual loss or expense that such Lender may sustain or incur as a consequence of (a) default by the Borrower in making a borrowing of, conversion into or continuation of Eurodollar Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment of or conversion from Eurodollar Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement, (c) the making of a prepayment of Eurodollar Loans (or the conversion of a Eurodollar Loan into a Loan of a different Type) on a day that is not the last day of an Interest Period with respect thereto or (d) the assignment of any Eurodollar Loan other than on the last day of an Interest Period therefor as a result of a request by the Borrower pursuant to Section 2.17. Such indemnification may include an amount up to the excess, if any, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of such Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank eurodollar market. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender (together with a reasonably detailed calculation of such amounts) shall be prima facie evidence thereof and shall be payable within 30 days of receipt of any such notice. The agreements in this Section 2.15 shall survive the termination of this Agreement and the payment of the Loans hereunder.

2.16 Change of Applicable Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.13 or 2.14(a) with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another Applicable Lending Office for any Loans affected by such event with the object of avoiding or minimizing the consequences of such event; provided, that such designation is made on terms that, in the reasonable judgment of such Lender, do not cause such Lender and its lending office(s) to suffer any material economic, legal or regulatory disadvantage; and provided, further, that nothing in this Section 2.16 shall affect or postpone any of the obligations of the Borrower or the rights of any Lender pursuant to Section 2.13 or 2.14(a).

2.17 Replacement/Termination of Lenders. The Borrower shall be permitted to replace with a replacement financial institution or terminate the Commitments and repay any outstanding Loans (and any accrued interest and fees thereon) of a Defaulting Lender or any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.13 or 2.14(a), (b) fails to give its consent for any amendment, consent or waiver requiring the consent of 100% of the Lenders or all affected Lenders (and such Lender is an affected Lender) and for which Lenders with Percentages aggregating at least 66 $^{2}/_{3}$% of the Loans and/or Commitments required for such vote have consented or (c) fails to give its consent to an extension of the Termination Date to which the Required Lenders have consented; provided that (i) the replacement financial institution or the Borrower, as applicable, shall purchase or repay, all Loans owing to such replaced or terminated Lender on or prior to the date of replacement or termination, and shall pay all accrued interest and fees thereon to such date, (ii) unless otherwise agreed, the Borrower shall be liable to such replaced or terminated Lender under Section 2.15 if any Eurodollar Loan owing to such replaced Lender shall be purchased or repaid other than on the last day of the Interest Period relating thereto, (iii) any replacement financial institution, if not a Lender, shall be reasonably satisfactory to the Administrative Agent and if a Lender, shall not constitute a Defaulting Lender, (iv) any replaced Lender

shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that, unless otherwise agreed, the Borrower shall be obligated to pay the registration and processing fee referred to therein), (v) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.13 or 2.14(a), as the case may be, and (vi) any such replacement, termination and/or repayment shall not be deemed to be a waiver of any rights that the Borrower, any other Loan Party, the Administrative Agent or any other Lender shall have against the replaced Lender.

2.18 Defaulting Lender

Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) commitment fees shall cease to accrue on the Commitment of such Defaulting Lender pursuant to Section 2.3;

(b) such Defaulting Lender and the Commitment and Extensions of Credit of such Defaulting Lender shall not be included in determining whether the Lenders or the Required Lenders (or any directly affected Lender) have taken or may take any action hereunder (including any consent to any amendment, consent, waiver or other modification pursuant to Section 10.1); provided, that this clause (b) shall not apply in the case of an amendment, waiver or other modification that has the effect of (i) increasing the amount or extending the expiration date of such Defaulting Lender's Commitment or extending the final scheduled maturity date of any Loan held by such Defaulting Lender, (ii) forgiving or reducing any principal amount of any Loan or any Reimbursement Obligation owing to such Defaulting Lender, or (iii) reducing the stated rate of any interest or fees payable to such Defaulting Lender hereunder, or extending the scheduled date of any payment thereof (for the purpose of clarity, the foregoing clauses (i), (ii), and (iii) shall not include any waiver of a mandatory prepayment and shall not preclude a waiver of applicability of any post-default increases in interest rates).

(c) if any L/C Obligations exist at the time such Lender becomes a Defaulting Lender then:

(i) so long as no Event of Default shall have occurred and be continuing at such time all or any part of the L/C Obligations of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their Percentages (calculated without regard to such Defaulting Lender) but only to the extent the sum of all non-Defaulting Lenders' Extensions of Credit plus such L/C Obligations does not exceed the total of all non-Defaulting Lenders' Commitments;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, any Loan Party may, at any time and from time to time following notice by the Administrative Agent, Collateralize for the benefit of each Issuing Lender that is not, itself, a Defaulting Lender, the Borrower's obligations corresponding to such Defaulting Lender's L/C Obligations (after giving effect to any partial reallocation pursuant to clause (i) above) for so long as such L/C Obligations are outstanding or, if sooner, so long as such Defaulting Lender remains a Defaulting Lender (it being expressly understood and agreed that all accrued interest on such Collateralization shall be for the account of the applicable Loan Party and shall be paid to such Loan Party at any time and from time to time upon its request therefor; provided, that no Event of Default shall have then occurred and be continuing);

(iii) if a Loan Party Collateralizes any portion of such Defaulting Lender's L/C Obligations pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 3.3 with respect to such Defaulting Lender's L/C Obligations during the period such Defaulting Lender's L/C Obligations are so Collateralized;

(iv) if the L/C Obligations of the Defaulting Lenders are reallocated pursuant to clause (i) above, then the fees payable to the non-Defaulting Lenders pursuant to Section 2.3 and Section 3.3 shall be adjusted in accordance with such non-Defaulting Lenders' Percentages of the Total Commitments calculated without regard to such Defaulting Lender's Percentage of the Total Commitments; and

(v) if all or any portion of such Defaulting Lender's L/C Obligations is neither reallocated nor Collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of each Loan Party, the applicable Issuing Lender or any other Lender hereunder, all letter of credit fees payable under Section 3.3 with respect to such Defaulting Lender's L/C Obligations shall be payable to the applicable Issuing Lender until and to the extent that such L/C Obligations are so reallocated and/or Collateralized; and

(d) no Issuing Lender shall be required to issue, renew, amend or increase any Letter of Credit, unless it is reasonably satisfied that the related exposure and such Defaulting Lender's then outstanding L/C Obligations will be 100% covered by the Commitments of the non-Defaulting Lenders and/or Collateralized by a Loan Party in accordance with this Section 2.18 and participating interests in any newly issued or increased Letter of Credit shall be allocated among the non-Defaulting Lenders in a manner consistent with this Section 2.18 (and such Defaulting Lender shall not participate therein).

If (i) a Lender Insolvency Event with respect to the parent company of any Lender shall occur following the Effective Date and for so long as such event shall continue or (ii) any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, such Issuing Lender shall not be required to issue, amend or increase any Letter of Credit, unless such Issuing Lender shall have entered into arrangements with the Borrower or such Lender, satisfactory to such Issuing Lender, to defease any risk to it in respect of such Lender hereunder.

In the event that a Lender becomes a Defaulting Lender, the Administrative Agent shall give notice to the Borrower and each affected Issuing Lender stating that such Lender has become a Defaulting Lender. In the event that each of the Administrative Agent, the Borrower and each affected Issuing Lender agrees that a Defaulting Lender has adequately remedied all matters that caused such Defaulting Lender to be a Defaulting Lender, then the L/C Obligations of the Lenders shall be readjusted to reflect the inclusion of such Defaulting Lender's Commitment and, on such date, such Lender shall purchase at par such of the Loans and/or participations in the L/C Obligations of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans and participations in the L/C Obligations in accordance with its Percentage of the Total Commitments.

2.19 Reallocation of Payments for the Account of Defaulting Lenders. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at or prior to maturity, or otherwise), shall be

applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to each Issuing Lender hereunder (pro rata to the Issuing Lenders in accordance with the amounts owed by such Defaulting Lender to each Issuing Lender); *third*, if so determined by the Administrative Agent or requested by the Borrower or an Issuing Lender, to be held as cash collateral for future funding obligations of such Defaulting Lender of any participation in any Letter of Credit; *fourth*, as the Borrower may request (so long as no Event of Default has occurred and is continuing), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in an interest bearing deposit account and released from time to time in order to satisfy obligations of such Defaulting Lender to fund Loans under this Agreement (it being understood and agreed that the accrued interest thereon shall be held as additional collateral for such obligations); *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender or any Issuing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, to the payment of any amounts owing to a Loan Party as a result of any judgment of a court of competent jurisdiction obtained by such Loan Party against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or Reimbursement Obligations in respect of which such Defaulting Lender has not fully funded its appropriate share and (y) such Loans or Reimbursement Obligations were made at a time when the conditions set forth in Section 5.3 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and Reimbursement Obligations owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or Reimbursement Obligations owed to, such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by such Defaulting Lender or to post cash collateral pursuant to this Section 2.19 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

2.20 Termination Date Extension. (a) The Borrower may at any time and from time to time, by notice to the Administrative Agent, propose an extension of the Termination Date, which proposal may include a proposal to change the Applicable Margins (including any provision of the Pricing Grid) for the Lenders as may be specified in such proposal. Upon receipt of any such proposal the Administrative Agent shall promptly notify each Lender thereof. Each Lender shall respond to such proposal in writing within 30 calendar days after the date of such proposal and any failure of a Lender to respond within such period shall be deemed to be a rejection of such proposal. If any Lender consents to such proposal (each such consenting Lender, an "Extending Lender"), the Termination Date applicable to each Extending Lender shall be extended to the date specified in the Borrower's extension proposal and the Applicable Margin with respect to each such Extending Lender shall be adjusted in the manner specified in such proposal, if any, and each Non-Extending Lender will be treated as provided in Section 2.20(b).

(b) If any Lender does not consent to any extension request that becomes effective pursuant to Section 2.20(a) (each such Lender, a "Non-Extending Lender"), then (i) the Termination Date for such Non-Extending Lender shall remain unchanged from that applicable prior to the extension and the Commitments of each Non-Extending Lender and the existing Applicable Margins shall, subject to the terms of Section 2.17, continue in full force and effect.

(c) Notwithstanding the provisions of Section 10.1(a), the Borrower and the Administrative Agent (and the Extending Lenders) shall be entitled to enter into any amendments to this

Agreement that the Administrative Agent believes are necessary or appropriate to reflect, or to provide for the integration of, any extension of the Termination Date or change in Applicable Margins pursuant to this Section 2.20 without the consent of any Non-Extending Lender.

SECTION 3. LETTERS OF CREDIT

3.1 L/C Commitment. (a) Subject to the terms and conditions hereof, each Issuing Lender, in reliance on the agreements of the Lenders set forth in Section 3.4(a), agrees to issue letters of credit and, with the consent of such Issuing Lender, letters of guarantee (each a "Letter of Credit") for the account of a Loan Party or a Subsidiary of a Loan Party on any Business Day during the Commitment Period of such Issuing Lender in such form as may be reasonable and customary for the purpose thereof; provided that (i) the Borrower shall not request, and no Issuing Lender shall be required to issue, any Letter of Credit if, after giving effect to such issuance (and to any concurrent funding or prepayment of a Loan and to the application of proceeds thereof and to any concurrent expiration or termination or amendment or modification of any previously issued Letter of Credit), (A) the Dollar Equivalent of the then Outstanding Amount of all Letters of Credit issued by such Issuing Lender would exceed such Issuing Lender's L/C Commitment then in effect, (B) the Dollar Equivalent of the then Outstanding Amount of all Letters of Credit would exceed the L/C Sublimit then in effect, (C) prior to the Collateral Release Date, the Dollar Equivalent of the then Outstanding Amount of Covered Debt would exceed the Borrowing Base at such date or (D) the sum of (x) 105% of the Dollar Equivalent of Letters of Credit denominated in Optional Currencies plus (y) the then Outstanding Amount of the Extensions of Credit other than Letters of Credit denominated in Optional Currencies would exceed the Total Commitments then in effect and (ii) the Borrower shall be a co-applicant, and jointly and severally liable with respect to, each Letter of Credit issued for the account of a Subsidiary. Each Letter of Credit shall (x) be denominated in Dollars or, if agreed by the applicable Issuing Lender, any Optional Currency and (y) expire no later than the earlier of (A) the date that is one year after the date of issuance of such Letter of Credit and (B) five Business Days prior to the Termination Date of such Issuing Lender then in effect; provided, that any Letter of Credit with a one-year tenor may provide for the subsequent or successive renewal or automatic renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in foregoing clause (B), unless and to the extent that such Letter of Credit is Collateralized for the period following such date at 105% of the undrawn and unexpired amount of such Letter of Credit). Any such Collateralization of a Letter of Credit provided by a Loan Party with respect to a Letter of Credit, together with accrued interest or earnings thereon, shall be released to such Loan Party as soon as practicable after the expiration or other termination of such Letter of Credit and the reimbursement of any amount drawn thereunder; provided, that, so long as such 105% margin is maintained, the accrued interest or earnings on such Collateralization shall be released to the applicable Loan Party at any time and from time to time upon its request therefor. No Issuing Lender shall at any time be obligated to issue any Letter of Credit if such issuance would conflict with, or cause such Issuing Lender or any L/C Participant to exceed any limits imposed by, any applicable Requirement of Law.

3.2 Procedure for Issuance of Letter of Credit. The Borrower may from time to time request that any Issuing Lender issue a Letter of Credit by delivering to such Issuing Lender at its address for notices specified in accordance with the provisions of Section 10.2 an Application therefor, completed to the reasonable satisfaction of such Issuing Lender, and such other certificates, documents and other papers and information as the Issuing Lender may reasonably request consistent with its customary business practices for comparable transactions (it being expressly understood and agreed by each Issuing Lender that the terms and provisions of each such Application shall be consistent with the terms and provisions of this Agreement). Upon receipt of any Application, the relevant Issuing Lender will process such Application and the certificates, documents and other papers and information delivered to it in

connection therewith in accordance with its customary procedures and shall promptly issue the Letter of Credit requested thereby (but in no event shall any Issuing Lender be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor and all such other certificates, documents and other papers and information relating thereto) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed to by the relevant Issuing Lender and the Borrower. The relevant Issuing Lender shall furnish a copy of such Letter of Credit to the Borrower promptly following the issuance thereof. The relevant Issuing Lender shall promptly furnish to the Administrative Agent notice of the issuance of each Letter of Credit (including the amount and currency thereof). No Issuing Lender shall issue any Letter of Credit during any period commencing on the first Business Day after it receives written notice from the Administrative Agent that one or more of the conditions precedent contained in Section 5.3 shall not on such date be satisfied or waived, and ending when the Administrative Agent provides written notice to the effect that such conditions are satisfied or waived. The Administrative Agent shall promptly notify the Issuing Lenders upon becoming aware that such conditions in Section 5.3 are thereafter satisfied or waived. The Issuing Lenders shall not otherwise be required to determine that, or take notice whether, the conditions precedent set forth in Section 5.3 have been satisfied or waived in connection with the issuance of any Letter of Credit.

3.3 Fees and Other Charges. The Borrower shall pay a fee (the "Letter of Credit Fee") on the average daily undrawn and unexpired amount of all outstanding Letters of Credit during each Fee Payment Period at a per annum rate equal to the Applicable Margin then in effect with respect to Eurodollar Loans, shared ratably among the Lenders based on the Percentages of the Lenders during the relevant Fee Payment Period and payable in arrears for each Fee Payment Period on the related Fee Payment Date. In addition, the Borrower shall pay a fronting fee in an amount equal to 0.25% per annum on the average daily undrawn and unexpired amount of each Letter of Credit issued by such Issuing Lender, payable in arrears for each Fee Payment Period on the related Fee Payment Date. For the purposes of the foregoing calculations, the average daily undrawn and unexpired amount of any Letter of Credit denominated in an Optional Currency for any Fee Payment Period shall be calculated by multiplying (i) the average daily undrawn and unexpired amount of such Letter of Credit (expressed in the Optional Currency in which such Letter of Credit is denominated) by (ii) the Exchange Rate for each such Optional Currency in effect on the first Business Day of the related Fee Payment Period or by such other method that the Administrative Agent and the Borrower may agree. In addition to the foregoing fees, the Borrower shall pay or reimburse each Issuing Lender, for its own account such customary out-of-pocket costs and expenses as are incurred or charged by such Issuing Lender in issuing, negotiating, effecting payment under, amending or otherwise administering any Letter of Credit, to the extent that such costs and expenses have been mutually agreed upon between the Borrower and such Issuing Lender.

3.4 L/C Participations. (a) Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce such Issuing Lender to issue Letters of Credit, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from such Issuing Lender, on the terms and conditions set forth below, for such L/C Participant's own account and risk an undivided interest equal to such L/C Participant's Percentage in such Issuing Lender's obligations and rights under and in respect of each Letter of Credit issued, and the amount of each draft paid, by such Issuing Lender thereunder. Each L/C Participant agrees with each Issuing Lender that, if a draft is paid under any Letter of Credit issued by such Issuing Lender for which the Issuing Lender is not reimbursed in full by the Borrower or other applicant in accordance with the terms of this Agreement, such L/C Participant shall pay to such Issuing Lender upon demand at such Issuing Lender's address for notices specified herein an amount equal to such L/C Participant's Percentage of the Dollar Equivalent of the amount of such draft, or any part thereof, that is not so reimbursed (calculated, in the case of any Letter of Credit denominated in an Optional Currency, as of the Reimbursement Date therefor); provided that in no event shall an L/C Participant be obligated to fund an amount that would cause such L/C Participant's Extensions of Credit to exceed such L/C Participant's Commitment. Subject to the foregoing, each L/C

Participant's obligation to pay such amount shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such L/C Participant may have against any Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Section 5, (iii) any adverse change in the condition (financial or otherwise) of any Loan Party, (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other L/C Participant or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(b) If any amount required to be paid by any L/C Participant to any Issuing Lender pursuant to Section 3.4(a) in respect of any unreimbursed portion of any payment made by the Issuing Lender under any Letter of Credit is paid to any Issuing Lender within three Business Days after the date such payment is due, such L/C Participant shall pay to any Issuing Lender on demand an amount equal to the product of (i) such amount, times (ii) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to the relevant Issuing Lender, times (iii) a fraction, the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any such amount required to be paid by any L/C Participant pursuant to Section 3.4(a) is not made available to the relevant Issuing Lender by such L/C Participant within three Business Days after the date such payment is due, such Issuing Lender shall be entitled to recover from such L/C Participant, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans. A certificate of the relevant Issuing Lender submitted to any L/C Participant with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error.

(c) Whenever, at any time after any Issuing Lender has made payment under any Letter of Credit and has received from any L/C Participant its pro rata share of such payment in accordance with Section 3.4(a), such Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or other applicant or otherwise, including proceeds of collateral applied thereto by such Issuing Lender), or any payment of interest on account thereof, such Issuing Lender will distribute to such L/C Participant its pro rata share thereof; provided, however, that in the event that any such payment received by such Issuing Lender shall be required to be returned by such Issuing Lender, such L/C Participant shall return to such Issuing Lender the portion thereof previously distributed by such Issuing Lender to it.

3.5 Reimbursement Obligation of the Borrower. If any draft is paid under any Letter of Credit, the Borrower or other applicant shall reimburse the Issuing Lender for the amount of the draft so paid, not later than 3:00 P.M., New York City time, on the second Business Day immediately following the day that the Borrower receives notice of payment of such draft (or if notice of such payment is received after 10:00 A.M., New York City time, on a Business Day, on the third Business Day immediately following such date of receipt) (such date, the "Reimbursement Date"). Each such payment shall be made to the relevant Issuing Lender at its address for notices referred to herein in the currency in which such Letter of Credit is denominated and in immediately available funds; provided that, in the case of any Letter of Credit denominated in an Optional Currency, if such payment, or obligation to make such payment, in an Optional Currency would subject the Administrative Agent, the relevant Issuing Lender or any Lender to any stamp duty, ad valorem charge or any similar tax that would not be payable if such payment were paid or required to be paid in Dollars, the Borrower shall, at its option, (A) pay the amount of such tax to the Administrative Agent, the relevant Issuing Lender or the relevant Lender or (B) pay the Dollar Equivalent of such draft (calculated as of the Reimbursement Date); provided, further that if such payment is not made on the applicable Reimbursement Date the obligation to pay such draft shall be permanently converted into an obligation to pay the Dollar Equivalent amount of such draft (calculated as of such Reimbursement Date). Interest shall be payable on any such amounts from the Reimbursement

Date until payment in full at the rate set forth in Section 2.9(c). Notwithstanding any inconsistent provision of this Agreement, unless (x) the Borrower gives notice to the Administrative Agent that it has paid its Reimbursement Obligation by 2:00 P.M., New York City time, on the Reimbursement Date or notifies the Administrative Agent that it does not wish to have such Reimbursement Obligation paid with the proceeds of an ABR Loan by such time, or (y) the Administrative Agent has actual knowledge that the conditions precedent to an ABR Loan to be made on such Reimbursement Date which are contained in Section 5.3 have not been satisfied or waived, the Borrower shall be deemed to have requested that the Lenders make an ABR Loan on such Reimbursement Date in an aggregate principal amount equal to the amount of the related Reimbursement Obligation, and such ABR Loan shall be made on such Reimbursement Date. If an ABR Loan is deemed to have been requested as aforesaid, such Reimbursement Obligation shall be paid with the proceeds of such Loan and no Default or Event of Default shall exist or be continuing in respect thereof. Notwithstanding the last sentence of Section 2.2, the proceeds of such ABR Loan shall be made available to the relevant Issuing Lender (and not to the Borrower) to the account specified by such Issuing Lender, in like funds as received by the Administrative Agent, and the Issuing Lender may credit its Percentage of such ABR Loan to the relevant Reimbursement Obligation in lieu of funding such amount to the Administrative Agent.

3.6 Obligations Absolute. The obligations of the Borrower under this Section 3 shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower may have or have had against any Issuing Lender, any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees with each Issuing Lender that such Issuing Lender shall not, absent gross negligence or willful misconduct, be responsible for, and the Reimbursement Obligations under Section 3.5 of the Borrower shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among the Borrower, and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower or such Subsidiary, as the case may be, against any beneficiary of such Letter of Credit or any such transferee. No Issuing Lender shall be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except for errors or omissions resulting from the gross negligence or willful misconduct of such Issuing Lender. The Borrower agrees that any action taken or omitted by any Issuing Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct, shall be binding on the Borrower and shall not result in any liability of such Issuing Lender to the Borrower .

3.7 Letter of Credit Payments. If any draft shall be presented for payment under any Letter of Credit, the relevant Issuing Lender shall promptly notify the Borrower of the date and amount thereof. The responsibility of the relevant Issuing Lenders to the Borrower in connection with any draft presented for payment under any Letter of Credit shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment are substantially in conformity with such Letter of Credit.

3.8 Applications. To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of any other Loan Document, including this Section 3, the provisions of such other Loan Document or this Section 3, as the case may be, shall apply.

3.9 Collateralization. Any Loan Party may at its option at any time and from time to time Collateralize any Letter of Credit (with the consent of the relevant Issuing Lender). In addition, on or prior to the date that is five Business Days prior to the Termination Date then in effect for any Issuing

Lender, a Loan Party shall (or shall cause the relevant Subsidiary to) Collateralize any Letter of Credit with an expiration date occurring after such Termination Date as provided in Section 3.1. Any Letter of Credit that is Collateralized as provided in this Section 3.9 shall cease to be a "Letter of Credit" outstanding hereunder effective on the date of such Collateralization and, accordingly, the rights and obligations of Lenders in respect thereof (including pursuant to Sections 3.3 and 3.4) shall terminate and the Dollar Equivalent of the Outstanding Amount of such Letter of Credit shall no longer be included as "Covered Debt", an "L/C Obligation" or an "Extension of Credit".

3.10 New Issuing Lenders; L/C Commitments. (a) The Borrower may from time to time (i) decrease the L/C Commitment of any Issuing Lender or terminate any Issuing Lender as an Issuing Lender hereunder (on a prospective basis only) for any reason upon written notice to the Administrative Agent and such Issuing Lender, (ii) add additional Issuing Lenders hereunder and (iii) increase (with the consent of the relevant Issuing Lender) the L/C Commitment of any existing Issuing Lender. If the Borrower shall decide to add a new Issuing Lender under this Agreement, then the Borrower may appoint from among the Lenders (or an Applicable Lending Office thereof) a new Issuing Lender, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), whereupon such new issuer of Letters of Credit shall be granted the rights, powers and duties of an Issuing Lender hereunder, and the term "Issuing Lender" shall mean such new issuer of Letters of Credit effective upon such appointment. The acceptance of any appointment as an Issuing Lender hereunder in accordance with this Agreement or an increase of the L/C Commitment of any existing Issuing Lender, shall be evidenced by an agreement entered into by such new issuer of Letters of Credit or existing Issuing Lender, as applicable, in a form reasonably satisfactory to such Issuing Lender, the Borrower and the Administrative Agent and, from and after the effective date of such agreement, such new issuer of Letters of Credit shall become an "Issuing Lender" hereunder or such increased L/C Commitment shall become effective. Any decrease of an L/C Commitment or termination of an Issuing Lender shall become effective upon the applicable Issuing Lender's receipt of notice thereof. After the termination of an Issuing Lender hereunder, the terminated Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement and the other Loan Documents with respect to Letters of Credit issued by it prior to the replacement, termination or Collateralization thereof or pursuant to Section 3.9, but shall not issue additional Letters of Credit. The Administrative Agent shall promptly notify the Lenders of the effectiveness of any replacement or addition of an Issuing Lender, or any changed L/C Commitment pursuant to this Section 3.10.

(b) Any Issuing Lender may, in its discretion, arrange for one or more Letters of Credit to be issued by an Applicable Lending Office thereof, in which case, such Applicable Lending Office shall be an "Issuing Lender" hereunder.

SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement and to make the Loans and issue or participate in the Letters of Credit the Borrower hereby represents and warrants to each Lender that:

4.1 Financial Condition. The consolidated financial statements of the Parent included in its Annual Report on Form 10-K, for the twelve-month period ended December 31, 2009 (the "2009 10-K") and in its Quarterly Report on Form 10-Q for the six-month period ended June 30, 2010 (the "Second Quarter 2010 10-Q"), each as most recently updated or amended on or before the Effective Date and filed with the SEC, present fairly, in all material respects, in accordance with GAAP, the financial condition and results of operations of the Parent and its Subsidiaries as of, and for, (a) the twelve-month period ended on December 31, 2009 and (b) the six-month period ended June 30, 2010, respectively; provided that the foregoing representation shall not be deemed to have been incorrect if, in the event of a subsequent restatement of such financial statements, the changes reflected in such restatement(s) do not reflect a change in the financial condition or results of operation of the Parent and its Subsidiaries, taken as a whole, which could reasonably be expected to have a Material Adverse Effect.

4.2 No Change. Between the date of the financial statements included in the Second Quarter 2010 10-Q and the Closing Date, there has been no development or event which has had a Material Adverse Effect.

4.3 Existence. Each Loan Party (a) is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, (b) has the power and authority to conduct the business in which it is currently engaged and (c) is duly qualified and in good standing in each jurisdiction where it is required to be so qualified and in good standing, except to the extent all failures with respect to the foregoing clauses (a), (b) and (c) could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.4 Power; Authorization; Enforceable Obligations. Each Loan Party (a) has the requisite organizational power and authority to execute, deliver and perform its obligations under each Loan Document to which it is a party, (b) has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance thereof, (c) has duly executed and delivered each Loan Document to which it is a party and (d) each such Loan Document constitutes a legal, valid and binding obligation of such Person enforceable against each such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law); provided that the foregoing representation shall not be deemed to be incorrect with respect to the Collateral Trust Agreement or any Security Document unless an Event of Default under Section 8(i) has occurred and is continuing.

4.5 No Legal Bar. The execution, delivery and performance of this Agreement and the other Loan Documents, the issuance of Letters of Credit, the borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, or any Contractual Obligation of any Loan Party, except to the extent all such violations could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.6 Litigation. Except as set forth on Schedule 4.6 and except as set forth, or contemplated, in the 2009 10-K, the Quarterly Report on Form 10-Q/A of the Parent for the three-month period ended June 30, 2010 filed with the SEC, the Quarterly Report on Form 10-Q/A of the Parent for the three- and six-month periods ended June 30, 2010 filed with the SEC, the Second Quarter 2010 10-Q or on any Current Report on Form 8-K of the Parent filed with the SEC prior to the Effective Date, or on the Parent's registration statement on Form S-1 (File No. 333-168919), and any amendments thereto, as filed with the SEC on or prior to the Effective Date, no litigation, investigation, proceeding or arbitration is pending, or to the best of the Borrower's knowledge, is threatened against the Borrower or any Loan Party as of the Closing Date that could reasonably be expected to have a Material Adverse Effect.

4.7 No Default. As of the Closing Date no Default or Event of Default has occurred and is continuing.

4.8 Ownership of Property. As of the Closing Date, the Borrower and each Initial Subsidiary Guarantor, as applicable, has title in fee simple to, or a valid leasehold interest in, the Mortgaged Property then owned or leased by it and has good title to, or a valid leasehold interest in, all of its other property then owned or leased by it; provided that the foregoing representation shall not be deemed to have been incorrect, (a) if any such property (inclusive, in the case of any such real property,

of associated machinery and equipment installed in such property) with respect to which the Borrower or an Initial Subsidiary Guarantor cannot make such representation has a Net Book Value of less than $250,000,000 or (b) with respect to defects in title to or leasehold interests in any such real or personal property, either (A) such defects are Permitted Liens, (B) such defects are cured no later than 180 days after the earlier to occur of (x) the date that the Administrative Agent gives notice of such defects to the Borrower and (y) the date that a Financial Officer of the Borrower has actual knowledge of such defects, or (C) such defects could not reasonably be expected to detract from the current use or operation of the affected real or personal property in any material respect. In addition, to the extent that any defect in title to or leasehold interest in any such Mortgaged Property is insured against in any title insurance policy for the benefit of the Collateral Trustee, such defect shall not be taken into account for purposes of the preceding sentence up to the amount of such insurance coverage.

4.9 Intellectual Property. As of the Closing Date, the Borrower and each Initial Subsidiary Guarantor own, or are licensed to use, all United States Intellectual Property necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, except where the failure to own or be licensed could not reasonably be expected to have a Material Adverse Effect.

4.10 Federal Regulations. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used for any purpose that violates the provisions of Regulation T, U or X of the Board.

4.11 ERISA. No ERISA Default has occurred and is continuing.

4.12 Investment Company Act. No Loan Party is an “investment company”, or a company “controlled” by an “investment company”, registered or required to be registered as such under the Investment Company Act of 1940, as amended.

4.13 Subsidiary Guarantors; Pledged Equity. As of the Closing Date, the information set forth on Schedules 1.1D-1, 1.1D-2, and on Schedule 4.13 is true and correct in all material respects; provided that the foregoing representation shall not be deemed to be incorrect unless the failure of such representation to be correct results in property having a having a Net Book Value in excess of $250,000,000 being excluded from the Borrowing Base.

4.14 Collateral Trust Agreement; Security Documents. (a) Upon execution and delivery thereof by the parties thereto, the Security Agreement and each Mortgage will be effective to create in favor of the Collateral Trustee, for the benefit of the Secured Parties, a legal, valid and enforceable security interest or Lien in the Collateral described therein; provided, that the foregoing representation shall not be deemed to have been incorrect if (i) such Security Documents are not effective with respect to Collateral having an aggregate Net Book Value of less than $250,000,000, or (ii) at the time of determination, the Borrowing Base Coverage Ratio is at least 1.25 to 1.00 (calculated on a pro forma basis and assuming that such Collateral for which the Security Documents are not so effective , or with respect to which such security interest or Lien is not so legal, valid, and enforceable, is excluded from the Borrowing Base).

(b) As of the Closing Date, the UCC financing statements listed in Schedule 5.2(g), and the recordation of the Mortgages in the applicable recording offices listed in Schedule 1.1E, are all the filings, recordings and registrations (other than filings with respect to the Patent Security Agreement, the Trademark Security Agreement and with respect to any other Security Document which is required to be filed with the United States Patent and Trademark Office) that are necessary to establish a legal, valid and perfected security interest in favor of the Collateral Trustee (for the benefit of the Secured Parties) in

respect of all Collateral in which the Liens granted pursuant to the Security Documents on the Closing Date may be perfected by filing, recording or registering in the United States and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements under the UCC; provided that the foregoing representation shall not be deemed to have been incorrect to the extent any security interest is not perfected with respect to Collateral having an aggregate Net Book Value of less than $250,000,000 or, with respect to any Mortgaged Property listed on Schedule 1.1E, such failure is cured no later than 180 days from the Closing Date.

4.15 Environmental Laws. Each Mortgaged Property, and the operations thereon, are in compliance in all material respects with all applicable Environmental Laws, except to the extent failure to comply would not reasonably be expected to have a Material Adverse Effect.

4.16 Use of Proceeds. The proceeds of the Loans shall be used to finance the working capital needs of the Borrower and its Subsidiaries and for general corporate or entity purposes, including, without limitation, to enable the Borrower to make valuable transfers to the Parent or any of its Subsidiaries in connection with the operation of their respective businesses.

SECTION 5. CONDITIONS PRECEDENT

5.1 Conditions to Effectiveness. This Agreement shall be effective on the date on which the Administrative Agent receives counterparts of this Agreement executed and delivered by each of the Administrative Agent, the Borrower and each Person listed on Schedule 1.1A (such date, the "Effective Date"). The Administrative Agent shall provide written confirmation to the Borrower and the Lenders of the occurrence of the Effective Date.

5.2 Conditions to Closing Date. The date, on or after the Effective Date, that the Administrative Agent provides written confirmation to the Borrower and the Lenders confirming that the following conditions have been satisfied (or waived in accordance with the provisions hereof) is the "Closing Date":

(a) Security Documents. The Administrative Agent or the Collateral Trustee, as applicable, shall have received:

(i) the Security Agreement, executed and delivered by the Borrower and each Initial Subsidiary Guarantor;

(ii) the Guarantee, executed and delivered by the Parent and each Initial Subsidiary Guarantor; and

(iii) the Collateral Trust Agreement, executed and delivered by the Collateral Trustee, the Borrower and each Initial Subsidiary Guarantor.

(b) Borrowing Base. The Administrative Agent shall have received a Borrowing Base Certificate, which calculates the Borrowing Base as of June 30, 2010, demonstrating that the Outstanding Amount of Covered Debt (calculated on a pro forma basis after giving effect to any incurrence and use of proceeds, of any Covered Debt on the Closing Date) does not exceed the Borrowing Base.

(c) Lien Searches. The Administrative Agent shall have received the results of a recent lien search in respect of the Borrower and each Initial Subsidiary Guarantor, from the jurisdiction in which such Loan Party is located for purposes of the Uniform Commercial Code of the relevant state(s).

(d) Fees. All fees required to be paid on the Closing Date (including as separately agreed by the Borrower and the lead arrangers or the other agents identified on the cover page to this Agreement) shall have been paid.

(e) Closing Certificate; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (i) a certificate of each Loan Party (or a certificate of the Loan Parties), dated the Closing Date, substantially in the form of Exhibit G, with appropriate insertions and attachments, including the certificate of incorporation or formation (or equivalent organizational document) of each Loan Party, certified by the relevant authority of the jurisdiction of organization of such Loan Party, (ii) a long form good standing certificate for each Loan Party from its jurisdiction of organization and (iii) a certificate of the Borrower, dated the Closing Date, to the effect that the conditions set forth in Section 5.3 have been satisfied or waived.

(f) Legal Opinions. The Administrative Agent shall have received the executed legal opinion of (i) in house counsel to the Loan Parties, substantially in the form of Exhibit I and (ii) Jenner & Block LLP, New York counsel to the Loan Parties, substantially in the form of Exhibit J.

(g) UCC Financing Statements. The Collateral Trustee shall have received each Uniform Commercial Code financing statement listed on Schedule 5.2(g) in proper form for filing, or evidence reasonably satisfactory to it that the same have been filed.

(h) Ratings. The Parent shall have received an issuer rating from both Moody's and S&P, respectively, and the facility provided hereunder shall have received a rating from both Moody's and S&P.

(i) VEBA Promissory Note. The Borrower shall have paid in full the outstanding VEBA promissory note issued to the UAW Retiree Medical Benefits Trust.

5.3 Conditions to Each Extension of Credit. The agreement of each Lender to make any Loan (it being expressly understood and agreed that the foregoing shall not apply to any conversion or continuation of an outstanding Loan) and the agreement of any Issuing Lender to issue any Letter of Credit (or to amend any outstanding Letter of Credit increasing the face amount thereof) requested to be made or issued (or amended) by it on any date (including its initial extension of credit) is subject to the Closing Date having occurred and to the satisfaction of the following conditions precedent as of the borrowing date for such Loan or the date of any request to issue (or to amend to increase the face amount of) such Letter of Credit:

(a) Representations and Warranties. Each of the representations and warranties made by the Borrower in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date (except to the extent such representations and warranties relate to an earlier date (including those set forth in Sections 4.1, 4.2, 4.6, 4.7, 4.8, 4.9, 4.13 and 4.14), in which case, such representations and warranties shall have been true and correct in all material respects on and as of such earlier date)

(b) No Default or Event of Default. No Default or Event of Default shall have occurred and be continuing on such date, after giving effect to the extensions of credit requested to be made on such date and the use of proceeds thereof.

(c) Borrowing Base Compliance. Prior to the Collateral Release Date, the Outstanding Amount of Covered Debt, after giving effect to the extensions of credit requested to be made on such date and the use of proceeds thereof and after giving effect to the concurrent repayment, prepayment, or reduction of any outstanding Covered Debt to be made or to occur on such date (including the expiration or termination of any outstanding Letter of Credit), shall not exceed the Borrowing Base in effect as of such date.

Each borrowing, or issuance of a Letter of Credit (or amendment thereof which increases the face amount thereof) hereunder shall constitute a representation and warranty by the Borrower as of the date of such borrowing or the date of such issuance or such amendment, as the case may be, that the conditions contained in this Section 5.3 have been satisfied or waived.

SECTION 6. AFFIRMATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect or any Letter of Credit remains outstanding or any Loan, Reimbursement Obligation, interest or fee payable hereunder is owing to any Lender:

6.1 Financial Statements. The Borrower shall deliver to the Administrative Agent, audited annual financial statements and unaudited quarterly financial statements of the Parent within the earlier of (x) 15 days after the Parent is required to file the same with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act, after giving effect to any extensions (or, if the Parent is not required to file annual financial statements or unaudited quarterly financial statements with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act, then within 15 days after the Parent would be required to file the same with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act, after giving effect to any extensions, if it had a security listed and registered on a national securities exchange) and (y) in the case of audited annual financial statements, within 180 days after the end of the Parent's fiscal year, and in the case of unaudited quarterly financial statements for any fiscal quarter, within 180 days after the end of the applicable fiscal quarter (and, for the avoidance of doubt, no such unaudited quarterly financial statements shall be required to be delivered with respect to the last fiscal quarter of any fiscal year); provided, that such financial statements shall be deemed to be delivered upon the filing with the SEC of the Parent's Form 10-K or Form 10-Q for the relevant fiscal period; provided further, that any restatement of previously delivered (or deemed delivered) financial statements shall not constitute a breach or violation of this Section 6.1.

6.2 Compliance and Borrowing Base Certificates. The Borrower shall deliver to the Administrative Agent:

(a) within 5 Business Days after the delivery (or deemed delivery) of any financial statements pursuant to Section 6.1, a Compliance Certificate of a Responsible Officer (i) stating that, to the best of such Responsible Officer's knowledge, no Default or Event of Default has occurred and is continuing as of the date of such certificate, except as specified in such certificate, and (ii) containing a calculation of Consolidated Domestic Liquidity and Consolidated Global Liquidity as of the last day of the fiscal period covered by such financial statements;

(b) prior to the Collateral Release Date, within 10 Business Days after the delivery (or deemed delivery) of any financial statements pursuant to Section 6.1, a Borrowing Base Certificate

duly executed by a Responsible Officer setting forth a calculation of the Borrowing Base as of the end of the most recent fiscal quarter covered by such financial statements; provided, that, if the delivery (or deemed delivery) of financial statements pursuant to Section 6.1 is delayed beyond 10 Business Days from the date on which such financial statements are required to be filed with the SEC (without giving effect to any available extensions) the Borrower shall use internal unaudited balance sheets and income statements as necessary to calculate the Borrowing Base on an interim basis pending delivery of such financial statements and shall deliver an interim Borrowing Base Certificate based upon such Borrowing Base calculation to the Administrative Agent no later than such 10th Business Day following the day on which such financial statements would have been required to be filed but for such extension (and, in such case, within 10 Business Days after the delivery or deemed delivery of audited annual or definitive quarterly financial statements, the Borrower shall recalculate the Borrowing Base using such audited or definitive financial statements, as the case may be, and provide a revised Borrowing Base Certificate to the Administrative Agent); and

(c) prior to the Collateral Release Date, on or prior to July 15 in each year, commencing in 2011, the Borrower shall deliver the financial statements for each Foreign Pledged Issuer referred to in the definition of "EBITDA" in Schedule 1.1B; provided that, if any such financial statements for any Foreign Pledged Issuer are not delivered by such date, the Eligible Value of the Capital Stock of such Person shall be deducted from the Borrowing Base until such statements have been delivered to the Administrative Agent but the failure to deliver such financial statements shall not in itself constitute a Default or an Event of Default hereunder.

6.3 Maintenance of Business; Existence. The Borrower shall continue to engage primarily in the automotive business and preserve, renew and keep in full force and effect its organizational existence and take all reasonable actions to maintain all rights necessary for the normal conduct of its principal line of business, except, in each case, (i) to the extent that failure to do so would not have a Material Adverse Effect and (ii) as otherwise permitted or provided in the Loan Documents.

6.4 Maintenance of Insurance. The Borrower shall, and shall cause each other Loan Party to, maintain, as appropriate, with insurance companies that the Borrower believes (in the good faith judgment of the management of the Borrower) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in amounts (after giving effect to any self-insurance, deductibles, and exclusions which the Borrower believes (in the good faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions, deductibles, and exclusions) as the Borrower believes (in the good faith judgment of the management of the Borrower) are reasonable in light of the size and nature of its business.

6.5 Notices. Promptly upon a Financial Officer of the Borrower obtaining actual knowledge thereof, the Borrower shall give notice to the Administrative Agent of the occurrence of any Default or Event of Default. Each notice pursuant to this Section shall be accompanied by a statement of a Responsible Officer setting forth details of the occurrence referred to therein and stating what action the Borrower or the other relevant Loan Party has taken, is taking, or proposes to take with respect thereto.

6.6 Post Closing Deliverables, etc. The Borrower shall:

(a) as soon as reasonably practicable following the Closing Date, but in any event within 90 days (or in the case of Controladora General Motors S.A. de C.V., 270 days) after the Closing Date, deliver or cause to be delivered to the Collateral Trustee UCC-3 termination statements, mortgage or deed of trust releases, and other releases of the collateral held by the UAW Retiree Medical Benefits Trust;

(b) within 120 days after the Closing Date, deliver or cause to be delivered to the Collateral Trustee duly executed copies of the Patent Security Agreement and the Trademark Security Agreement and, file the Patent Security Agreement and the Trademark Security Agreement in the United States Patent and Trademark Office;

(c) within 180 days after the Closing Date, deliver or cause to be delivered to the Collateral Trustee the certificates representing the shares of Capital Stock described on Schedule 4.13 (in each case, to the extent such Capital Stock is certificated, constitutes a "certificated security" under the UCC, and does not constitute Capital Stock of a Material Foreign Pledged Issuer), together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof;

(d) within 180 days (or in the case of Controladora General Motors S.A. de C.V., 270 days) after the Closing Date, with respect to Collateral consisting of the Capital Stock of each Material Foreign Pledged Issuer in existence on the Closing Date, deliver or cause to be delivered to the Collateral Trustee (i) a pledge agreement that is governed by the law of the jurisdiction where such Material Foreign Pledged Issuer is domiciled pledging such Capital Stock in favor of the Collateral Trustee for the benefit of the Secured Parties, (ii) the certificates representing the shares of Capital Stock of such Material Foreign Pledged Issuer described on Schedule 4.13 (in each case, to the extent such Capital Stock is certificated, and constitutes a "certificated security" under the UCC) together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof, and (iii) an opinion of local counsel (which may be internal counsel to the Borrower or a Subsidiary Guarantor or to such Material Foreign Pledged Issuer) as to perfection and enforceability thereof under such law, in each case reasonably satisfactory to the Administrative Agent; and

(e) within 180 days after the Closing Date, deliver or cause to be delivered to the Collateral Trustee (i) a Mortgage with respect to each Mortgaged Property owned or leased by the Borrower or a Subsidiary Guarantor as of the Closing Date, each executed and delivered by the owner or lessee of the Mortgaged Property covered thereby, (ii) for each such Mortgage, a lenders' title insurance policy issued by a title company selected by the Borrower insuring the Collateral Trustee's interest in such Mortgaged Property and mutually and reasonably satisfactory to the Borrower and the Administrative Agent, and (iii) for each such Mortgage, an opinion of local counsel (which may be internal counsel to the Borrower or a Subsidiary Guarantor) with respect to the enforceability of such Mortgage under the applicable local law, reasonably satisfactory to the Administrative Agent (it being understood that the Loan Parties are not required to obtain or provide any survey, landlord consent, appraisal, or valuation, with respect to such Mortgaged Property).

Each of the deliverables described in clauses (a) through (e) above shall be referred to herein as a "Post-Closing Deliverable", and each of the relevant time periods described in clauses (a) through (e) above to provide such Post-Closing Deliverables to the Collateral Trustee shall be referred to herein as a "Perfection Period". Notwithstanding any inconsistent or contrary provision contained in any Loan Document, the failure to provide a Post-Closing Deliverable within the applicable Perfection Period shall have no consequence under any Loan Document (including with respect to the occurrence of a Default or an Event of Default (other than, if then applicable, a Default or Event of Default of the type set forth in Section 8(i))) other than the following: (1) any related Collateral which has been included in the Borrowing Base but for which a Post-Closing Deliverable has not been completed within the applicable Perfection Period shall be removed from the Borrowing Base at the expiration of the applicable Perfection Period and until the relevant Post-Closing Deliverable has been completed and (2) during the relevant Perfection Period, any such Collateral shall be included in the Borrowing Base.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

6.7 Additional Subsidiary Guarantors; Other Subsidiary Guarantors, etc. (a) On or prior to the Applicable Identification Date, the Borrower shall notify the Administrative Agent of the identity of any Domestic Subsidiary that is then required to become an Additional Subsidiary Guarantor; provided, that such Domestic Subsidiary is not an Excluded Subsidiary, on or prior to the Applicable Joinder Date with respect to any such Domestic Subsidiary, the Borrower shall cause such Domestic Subsidiary to (A) become a party to the Security Agreement, the Guarantee and the Collateral Trust Agreement as an Additional Subsidiary Guarantor and (B) take such actions as are reasonably necessary to grant to the Collateral Trustee for the benefit of the Secured Parties a valid, perfected security interest in the Collateral described in the Security Agreement with respect to such Additional Subsidiary Guarantor, including the filing of financing statements in such jurisdictions as may be required by law. In addition, the Borrower shall, or shall cause the relevant Subsidiary Guarantor to (the Borrower or such Subsidiary Guarantor being referred to in this clause (a) as the "relevant pledgor"), on or prior to the Applicable Pledge Deadline with respect to such Domestic Subsidiary (to the extent that the Capital Stock of such Domestic Subsidiary is neither Excluded Collateral nor already pledged pursuant thereto) (i) execute and deliver to the Collateral Trustee such amendments or supplements to the Security Agreement as the Administrative Agent deems reasonably necessary to grant to the Collateral Trustee, for the benefit of the Secured Parties, a perfected security interest in the Capital Stock of such Domestic Subsidiary and (ii) deliver to the Collateral Trustee the certificates, if any, representing such Capital Stock (to the extent constituting "certificated securities" under the UCC), together with undated stock powers, in blank, executed and delivered by a duly authorized officer of the relevant pledgor. Notwithstanding any inconsistent or contrary provision contained in any Loan Document, including this Section 6.7, (1) no Excluded Subsidiary shall be required to be or become a Subsidiary Guarantor, (2) no Excluded Collateral shall be required to be mortgaged or pledged hereunder or under any other Loan Document, (3) no property or assets shall be required to be mortgaged or pledged hereunder or under any other Loan Document following the Collateral Release Date, and (4) no Additional Subsidiary Guarantor shall be required to comply, and no Default or Event of Default shall be deemed to have occurred as the result of an Additional Subsidiary Guarantor's failure to comply, with any terms or conditions contained in any of the Loan Documents until the Applicable Compliance Date with respect to such Additional Subsidiary Guarantor.

(b) At any time and from time to time, the Borrower may, in its sole discretion, designate one or more Domestic Subsidiaries to become an Other Subsidiary Guarantor. To make such an election, the Borrower shall notify the Administrative Agent of the identity of the relevant Domestic Subsidiary and shall cause such Domestic Subsidiary to (i) become a party to the Guarantee, and (ii) if so desired by the Borrower, in its sole discretion, (x) to become a party to the Collateral Trust Agreement as an Other Subsidiary Guarantor and (y) (A) to become a party to the Security Agreement or to execute and deliver one or more Security Documents, in each case in favor of the Collateral Trustee, over such property and assets as are owned or leased by such Other Subsidiary Guarantor and as the Borrower may at any time and from time to time determine to include as Collateral, and (B) take such actions as are reasonably necessary to grant to the Collateral Trustee for the benefit of the Secured Parties a valid, perfected security interest in or mortgage lien on any Collateral described in the Security Agreement or in such other Security Document(s), as the case may be, with respect to such Other Subsidiary Guarantor, including the filing of financing statements in such jurisdictions as may be required by law. Notwithstanding any inconsistent or contrary provision contained in any Loan Document, including this Section 6.7, (1) no Excluded Subsidiary shall be required to be or become a Subsidiary Guarantor, (2) no Excluded Collateral shall be required to be mortgaged or pledged by an Other Subsidiary Guarantor, (3) no property or assets shall be required to be mortgaged or pledged hereunder or under any other Loan Document following the Collateral Release Date, and (4) no Other Subsidiary Guarantor shall be required to comply, and no Default or Event of Default shall be deemed to have occurred as the result of an Other Subsidiary Guarantor's failure to comply, with any terms or conditions contained in any of the Loan Documents until the Applicable Compliance Date with respect to such Other Subsidiary Guarantor.

(c) The Borrower agrees to cause the Parent, prior to or concurrently with any Disposition of the common stock of the Borrower to a Subsidiary of the Parent that is not a Loan Party, to cause such Subsidiary to become a party to the Guarantee.

6.8 Agreements to Pledge or Mortgage Additional Collateral.

(a) With respect to any direct, "first-tier" Subsidiary of the Borrower or a Subsidiary Guarantor which is formed or acquired after the Effective Date, no later than the Applicable Pledge Deadline with respect to such direct, "first-tier" Subsidiary, in each case to the extent that the Capital Stock of such direct, "first-tier" Subsidiary does not otherwise constitute Excluded Collateral, the Borrower shall, or shall cause a Subsidiary Guarantor to (the Borrower or such Subsidiary Guarantor being referred to in this clause (a) as the "relevant pledgor"), (A) execute and deliver to the Administrative Agent such amendments or supplements to the Security Agreement as the Collateral Trustee or the Administrative Agent deems reasonably necessary to grant to the Collateral Trustee, for the benefit of the Secured Parties, a perfected security interest in such Capital Stock, and (B) deliver to the Collateral Trustee the certificates, if any, representing such Capital Stock (to the extent constituting "certificated securities" under the UCC), together with undated stock powers, in blank, executed and delivered by a duly authorized officer of the relevant pledgor, and (C) take such other action as may be reasonably requested by the Collateral Trustee or the Administrative Agent in order to perfect the Collateral Trustee's security interest therein (provided, that, except with respect to the Capital Stock of a Material Foreign Pledged Issuer that is intended to be included in the Borrowing Base, in no event shall such actions require the execution or delivery of a pledge agreement or similar instrument governed by any law other than the laws of the State of New York).

(b) With respect to any Mortgaged Property acquired or leased by the Borrower or a Subsidiary Guarantor after the Effective Date and described in clause (b) or (c) of the definition of "Mortgaged Property" no later than the last day of the fiscal quarter of the Parent following the fiscal quarter in which such Mortgaged Property was so acquired or leased (such last day, the "Applicable Mortgage Deadline"), the Borrower shall, or shall cause the relevant Subsidiary Guarantor to, (i) deliver to the Collateral Trustee a Mortgage, in favor of the Collateral Trustee, for the benefit of the Secured Parties, covering such Mortgaged Property, (ii) for each such Mortgage, deliver to the Collateral Trustee a lenders' title insurance policy, in each case, issued by a title company selected by the Borrower insuring the Collateral Trustee's interest in such Mortgaged Property and mutually and reasonably satisfactory to the Borrower and the Administrative Agent, and (iii) for each such Mortgage, deliver to the Collateral Trustee an opinion of local counsel (which may be internal counsel to the Borrower or a Subsidiary Guarantor) with respect to the enforceability of such Mortgage under the applicable local law, in each case reasonably satisfactory to the Administrative Agent; provided, however, that in no event shall the Borrower or a Subsidiary Guarantor be required to provide an opinion for any such Mortgage if the Borrower or a Subsidiary Guarantor has previously delivered an enforceability opinion with respect to any other Mortgage encumbering a Mortgaged Property located in the same state (it being understood that the Loan Parties are not required to obtain or provide any survey, landlord consent, appraisal, or valuation, with respect to such Mortgaged Property). Notwithstanding the foregoing, if any such Mortgaged Property is located in a jurisdiction that imposes a mortgage recording tax that is based on the value of such property or the amount of indebtedness secured thereby and the Borrower has determined, or the Administrative Agent has determined, at the request of the Borrower, that the cost of obtaining a Lien on such Mortgaged Property is excessive in relation to the additional value of the security (and/or the Borrowing Base) to be afforded thereby, the Borrower shall not be required to comply with the provisions of this Section 6.8(b) with respect thereto.

(c) Within 60 days of the occurrence thereof, the Borrower shall notify the Collateral Trustee and the Administrative Agent of any changes to the name, jurisdiction of incorporation or legal form of the Borrower or any Subsidiary Guarantor.

(d) By June 30 of each year commencing in 2011, the Borrower shall deliver to the Administrative Agent and the Collateral Trustee a notice containing a list of all patents and trademarks registered by the Borrower or any Subsidiary Guarantor at the United States Patent and Trademark Office during the preceding fiscal year of the Parent (or, in the case of the first notice, since the Effective Date), and shall take such steps as the Administrative Agent may reasonably request in order to perfect the security interests granted in such Collateral pursuant to the Security Documents by an appropriate filing (in each case, substantially in the form of the Patent Security Agreement or the Trademark Security Agreement, as the case may be) against such patents and trademarks at the United States Patent and Trademark Office.

(e) Without increasing or otherwise modifying the expressed obligations of the Loan Parties under any provision of the Loan Documents, including this Section 6.8, the Borrower shall cause Collateral which is created or acquired or, as the case may be, required to be pledged or mortgaged, by the Borrower or a Subsidiary Guarantor after the Effective Date (other than, for the avoidance of doubt, Excluded Collateral or Collateral described in Section 6.6) to become subject to the Lien of the Security Documents and to the Collateral Trust Agreement and cause such Lien to be perfected (i) with respect to any Collateral that can be perfected by the filing of a UCC financing statement, within 30 days of its creation or acquisition or, as the case may be, pledge or mortgage, by a Loan Party, and (ii) with respect to all other Collateral, within 120 days after the end of the fiscal year of the Parent in which such Collateral is created or acquired or, as the case may be, pledged or mortgaged, by the Borrower or a Subsidiary Guarantor, in each case, pursuant to supplemental security agreements, pledge agreements or mortgages, in each case substantially similar to the form of Security Agreement or Mortgage, and otherwise reasonably satisfactory in form and substance to the Administrative Agent and the Borrower.

6.9 Inspection of Property; Books and Records; Discussions. The Borrower shall and shall cause each other Loan Party to (a) keep proper books of records and account in which entries are made in a manner so as to permit preparation of financial statements in conformity with GAAP, and (b) permit representatives of the Administrative Agent to visit and inspect any of its or such Subsidiary Guarantor's properties that constitute part of the Collateral and examine and make abstracts from any of its books and records relating to the Collateral upon reasonable prior notice during normal business hours and to discuss matters relating to the Collateral with officers and employees of the Borrower, and the Subsidiary Guarantors; provided, that (i) the Administrative Agent and its representatives shall not interfere with the operation and use of such properties, (ii) a representative of the Borrower or the applicable Subsidiary Guarantor shall have the right to accompany the Administrative Agent and its representatives at all times during such visits or inspections, (iii) the Administrative Agent and its representatives shall comply with all safety and security requirements of the Borrower or the applicable Subsidiary Guarantor, (iv) any visit or inspection by the Administrative Agent or its representatives shall be subject to the provisions of Section 10.16 and (v) if no Event of Default has occurred and is continuing such visits, inspections, examinations and discussions shall not be required more than once in any calendar year and during the continuance of an Event of Default, such examinations and discussions may occur as often as may reasonably be desired by the Administrative Agent subject to clauses (i)-(iv) above. A Loan Party shall not have any obligation to disclose materials that are protected by attorney-client privilege and materials the disclosure of which would violate confidentiality obligations or any specified security or other procedures of such Loan Party.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECTION 7. NEGATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, any Letter of Credit remains outstanding or any Loan, Reimbursement Obligations, interest or fee payable hereunder is owing to any Lender:

7.1 Borrowing Base. Prior to the Collateral Release Date, the Borrower shall not permit the Dollar Equivalent of the Outstanding Amount of Covered Debt at any time to exceed the Borrowing Base in effect at such time.

7.2 Minimum Liquidity. The Borrower shall not at any time permit the Consolidated Global Liquidity to be less than $4,000,000,000 or the Consolidated Domestic Liquidity to be less than $2,000,000,000.

7.3 Liens. The Borrower shall not, nor will it permit any Subsidiary Guarantor to, create, incur, assume or suffer to exist any Lien except Permitted Liens upon (a) any of the Collateral, (b) any Excluded Collateral referred to in clauses (i), (m), and (n) of the definition thereof or (c) the Capital Stock of Delphi Automotive LLP. Any Disposition permitted by Section 7.5 shall not be prohibited by this Section 7.3.

7.4 Indebtedness. The Borrower shall not, and shall not permit any Subsidiary Guarantor to, incur Indebtedness that is secured by a Lien on any Collateral except Permitted Liens.

7.5 Asset Sale Restrictions.

(a) All or Substantially All. The Borrower shall not, nor shall it permit any Subsidiary Guarantor to, in one transaction or a series of related transactions Dispose of all or substantially all of the assets of the Borrower and the Subsidiary Guarantors (on a consolidated basis) except in a transaction that complies with Section 7.7(a).

(b) Other Asset Sales. Prior to the Collateral Release Date, the Borrower shall not, and shall not permit any Subsidiary Guarantor to, Dispose of its respective assets other than Permitted Asset Sales or in a transaction that complies with Section 7.7.

(c) Principal Trade Names. Notwithstanding anything to the contrary in Section 7.5(b), the Borrower shall not, nor shall it permit any Subsidiary Guarantor to, Dispose of any Principal Trade Name except in a transaction that complies with Section 7.7(a).

7.6 Restricted Payments. Prior to the satisfaction of the Collateral Release Condition, the Borrower shall not permit the Parent to pay any dividend (other than dividends payable solely in Capital Stock of the Parent) on, or redeem, retire or purchase, for cash consideration, its Capital Stock (any such payment, redemption, retirement, or purchase, a “Restricted Payment”), other than:

(a) repurchases of shares of its Capital Stock upon the exercise of stock options or warrants for such Capital Stock;

(b) redemptions, retirements, or purchases of shares of its Capital Stock from current or former officers, directors, and employees of the Parent or any of its Subsidiaries, or any executive, director or employee savings, option, stock ownership or compensation plans or similar benefit or incentive plans, or, in each case to the extent applicable, their respective estates, heirs, spouses, former spouses or family members or other permitted transferees;

(c) (i) dividends on Series A preferred stock of the Parent issued and outstanding on the Effective Date, (ii) dividends payable to the holders of the Series B mandatory convertible junior preferred stock of the Parent issued and outstanding within 90 days after the consummation of an initial public offering by the Parent of its common stock and (iii) dividends payable to the holders of any additional preferred stock of the Parent which has been issued by the Parent within 90 days prior to or after the redemption or other repurchase by the Parent of such Series A preferred stock or Series B mandatory convertible junior preferred stock;

(d) Restricted Payments not otherwise permitted by clause (c) of this Section 7.6 in respect of Series A preferred stock issued and outstanding on the Effective Date if the Consolidated Global Liquidity of the Parent and its Subsidiaries at such time is at least $15,000,000,000 on a pro forma basis after giving effect to such Restricted Payment;

(e) the payment of any dividend within 60 days after the date of declaration thereof if, at such date of declaration, such payment would comply with this Section 7.6;

(f) Restricted Payments or other distributions to dissenting stockholders pursuant to applicable law, pursuant to or in connection with a consolidation, merger or transfer of assets;

(g) payments of cash in lieu of fractional shares of its Capital Stock;

(h) purchases, redemptions, retirements or other acquisitions for value of its Capital Stock (or options, warrants or other rights to acquire its Capital Stock) tendered by the holder thereof in payment of withholding or other taxes relating to the vesting, delivery, exercise, exchange or conversion of options, restricted stock, restricted stock units, warrants or other rights relating to, or representing rights to acquire, its Capital Stock;

(i) purchases, redemptions, retirements or other acquisitions for value of its Capital Stock (or options, warrants or other rights to acquire its Capital Stock) (A) upon the conversion of preferred stock or the exercise, exchange or conversion of options, warrants or other rights to acquire its Capital Stock or (B) tendered to the Parent by a holder of its Capital Stock in settlement of indemnification or similar claims by the Parent against such holder;

(j) Restricted Payments in an aggregate amount not to exceed $250,000,000 during any fiscal year of the Parent and $500,000,000 in the aggregate from and after the Effective Date; and

(k) additional Restricted Payments at any time after January 1, 2011 in an aggregate amount not to exceed the sum of (1) the Net Cash Proceeds from the issuance by the Parent of any Capital Stock after the Effective Date, plus (2) the Cumulative Growth Amount at such time; provided, that the Parent may not make a Restricted Payment pursuant to this clause (k) if the Dollar Equivalent of the Total Extensions of Credit (disregarding, for this purpose, up to $500,000,000 of L/C Obligations outstanding as of such time) at such time exceeds 50% of the Total Commitments at such time;

provided, however, that no Restricted Payment may be made pursuant to clause (c), (d), (j) or (k) of this Section 7.6 if a Default or Event of Default has occurred and is continuing at the time of such Restricted Payment; and provided further that the limitations described in this Section 7.6 shall not be applicable, and the Parent may make any Restricted Payment during any period (each such period, an "Unrestricted Payment Period") during which each of the following conditions is satisfied (in each case, on a pro forma basis after giving effect to such Restricted Payment): (x) the Dollar Equivalent of the Total

Extensions of Credit is zero and has been zero at all times during the period beginning on the date 60 days prior to the date of such Restricted Payment (disregarding, for this purpose, outstanding Letters of Credit to the extent that during such period the aggregate undrawn and unexpired amount thereof outstanding at any one time does not exceed $500,000,000), (y) the Consolidated Global Liquidity of the Parent and its Subsidiaries at such time is at least $15,000,000,000 and (z) the Borrowing Base Coverage Ratio at such time is at least 1.20 to 1.00. For purposes of calculating the Cumulative Growth Amount and the amount of Restricted Payments that may be made pursuant to clause (k) of this Section 7.6, Restricted Payments made during an Unrestricted Payment Period shall be excluded.

7.7 Fundamental Changes.

(a) The Borrower shall not merge or consolidate with any other Person or Dispose of all or substantially all of its assets to any Person unless (i) no Event of Default shall be continuing after giving effect to such transaction and (ii)(x) the Borrower shall be the continuing entity or (y)(A) the Person formed by or surviving such merger or consolidation, or the transferee of such assets, shall be an entity organized or existing under the laws of the United States, any state thereof, or the District of Columbia that expressly assumes all the obligations of the Borrower under the Loan Documents pursuant to a supplement or amendment to this Agreement and each other Loan Document reasonably satisfactory to the Administrative Agent, (B) each then-remaining Loan Party shall have reaffirmed its obligations under the Loan Documents and (C) the Administrative Agent shall have received an opinion of counsel (which may be internal counsel to a Loan Party) which is reasonably satisfactory to the Administrative Agent and consistent with the opinions delivered on the Closing Date with respect to the Borrower.

(b) No Subsidiary Guarantor shall merge or consolidate with any other Person or Dispose of all or substantially all of its assets to any Person unless (i) the Borrower or another Subsidiary Guarantor shall be the continuing entity or shall be the transferee of such assets, (ii) (A) the Person formed by or surviving such merger or consolidation, or the transferee of such assets, shall be an entity organized or existing under the laws of the United States, any state thereof, or the District of Columbia that expressly assumes all the obligations of such Subsidiary Guarantor under the Loan Documents pursuant to a supplement or amendment to each applicable Loan Document reasonably satisfactory to the Administrative Agent, (B) each then-remaining Loan Party shall have reaffirmed its obligations under the Loan Documents and (C) the Administrative Agent shall have received an opinion of counsel (which may be internal counsel to a Loan Party) which is reasonably satisfactory to the Administrative Agent and consistent with the opinions delivered on the Closing Date with respect to the Borrower, or (iii) in connection with an asset sale not prohibited by Section 7.5; provided that, as long as the Borrower is not voluntarily liquidated or dissolved pursuant to this clause (b) (and without prejudice to the dissolution or liquidation of the Borrower under the circumstances contemplated by clause (a)(ii)(y) above), any inactive or immaterial Subsidiaries of any Loan Party may be voluntarily liquidated or dissolved at any time.

SECTION 8. EVENTS OF DEFAULT

If any of the following events shall occur and be continuing:

(a) the Borrower shall fail to pay (i) any principal of any Loan at maturity, (ii) any interest, commitment fee, Letter of Credit Fee or any Reimbursement Obligation hereunder for a period of two Business Days after receipt of notice of such failure by the Borrower from the Administrative Agent or (iii) any other amount due and payable under any Loan Document for 30 days after receipt of notice of such failure by the Borrower from the Administrative Agent (other than, in the case of amounts in this clause (iii), any such amount being disputed by the Borrower in good faith); or

(b) any representation or warranty made or deemed made by the Borrower in any Loan Document or in any certified statement furnished pursuant to Section 6.2(a) and Section 6.2(b) at any time, shall prove to have been incorrect in any material respect on or as of the date made or deemed made or furnished; or

(c) any Loan Party shall default in the observance or performance of (i) its agreements in Section 7.1 or Section 7.2 for a period of 20 consecutive days, or (ii) any other agreement contained in this Agreement or in any other Loan Document and, with respect to clause (ii) only, such default shall continue unremedied for a period of 20 Business Days after the first to occur of (x) actual knowledge of such default by a Financial Officer of the Borrower and (y) the Borrower's receipt from the Administrative Agent of notice of such default; or

(d) any Loan Party shall (i) default in making any payment of any principal of any Material Indebtedness on the due date with respect thereto beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (ii) default in making any payment of any interest on any Material Indebtedness beyond the period of grace, if any, provided in the instrument or agreement evidencing, securing or relating to such Indebtedness; or (iii) default in the observance or performance of any other agreement or condition relating to any such Material Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, the effect of which default is to cause such Material Indebtedness to become due prior to its stated maturity or (in the case of any such Material Indebtedness constituting a Guarantee Obligation) to become payable; or

(e) prior to the Collateral Release Date, any Loan Party shall default, beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created, in the observance or performance of any financial or borrowing base covenant contained in an agreement evidencing Subject Material Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, the effect of which default is to cause, or to permit the holder or beneficiary of such Subject Material Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Subject Material Indebtedness to become due prior to its stated maturity or (in the case of any such Subject Material Indebtedness constituting a Guarantee Obligation) to become payable; or

(f) (i) any Material Loan Party shall (A) commence any case, proceeding or other action under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors (1) seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (2) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or (B) make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Material Loan Party, any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 90 days; or

(g) the occurrence of an ERISA Default; or

(h) one or more judgments or decrees shall be entered in the United States against any Loan Party that is not vacated, discharged, satisfied, stayed or bonded pending appeal within 60 days from the entry thereof, and involves a liability (not paid or fully covered by insurance as to which the relevant insurance company has not denied coverage) of either (a) $100,000,000 ($1,000,000,000 if the Collateral Release Condition has been satisfied) or more, in the case of any single judgment or decree or (b) $200,000,000 ($1,000,000,000 if the Collateral Release Condition has been satisfied) or more in the aggregate; or

(i) prior to the Collateral Release Date, the Collateral Trust Agreement or any Security Document shall cease to be in full force and effect, or any Lien thereunder shall cease to be enforceable and perfected (other than pursuant to or as provided by the terms hereof or any other Loan Document or as a result of any act or omission of an Agent or any Lender), with respect to Collateral with a Net Book Value in excess of $250,000,000; provided that the foregoing Event of Default shall only be applicable if the Borrowing Base Coverage Ratio (calculated on a pro forma basis assuming such Collateral is not in the Borrowing Base) is less than 1.25 to 1.00; or

(j) the Guarantee of the Parent or any Subsidiary Guarantor shall cease to be in full force and effect (other than pursuant to or as provided by the terms hereof or any other Loan Document); or

(k) the occurrence of a Change of Control;

then, and in any such event, (A) if such event is an Event of Default specified in paragraph (f) above with respect to the Borrower, automatically the Commitments shall immediately terminate and the Loans (with accrued interest thereon) and all other amounts owing by any Loan Party to the Lenders under this Agreement and the other Loan Documents (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) shall immediately become due and payable, and (B) if such event is any other Event of Default, either or both of the following actions may be taken: (i) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; and (ii) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare the Loans (with accrued interest thereon) and all other amounts owing to the Lenders under this Agreement and the other Loan Documents (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) to be due and payable forthwith, whereupon the same shall immediately become due and payable. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to this paragraph, the Borrower shall at such time deposit in an interest bearing cash collateral account opened by the Administrative Agent an amount equal to 105% of the aggregate then undrawn and unexpired amount of such Letters of Credit (calculated, in the case of Letters of Credit denominated in Optional Currencies, at the Dollar Equivalent thereof on the date of acceleration). Subject to the Collateral Trust Agreement, amounts held in such cash collateral account shall be applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the unused portion thereof after all such Letters of Credit shall have expired or terminated or been fully drawn upon, if any, together with all accrued interest and earnings, if any, shall be applied to repay other obligations of the Borrower hereunder and under the other Loan Documents. After all such Letters of Credit shall have expired or terminated or been fully drawn upon, all Reimbursement Obligations shall have been satisfied and all other obligations of the Borrower hereunder and under the other Loan Documents shall have been paid in full, the balance, if any, in such cash collateral account, together with all accrued interest and earnings, if any, shall be returned to the Borrower (or such other Person as may be lawfully entitled thereto). Except as expressly provided above in this Section 8, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrower.

Whenever the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement shall have become immediately due and payable in accordance with clause (A) or clause (B) above, the Administrative Agent shall forthwith deliver a Notice of Acceleration to the Collateral Trustee; provided that, by written notice to the Borrower and the Administrative Agent, the Required Lenders may, for such periods and/or subject to such conditions as may be specified in such notice, withdraw any declaration of acceleration effected in accordance with clause (B) above. If a declaration of acceleration in accordance with clause (B) immediately preceding shall have been withdrawn in accordance with the proviso to the immediately preceding sentence, the Administrative Agent shall forthwith deliver to the Collateral Trustee a notice of cancellation of the respective Notice of Acceleration theretofore delivered to the Collateral Trustee.

SECTION 9. THE AGENTS

9.1 Appointment. (a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein or in any other Loan Document, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent.

(b) The Administrative Agent and each Lender hereby irrevocably designates and appoints the Collateral Trustee as its agent under the Collateral Trust Agreement and the other Loan Documents, and irrevocably authorizes the Collateral Trustee, in such capacity, to (i) take such action on its behalf under the provisions of the Collateral Trust Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Trustee by the terms of the Collateral Trust Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto and (ii) enter into any and all Security Documents and the Collateral Trust Agreement and such other documents and instruments as shall be necessary to give effect to (A) the ranking and priority of Indebtedness and other extensions of credit and obligations contemplated by the Collateral Trust Agreement, (B) the security interests in the Collateral purported to be created by the Security Documents and (C) the other terms and conditions of the Collateral Trust Agreement. The Administrative Agent and each Lender each further hereby agrees to be bound by the terms of the Collateral Trust Agreement to the same extent as if it were a party thereto and authorizes the Collateral Trustee to enter into the Collateral Trust Agreement on its behalf. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Trustee shall not have any duties or responsibilities, except those expressly set forth herein, in the Collateral Trust Agreement or in any other Loan Document to which it is a party, or any fiduciary relationship with the Administrative Agent or any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement, the Collateral Trust Agreement or any other Loan Document or otherwise exist against the Collateral Trustee.

9.2 Delegation of Duties. Each Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

9.3 Exculpatory Provisions. Neither any Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except to the extent that any of the foregoing resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Agents under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party a party thereto to perform its obligations hereunder or thereunder. The Agents shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party.

9.4 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, e-mail, statement, order or other document or conversation believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to any Loan Party), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified in this Agreement) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified in this Agreement), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

9.5 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Administrative Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders as soon as practicable thereafter. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified in this Agreement); provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

9.6 Non-Reliance on Agents and Other Lenders. Each Lender expressly acknowledges that neither of the Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates have made any representations or warranties to it and that no act by any Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party,

shall be deemed to constitute any representation or warranty by any Agent to any Lender. Each Lender represents to the Agents that it has, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision to make its Loans and other extensions of credit hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

9.7 Indemnification. The Lenders agree to indemnify each Agent in its capacity as such (to the extent not reimbursed by or on behalf of the Borrower if it is required to do so under Section 10.5 and without limiting the obligation of the Borrower under Section 10.5 to do so), ratably according to their respective Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

9.8 Agent in Its Individual Capacity. Each Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though such Agent were not an Agent. With respect to its Loans made or renewed by it, any Letter of Credit issued or participated in by it and any other extension of credit made by it hereunder, each Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

9.9 Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders and the Borrower. If the Administrative Agent shall resign as Administrative Agent under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under Section 8(a) or Section 8(f) with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the

rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent by the date that is 30 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent may, on behalf of the Lenders and with the consent of the Borrower (such consent not to be unreasonably withheld or delayed and which consent shall not be required if an Event of Default under Section 8(a) or Section 8(f) with respect to the Borrower shall have occurred and be continuing), appoint a successor Administrative Agent, which shall be a commercial bank organized or licensed under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least $500,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Section 9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Loan Documents.

9.10 Bookrunners, Lead Arrangers, Documentation Agents and Syndication Agent. Neither the Syndication Agent nor any of the bookrunners, lead arrangers, documentation agents or other agents identified on the cover page to this Agreement or in any commitment letter relating hereto (collectively, the "Arrangers") shall have any duties or responsibilities under this Agreement and the other Loan Documents in their respective capacities as such, nor shall the consent of any such Person, in its capacity as such, be required for any amendment, modification or supplement to this Agreement or any other Loan Document.

SECTION 10. MISCELLANEOUS

10.1 Amendments and Waivers. (a) Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 10.1 or as otherwise expressly provided herein; provided that (i) the Collateral Trust Agreement and the Security Documents shall be amended, modified, or supplemented in accordance with the terms of the Collateral Trust Agreement, and shall not be subject to the provisions of this Section 10.1, and (ii) any update or revision to any annex or schedule to any Loan Document (other than any amendment or modification to Schedule 1.1B or Schedule 1.1G to this Agreement) (including any update or revision to any annex or schedule to any Loan Document related to a Joinder Agreement) shall not constitute an amendment, supplement or modification for purposes of this Section 10.1 and shall be effective upon acceptance thereof by the Administrative Agent. The Required Lenders and the Borrower (on its own behalf and as agent on behalf of any other Loan Party party to the relevant Loan Document) may, or, with the written consent of the Required Lenders, the Administrative Agent (on behalf of the Required Lenders) and the Borrower (on its own behalf and as agent on behalf of any Loan Party party to the relevant Loan Document) may, from time to time, (i) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights or obligations of the Agents, the Issuing Lenders, the Lenders or of the Loan Parties hereunder or thereunder or (ii) waive, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement (including any condition precedent to an Extension of Credit) or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall:

(A) forgive or reduce any principal amount or extend the final scheduled date of maturity of any Loan or any Reimbursement Obligation (for the purpose of clarity each of the foregoing not to include any waiver of a mandatory prepayment), reduce the stated rate of any interest, fee or prepayment premium payable hereunder (except in connection with the waiver of applicability of any post-default increases in interest rates), or extend the scheduled date of any payment thereof, prior to the Collateral Release Date adversely change the relative rights of the Secured Parties under the Collateral Trust Agreement in respect of payments or Collateral, or increase the amount or extend the expiration date of any Lender's Commitment, in each case without the written consent of each Lender directly and adversely affected thereby;

(B) eliminate or reduce the voting rights of any Lender under this Section 10.1 without the written consent of such Lender;

(C) consent to the assignment or transfer by or release of the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, release all or substantially all of the Collateral or release all or substantially all of the Subsidiary Guarantors from their obligations under the Guarantee or the Security Agreement (except as otherwise provided in the Loan Documents), in each case without the written consent of all Lenders;

(D) reduce the percentage specified in the definition of Required Lenders without the written consent of all Lenders ;

(E) amend, modify or waive any provision of Section 9 in a manner adverse to the Administrative Agent without the written consent of the Administrative Agent;

(F) prior to the Collateral Release Date, amend, modify or waive any provision of Section 9 in a manner adverse to the Collateral Trustee without the written consent of the Collateral Trustee;

(G) amend, modify or waive any provision of Section 3 in a manner adverse to an Issuing Lender without the written consent of such Issuing Lender; or

(H) amend, modify or waive any provision of Section 2.12 (a) or (b) without the written consent of each Lender adversely affected thereby.

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Issuing Lenders, the Administrative Agent, the Collateral Trustee and all future holders of the Loans. In the case of any waiver, the Loan Parties, the Lenders, the Issuing Lenders, the Administrative Agent, and the Collateral Trustee shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(b) Notwithstanding the foregoing paragraph (a), without the consent of the Required Lenders or any Issuing Lender, but subject to any consent required by paragraphs (A) through (G) above,

the Administrative Agent (on its own behalf and as agent on behalf of each Lender and Issuing Lender) and the Borrower (on its own behalf and as agent on behalf of any other Loan Party who is a party to the relevant Loan Document) may amend, modify or supplement any provision of this Agreement or any other Loan Document (with, to the extent applicable, the consent of the Collateral Trustee), and the Administrative Agent (on its own behalf and as agent on behalf of each Lender and Issuing Lender) may waive any provision of this Agreement or any other Loan Document (with, to the extent applicable, the consent of the Collateral Trustee), in each case to (A) cure any ambiguity, omission, defect or inconsistency, (B) provide additional Collateral for the Obligations, (C) release any Collateral that is required or permitted to be released by the terms of any Loan Document and to release any Collateral that was or becomes, for any reason, Excluded Collateral, (D) permit additional affiliates of the Borrower or other Persons to guarantee the Obligations and/or to provide Collateral therefor (including pursuant to a Joinder Agreement), and (E) release any Subsidiary Guarantor or other guarantor that is required or permitted to be released by the terms of any Loan Document and to release any such Subsidiary Guarantor that was or becomes an Excluded Subsidiary.

(c) For the avoidance of doubt it is understood that (a) any transaction permitted by Section 2.20 shall not be subject to this Section 10.1, and (b) the delivery of a Joinder Agreement shall not constitute an amendment, supplement or modification for purposes of this Section 10.1 and shall be effective upon the delivery thereof to the Administrative Agent.

10.2 Notices. (a) All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy or electronic transmission), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice or electronic transmission, when received, addressed as follows in the case of the Borrower and the Administrative Agent, and as set forth in an administrative questionnaire delivered to the Administrative Agent and the Borrower in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:

Borrower:	General Motors Holdings LLC New York Treasury Office 767 Fifth Avenue, 14th floor New York, NY 10153 Attention: Treasurer Telecopy: 212-418-3695
with a copy to:	General Motors Holdings LLC New York Treasury Office 767 Fifth Avenue, 14th floor New York, NY 10153 Attention: Director, Global Funding and Cash Management Telecopy: 212-418-6419 Email: debtcompliance@gm.com
with a further copy to:	General Motors Holdings LLC Legal Staff Mail Code 482-C23-D24 300 Renaissance Center P.O. Box 300 Detroit, MI 48265-3000 Attention: Kimberly K. Hudolin, Practice Area Manager, Transactions Telecopy: 248-267-4318 Email: kimberly.k.hudolin@gm.com

with a further copy to:	Jenner & Block LLP 353 North Clark Street Chicago, IL 60654 Attention: Peter M. Gaines Telecopy: 312-923-3673 Email: pgaines@jenner.com
Administrative Agent for all notices:	Citibank, N.A. 388 Greenwich Street, 34th floor New York, NY 10013 Attention: Sarah Terner Telecopy: 646-291-1794 Telephone: 212-816-2933 Email: sarah.terner@citi.com

provided that any notice, request or demand to or upon the Administrative Agent pursuant to Section 2.2, 2.4, 2.5, or 2.7 or the Lenders shall not be effective until received.

(b) Each of the parties hereto agrees that the Administrative Agent may, but shall not be obligated to, make any notices or other Communications available to the Lenders and the Issuing Lenders by posting such Communications on IntraLinks(tm) or a substantially similar electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").

(c) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a dual firewall and a user ID/password authorization system) and the Approved Electronic Platform is secured through a single user-per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the parties hereto acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution. In consideration for the convenience and other benefits afforded by such distribution and for the other consideration provided hereunder, the receipt and sufficiency of which is hereby acknowledged, each of the parties hereto hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(d) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". NONE OF THE ADMINISTRATIVE AGENT NOR ANY AFFILIATE THEREOF WARRANTS THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM AND EACH EXPRESSLY DISCLAIMS ANY LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF

THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE ADMINISTRATIVE AGENT IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM.

(e) Each of the parties hereto agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally-applicable document retention procedures and policies.

10.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of any Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

10.5 Payment of Expenses and Taxes. The Borrower agrees (a) to pay or reimburse the Administrative Agent and the Arrangers for all its reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, the syndication of the Facilities, the consummation and administration of the transactions contemplated hereby and thereby and any amendment or waiver with respect thereto, including (i) the reasonable fees and out-of-pocket disbursements of counsel to the Administrative Agent, (ii) filing and recording fees and expenses and (iii) the charges of Intralinks, (b) to pay or reimburse the Administrative Agent and the Collateral Trustee for all their reasonable out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement and the other Loan Documents, including the reasonable fees and out-of-pocket disbursements of counsel to the Administrative Agent and to the Collateral Trustee, (c) to pay, indemnify or reimburse each Lender, each Issuing Lender and the Administrative Agent for, and hold each Lender, each Issuing Lender and the Administrative Agent harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay by the Borrower in paying, stamp, excise and similar taxes, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement and the other Loan Documents, and (d) to pay, indemnify or reimburse each Lender, each Issuing Lender, the Administrative Agent, their respective affiliates, and their respective officers, directors, partners, employees, advisors, agents, controlling persons and trustees (each, an "Indemnitee") for, and hold each Indemnitee harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than with respect to taxes not specifically provided for herein, which shall be governed exclusively by Section 2.14 or with respect to the costs, losses or expenses which are of the type covered by Section 2.13 or Section 2.15) in respect of the financing contemplated by this Agreement or the use or the proposed use of proceeds thereof, and the other Loan Documents, or the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of any Loan Party pertaining to any of the Mortgaged Properties (all the foregoing in this clause (d), collectively, the "Indemnified

Liabilities"), provided, that the Borrower shall have no obligation hereunder to any Indemnitee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities resulted from the gross negligence or willful misconduct of, or material breach of the Loan Documents by, such Indemnitee, any of its affiliates or its or their respective officers, directors, partners, employees, advisors, agents, controlling persons or trustees. Without limiting the foregoing, and to the extent permitted by applicable law, the Borrower agrees not to assert, and to cause each of the Subsidiary Guarantors not to assert, and hereby waives, and agrees to cause each of the Subsidiary Guarantors to waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnitee unless the same shall have resulted from the gross negligence or willful misconduct of, or material breach of the Loan Documents by, such Indemnitee, any of its affiliates or its or their respective officers, directors, partners, employees, advisors, agents, controlling persons or trustees. Unless such amounts are being contested in good faith by the Borrower, all amounts due under this Section 10.5 shall be payable not later than 45 Business Days after the party to whom such amount is owed has provided a statement or invoice therefor, setting forth in reasonable detail, the amount due and the relevant provision of this Section 10.5 under which such amount is payable by the Borrower. For purposes of the preceding sentence, it is understood and agreed that the Borrower may ask for reasonable supporting documentation to support any request to reimburse or pay out of pocket expenses, legal fees and disbursements, that the grace period to pay any such amounts shall not commence until such supporting documentation has been received by the Borrower and that out of pocket expenses that are reimbursable by the Borrower are limited to those that are consistent with the Borrower's then prevailing policies and procedures for reimbursement of expenses. The Borrower agrees to provide upon request by any party that may be entitled to expense reimbursement hereunder, on a confidential basis, a written statement setting forth those portions of its then prevailing policies and procedures that are relevant to obtaining expense reimbursement hereunder. Statements payable by the Borrower pursuant to this Section 10.5 shall be submitted to the Borrower at the address of the Borrower set forth in Section 10.2, or to such other Person or address as may be hereafter designated by the Borrower in a written notice to the Administrative Agent. The agreements in this Section 10.5 shall survive repayment of the Loans and all other amounts payable hereunder. In no event shall any party hereto or any other Loan Party be liable for any special, indirect, consequential or punitive damages (including any loss of profits, business or anticipated savings).

10.6 Successors and Assigns; Participations and Assignments. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any affiliate of an Issuing Lender that issues any Letter of Credit), except that (i) other than pursuant to Section 7.7, the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees (other than the Borrower or any affiliate of the Borrower or any natural person)(each, an "Assignee") all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (in each case, not to be unreasonably withheld or delayed) of:

(1) the Borrower;

(2) the Administrative Agent; and

(3) each Issuing Lender at such time;

provided, that none of the foregoing consents shall be required for an assignment to a Lender or, in the case of the Borrower only, if an Event of Default under Section 8(a) or (f) has occurred and is continuing.

Notwithstanding the foregoing, no Lender shall be permitted to assign any of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) to an Ineligible Assignee without the consent of the Borrower, which consent may be withheld in its sole discretion.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitments and Loans, the amount of the Commitments and Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $10,000,000, unless each of the Borrower and the Administrative Agent otherwise consent, provided that (1) no such consent of the Borrower shall be required if an Event of Default under Section 8(a) or (f) has occurred and is continuing and (2) such amounts shall be aggregated in respect of each Lender and its affiliates or Approved Funds, if any;

(B) the parties to each assignment (or, in the case of an assignment made pursuant to the exercise of the Borrower's rights under Section 2.17, the Administrative Agent, as agent for the assigning Lender, and the Assignee) shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500 (which shall be paid by the assigning Lender or the Assignee or, in the case of an assignment made pursuant to the exercise of the Borrower's rights under Section 2.17, by the assigning Lender, the Assignee, or the Borrower); and

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent and the Borrower an administrative questionnaire.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.13, 2.14, 2.15 and 10.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption

delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of and interest on the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). Subject to the last sentence of (b)(iii) above, the entries in the Register shall be conclusive, and the Borrower, the Administrative Agent, the Issuing Lenders and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, at any reasonable time and from time to time upon reasonable prior notice. The Register shall be available for inspection by any Issuing Lender at any reasonable time and from time to time upon reasonable prior notice. The Administrative Agent shall provide a copy of the Register to the Borrower upon its request at any time and from time to time by electronic communication.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender (or, in the case of an assignment made pursuant to the exercise of the Borrower's rights under Section 2.17, the Administrative Agent, as agent for the assigning Lender) and an Assignee, the Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) the Loan Parties, the Administrative Agent, the Issuing Lenders and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents, (D) such Participant shall not be an Ineligible Participant, and (E) no later than January 31 of each year, such Lender shall provide the Borrower with a written description of each participation of Loans, and/or Commitments by such Lender during the prior year (it being understood that any failure to provide notice shall not render the participation invalid). Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender directly and adversely affected thereby pursuant to clause (A) of the proviso to the second sentence of Section 10.1(a) and (2) directly and adversely affects such Participant. Subject to paragraph (c)(ii) of this Section 10.6, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.13, 2.14 and 2.15 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. Each Lender that sells a participation, acting solely for this purpose as an agent of the Borrower, shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Loans, Letters of Credit or its other obligations

under this Agreement) except to the extent that such disclosure is necessary to establish that such Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive, and such Lender, the Borrower and the Administrative Agent shall treat each person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.13 or 2.14 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant. A Participant shall not be entitled to receive any funds directly from the Borrower in respect of Sections 2.13, 2.14, 2.15 or 10.7 unless such Participant shall have provided to Administrative Agent, acting for this purpose as an agent of the Borrower, such information as is required to be recorded in the Register pursuant to paragraph (b)(iv) above as if such Participant were a Lender. Any Participant shall not be entitled to the benefits of Section 2.14 unless such Participant complies with Section 2.14(d) and 2.14(e) as though it were a Lender.

(d) Any Lender may, without the consent of the Borrower or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure such Lender's obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

(e) In connection with any assignment pursuant hereto, the assigning Lender shall surrender the Note held by it and the Borrower shall, upon the request to the Administrative Agent by the assigning Lender or the Assignee, as applicable, execute and deliver to the Administrative Agent (in exchange for the outstanding Note of the assigning Lender) a new Note to the order of such assigning Lender or Assignee, as applicable, in the amount equal to the amount of such assigning Lender's or Assignee's, as applicable, Commitment to it after giving effect to its applicable assignment (or if the Commitments have terminated, the Loan of such party). Any Notes surrendered by the assigning Lender shall be returned by the Administrative Agent to the Borrower marked "cancelled."

(f) Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have funded hereunder to its designating Lender without the consent of the Borrower or the Administrative Agent and without regard to the limitations set forth in Section 10.6(b). Each of the Borrower, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each designating Lender which designates any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance.

10.7 Adjustments. Except to the extent that this Agreement expressly provides for payments to be allocated to a particular Lender, if any Lender (a "Benefitted Lender") shall, at any time after the Loans and all other amounts payable hereunder shall have become due and payable (whether at the stated maturity, by acceleration or otherwise), receive any payment of all or part of the Obligations owing to it (other than in connection with an assignment made pursuant to Section 10.6), or receive any

collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 8(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender, such Benefitted Lender shall purchase for cash in Dollars from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefitted Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

10.8 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

10.9 Severability. Any provision of this Agreement that 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, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.10 Integration. This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents (other than agreements between the Borrower and any Issuing Lender contemplated by this Agreement).

10.11 **GOVERNING LAW**. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

10.12 Submission to Jurisdiction; Waivers. Each of the Administrative Agent, the Lenders, the Issuing Lenders and the Borrower hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York located in the Borough of Manhattan, the courts of the United States for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; and

(c) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

10.13 Judgment. The obligations of the Borrower in respect of this Agreement and the other Loan Documents due to any party hereto shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than the currency in which the sum originally due to such party is denominated (the "Original Currency"), be discharged only to the extent that on the Business Day following receipt by such party of any sum adjudged to be so due in the Judgment Currency such party may in accordance with normal banking procedures purchase the Original Currency with the Judgment Currency; if the amount of the Original Currency so purchased is less than the sum originally due under such judgment to such party in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such party against such loss, and if the amount of the Original Currency so purchased exceeds the sum originally due to any party to this Agreement, such party agrees to remit to the Borrower such excess. The provisions of this Section 10.13 shall survive the termination of this Agreement and payment of the Loans, the Reimbursement Obligations, interest, commitment fees, Letter of Credit Fees, and Letter of Credit fronting fees payable hereunder.

10.14 Acknowledgements. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to the Borrower or any Subsidiary arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between Administrative Agent and the Lenders, on one hand, and the Borrower or any Subsidiary, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower or any Subsidiary and the Lenders.

10.15 Releases of Guarantees and Liens. (a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the Administrative Agent is hereby irrevocably authorized by each Lender and each Issuing Lender (without requirement of notice to or consent of any Lender or any Issuing Lender except as expressly required by Section 10.1) to take, and the Administrative Agent hereby agrees to take promptly, any action requested by the Borrower having the effect of releasing, or evidencing the release of, any Collateral or Guarantee Obligations (including by instructing the Collateral Trustee to do so) (i) to the extent necessary to permit consummation of any transaction not prohibited by any Loan Document or that has been consented to in accordance with Section 10.1 or (ii) under the circumstances described in this Section 10.15. For the avoidance of doubt any such action shall include directing the Collateral Trustee to take action under the Collateral Trust Agreement.

(b) At such time as the Loans, the Reimbursement Obligations and interest and fees owing hereunder shall have been paid in full, the Commitments have been terminated and no Letters of Credit shall be outstanding (or such Letters of Credit are Collateralized), the Obligations shall cease to be "Secured Obligations" under the Security Documents and the Administrative Agent shall provide notice to the Collateral Trustee thereof in accordance with Section 6.1 of the Collateral Trust Agreement.

(c) At any time after the satisfaction of the Collateral Release Condition, upon request by the Borrower (which may be made at any time following such satisfaction) all of the security interests, mortgages, or other Liens in or on the Collateral shall be released (the date on which such release occurs, the "Collateral Release Date"); provided however that any Liens with respect to other Covered Debt and Permitted Second Lien Debt are contemporaneously released. For the avoidance of doubt, all guarantees of the Indebtedness hereunder and the provisions of Sections 7.3 and 7.4 shall remain in full force and effect notwithstanding such release.

(d) (i) All security interests, mortgages or other Liens granted by a Subsidiary Guarantor in any Collateral, any related guarantees from such Subsidiary Guarantor, and all security interests, mortgages or other Liens on the Capital Stock of such Subsidiary Guarantor, will be automatically released if such Subsidiary Guarantor ceases for any reason not otherwise prohibited by the Loan Documents to be a Subsidiary Guarantor, (ii) all security interests, mortgages or other Liens granted by the Borrower or a Subsidiary Guarantor in any Collateral will be automatically released upon the request of the Borrower in connection with, and not later than two Business Days prior to the consummation of, any permitted sale or other disposition of such Collateral (including in connection with the grant of a specified consensual Permitted Lien, other than in respect of any other Covered Debt and any Permitted Second Lien Debt), and (iii) all security interests, mortgages or other Liens granted by the Borrower or a Subsidiary Guarantor in the Capital Stock of Ally Financial Inc. shall be released within two Business Days after the request of the Borrower therefor in connection with any disposition thereof.

(e) In addition, so long as no Event of Default shall have occurred and be continuing, all security interests, mortgages, or other Liens granted by the Borrower or a Subsidiary Guarantor in or on all company cars and receivables (and other Collateral evidencing, securing, or relating to such company cars or receivables including Supporting Obligations and Letter-of-Credit Rights, in each case as such terms are defined in the UCC) of the Borrower or such Subsidiary Guarantor which are contemplated for use in one or more securitization transactions or as collateral security for one or more financing transactions or letter of credit transactions not prohibited by the Loan Documents, shall be released upon the request of the Borrower; provided that in the case of any financing transactions that are not structured as securitizations having customary bankruptcy remote limited recourse provisions, the security interests in such released collateral shall be subject to an intercreditor agreement between the financing party or parties (or a trustee or an agent therefor) and the Collateral Trustee that is reasonably satisfactory to the Administrative Agent; and provided, further, that letter of credit transactions shall not be deemed to be financing transactions for purposes of the foregoing proviso.

(f) Notwithstanding anything to the contrary contained herein, it is understood and agreed that the provisions of this Section 10.15 only require the Administrative Agent to notify the Collateral Trustee that the release of the referenced Collateral is permitted, authorized, or not prohibited hereunder. The Borrower acknowledges that the Collateral is held by the Collateral Trustee and that the release thereof is governed by the terms of the Collateral Trust Agreement.

10.16 Confidentiality. Each of the Administrative Agent, each Issuing Lender, each Lender and each Transferee (each a "Receiving Party") agrees to keep confidential all non-public information provided to it (including information obtained by such Receiving Party pursuant to Section 6.9) by or on behalf of any Loan Party or any of its respective Subsidiaries, the Administrative Agent, an Issuing Lender or any Lender pursuant to or in connection with any Loan Document; provided that nothing herein shall prevent a Receiving Party from disclosing any such information (a) to the Administrative Agent, any other Lender or any affiliate thereof for purposes of the transactions contemplated by this Agreement (it being acknowledged and agreed that such information would be

subject to the confidentiality provisions of the this Section 10.16), (b) subject to a written agreement to comply with the provisions of this Section (or other provisions at least as restrictive as this Section), to any actual or prospective Transferee or any pledgee referred to in Section 10.6(d) or any direct or indirect contractual counterparty (or the professional advisors thereto) to any swap or derivative transaction relating to the Borrower and its obligations, (c) to its employees, directors, trustees, agents, attorneys, accountants and other professional advisors or those of any of its affiliates for performing the purposes of a Loan Document in each case, who are subject to or bound by an agreement to comply with the provisions of this Section 10.16 (or other provisions at least as restrictive as this Section 10.16), (d) upon the request or demand of any Governmental Authority or regulatory agency (including self-regulated agencies), (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, after notice to the Borrower if reasonably feasible, (f) if requested or required to do so in connection with any litigation or similar proceeding, after notice to the Borrower if reasonably feasible, (g) that has been publicly disclosed (other than by such Receiving Party in breach of this Section 10.16), (h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, or (i) in connection with the exercise of any remedy hereunder or under any other Loan Document.

10.17 **WAIVERS OF JURY TRIAL**. THE BORROWER, THE ADMINISTRATIVE AGENT, THE ISSUING LENDERS AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

10.18 USA Patriot Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "USA Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the USA Patriot Act.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

GENERAL MOTORS HOLDINGS LLC

By: /s/ Niharika Ramdev
Name: Niharika Ramdev
Title: Assistant Treasurer

CITIBANK, N.A., as Administrative Agent and as Lender

By: /s/ Wayne Beckmann
Name: Wayne Beckmann
Title: Vice President

BANK OF AMERICA, N.A., as Syndication Agent

By: /s/ L. Dustin Vincent
Name: L. Dustin Vincent
Title: Senior Vice President

BANK OF AMERICA, N.A., as a Lender

By: /s/ L. Dustin Vincent
Name: L. Dustin Vincent
Title: Senior Vice President

Barclays Bank PLC, as a Lender

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as a Lender

By: /s/ Ari Bruger
Name: Ari Bruger
Title: Vice President

By: /s/ Kevin Buddhdew
Name: Kevin Buddhdew
Title: Associate

Deutsche Bank AG New York Branch, as a Lender

By: /s/ Omayra Laucella
Name: Omayra Laucella
Title: Vice President

By: /s/ Scottye Lindsey
Name: Scottye Lindsey
Title: Director

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Alexis Maged
Name: Alexis Maged
Title: Authorized Signatory

JPMorgan Chase Bank, N.A., as a Lender

By: /s/ Richard W. Duker
Name: Richard W. Duker
Title: Managing Director

Morgan Stanley Senior Funding, Inc., as a Lender

By: /s/ Ryan Vetsch
Name: Ryan Vetsch
Title: Vice President

Morgan Stanley Bank, N.A., as a Lender

By: /s/ Ryan Vetsch
Name: Ryan Vetsch
Title: Authorized Signatory

ROYAL BANK OF CANADA, as a Lender

By: /s/ Meredith Majesty
Name: Meredith Majesty
Title: Authorized Signatory

UBS LOAN FINANCE LLC, as a Lender

By: /s/ Mary E. Evans
Name: Mary E. Evans
Title: Associate Director

By: /s/ Irja R. Otsa
Name: Irja R. Otsa
Title: Associate Director

Banco Bradesco S.A., New York Branch, as a Lender

By: /s/ Adrian de Albuquerque da Graçae Costa
Name: Adrian de Albuquerque da Graçae Costa
Title: B-205

By: /s/ Mauro Lopes
Name: Mauro Lopes
Title: B-221

CIBC Inc., as a Lender

By: /s/ Dominic J. Sorresso
Name: Dominic J. Sorresso
Title: Executive Director

By: /s/ Eoin Roche
Name: Eoin Roche
Title: Executive Director

CIBC World Markets Corp.
Authorized Signatory

Commerzbank AG New York and Grand Cayman Branches, as a Lender

By: /s/ Patrick Hartweger
Name: Patrick Hartweger
Title: Vice President

By: /s/ Peter Wesemeier
Name: Peter Wesemeier
Title: Assistant Vice President

Banco do Brasil S.A., New York Branch, as a Lender

By: /s/ Joao Carlos dos Santos Telles
Name: Joao Carlos dos Santos Telles
Title: Deputy General Manager

By: /s/ Oswaldo Parre dos Santos
Name: Oswaldo Parre dos Santos
Title: Deputy General Manager

BANCO ITAÚ EUROPA, S.A. – SUCURSAL FINANCEIRA INTERNACIONAL, as a Lender

By: /s/ José Francisco Claro
Name: José Francisco Claro
Title: Chief Operating Officer

By: /s/ Renato Lulia Jacob
Name: Renato Lulia Jacob
Title: Executive Board Member

THE BANK OF NEW YORK MELLON, as a Lender

By: /s/ John T. Smathers
Name: John T. Smathers
Title: First Vice President

Industrial and Commercial Bank of China Limited, New York Branch, as a Lender

By: /s/ Xintao Luo

Name: Xintao Luo
Title: Deputy General Manager

Lloyds TSB Bank plc, as a Lender

By: /s/ Windsor Davies
Name: Windsor Davies
Title: Managing Director

Lloyds TSB Bank plc, as a Lender

By: /s/ Russell Protti
Name: Russell Protti
Title: Senior Vice President

Bangkok Bank Public Company Limited New York Branch, as a Lender

By: /s/ Thitipong Prasertsilp
Name: Thitipong Prasertsilp
Title: VP and Branch Manager

THE BANK OF NOVA SCOTIA, as a Lender

By: /s/ J.F. Todd
Name: J.F. Todd
Title: Managing Director

Sumitomo Mitsui Banking Corporation, as a Lender

By: /s/ William M. Gim
Name: William M. Gim
Title: General Manager

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Jeffrey S. Johnson
Name: Jeffrey S. Johnson
Title: Vice President

Caja de Ahorros y Pensiones de Barcelona, “la Caixa” (*), as a Lender

By: /s/ Carlos Mazarío Isasa
Name: Carlos Mazarío Isasa
Title: Director

By: /s/ Pablo Fernández Matabuena
Name: Pablo Fernández Matabuena
Title: Senior Manager

(*) Caixa d’Estalvis i Pensions de Barcelona, “la Caixa” as also registered name.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT A

to

Credit Agreement

FORM OF

SECURITY AGREEMENT

made by

GENERAL MOTORS HOLDINGS LLC

and certain of its Subsidiaries and other Persons from time to time parties hereto, *as Grantors*

in favor of

WILMINGTON TRUST COMPANY, *as Collateral Trustee*

Dated as of October 27, 2010

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

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[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of October 27, 2010, made by General Motors Holdings LLC, a Delaware limited liability company (the "Borrower") and each of the other signatories hereto signing in the capacity of a "Grantor" (the Borrower and such other signatories, together with any other entity that may become a party hereto as provided herein, collectively, the "Grantors"), in favor of Wilmington Trust Company, as Collateral Trustee (in such capacity, the "Collateral Trustee") under the Collateral Trust Agreement, dated as of October 27, 2010, (the "Collateral Trust Agreement"), among the Borrower, the other Grantors from time to time party thereto, and the Collateral Trustee.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement (such term and other capitalized terms having the meanings assigned to such terms in the Collateral Trust Agreement or as otherwise provided in Section 1.1), the Credit Agreement Lenders have severally agreed to make extensions of credit to or for the account of the Borrower thereunder upon the terms and subject to the conditions set forth therein;

WHEREAS, the Borrower, the other Grantors or other Persons may, at any time and from time to time, issue or assume Additional Debt, which Additional Debt may be designated by the Borrower as either First Priority Additional Debt or Second Priority Additional Debt, and the Borrower, the other Grantors or other Persons may, at any time and from time to time, incur or assume Secured Non-Loan Exposure, which Secured Non-Loan Exposure may be designated by the Borrower as either Permitted First Lien Non-Loan Exposure or Other Secured Non-Loan Exposure;

WHEREAS, certain of the Grantors (other than the Borrower) are a party to the Credit Agreement Guarantee, pursuant to which each such Grantor has guaranteed the Guaranteed Obligations (as such term is defined in the Credit Agreement Guarantee);

WHEREAS, one or more of the Grantors may from time to time guarantee any or all of the Secured Obligations;

WHEREAS, the Borrower is a member of an affiliated group of companies that includes each other Grantor;

WHEREAS, the proceeds of the extensions of credit under the Credit Agreement will be used in part to enable the Borrower to make valuable transfers to, among others, one or more of the other Grantors in connection with the operation of their respective businesses;

WHEREAS, each Grantor will derive substantial direct and indirect benefit from the making of the extensions of credit under the Credit Agreement and the other Secured Instruments; and

WHEREAS, it is a condition precedent to the obligation of the Credit Agreement Lenders to make their respective extensions of credit to or for the account of the Borrower under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Collateral Trustee for the benefit of the Secured Parties;

NOW, THEREFORE, in consideration of the premises and to induce the Credit Agreement Administrative Agent and the Credit Agreement Lenders to enter into the Credit Agreement, to induce the Credit Agreement Lenders to make their respective extensions of credit to or for the account of the Borrower thereunder, and to induce the holders thereof to provide any Additional Debt and/or Secured Non-Loan Exposure from time to time, each Grantor, severally and for itself alone, hereby agrees with the Collateral Trustee, for the benefit of the Secured Parties, as follows:

SECTION 1. DEFINED TERMS

1.1 Definitions.

(a) Unless otherwise defined herein, terms defined in the Collateral Trust Agreement and used herein shall have the meanings assigned to such terms in the Collateral Trust Agreement, and the following terms are used herein as defined in the New York UCC: Accounts, Certificated Security, Chattel Paper, Commercial Tort Claims, Commodity Accounts, Commodity Contracts, Control, Documents, Equipment, General Intangibles, Instruments, Inventory, Letter-of-Credit Rights, Securities, Securities Accounts, Security Entitlements and Supporting Obligations.

(b) The following terms shall have the following meanings:

"ABR Loans": any ABR Loans (as defined in the Credit Agreement).

"Agreement": this Security Agreement.

"Applicable Foreign Law": as defined in Section 5.15.

"Borrower": as defined in the preamble.

"Capital Stock": means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing; provided, however, that Capital Stock shall exclude all Excluded Collateral.

"Closing Date": the date on or after the Effective Date that the Credit Agreement Administrative Agent provides written confirmation to the Borrower and the Credit Agreement Lenders confirming that the conditions listed in Section 5.2 of the Credit Agreement have been satisfied (or waived in accordance with the provisions thereof).

"Collateral": as defined in Section 2(a).

"Collateral Trust Agreement": as defined in the preamble.

"Collateral Trustee": as defined in the preamble.

"Collateral Trust Joinder Agreement": as defined in Section 5.11.

"Contractual Obligation": as to any Person, any provision of any security issued by such Person or of any agreement, instrument or undertaking to which such Person is a party or by which it or any of its property is bound.

"Domestic Subsidiary": with respect to any Person, any Subsidiary of such Person organized under the laws of any jurisdiction within the United States. Unless otherwise qualified, all references to a "Domestic Subsidiary" or "Domestic Subsidiaries" in this Agreement shall refer to a Domestic Subsidiary or Domestic Subsidiaries of the Borrower.

"Effective Date": October 27, 2010.

"Enforcement Event": the effective date, as specified in the Collateral Trust Agreement, of the receipt by the Collateral Trustee of a Notice of Acceleration or the occurrence and continuance of an Event of Default (as defined in the Credit Agreement(as in effect on the Effective Date)) with respect to the Borrower pursuant to Section 8(f) of the Credit Agreement; provided, however, to the extent that such Notice of Acceleration has been withdrawn or cancelled or is no longer in effect, or such Event of Default is no longer continuing, the Enforcement Event shall be deemed no longer to be continuing.

"Excluded Collateral": (a) Restricted Collateral, (b) Section 136 Collateral, (c) the Capital Stock of Excluded Subsidiaries, (d) cash, cash equivalents, and Marketable Securities (except as proceeds of other assets that constitute Collateral or except to the extent deposited in or credited to a Borrowing Base Collateral Account), (e) investments in Unconsolidated Subsidiaries of any Loan Party or in any Person that is not a Subsidiary (other than investments in the Capital Stock of Ally Financial Inc.), (f) real property interests other than the Mortgaged Property, (g) all copyrights and copyright licenses, registered or otherwise, non-U.S. intellectual property, and all intellectual property owned by General Motors LLC or GM Global Technology Operations, Inc. related to Nexteer Automotive or developed by, or on behalf of, GM Daewoo Auto & Technology Company, (h) vehicles, vessels, aircraft or any other asset subject to any certificate of title or other registration statute of the United States, any state or other jurisdiction, unless such asset is subject to the Lien granted under a Trust Security Document in favor of the Collateral Trustee and a grantor thereunder, at its discretion, perfects such Lien, (i) more than 65% of the Voting Stock of the direct, "first-tier" Foreign Subsidiaries of each Loan Party (or the Voting Stock in excess of some percentage higher than 65% in instances where the Borrower determines, in its sole discretion, that such higher percentage can be pledged with no adverse tax effect in the United States), (j) all of the Capital Stock of the Parent or the Borrower, (k) all of the Capital Stock of any Subsidiary of a Loan Party that is not a direct, "first-tier" Subsidiary of a Loan Party, (l) all assets (or Capital Stock) related to Nexteer Automotive, (m) accounts receivable that are owing by Ally Financial Inc., (n) any other assets as to which the Borrower or the Controlling Party has determined in its good faith and commercially reasonable judgment that the cost of obtaining a perfected security interest therein is excessive in relation to the value of the security to be afforded thereby, and (o) all Supporting Obligations (including all Letter-of-Credit Rights) related to any of the foregoing.

"Excluded Subsidiary": (a) the Borrower, (b) each of the Initial Excluded Subsidiaries, (c) each Subsidiary of the Parent that (i) is prohibited by any applicable requirement of law or Governmental Authority from guaranteeing the obligations of the other Loan Parties or (ii) is acquired after the Effective Date and, at the time of acquisition, is a party to, or is bound by, any contract, agreement, instrument, indenture or other Contractual Obligation pursuant to which such Subsidiary's agreement to guarantee the obligations of the other Loan Parties is prohibited by, or would constitute a default or breach of, or would result in the termination of, such contract, agreement, instrument, indenture or other Contractual Obligation; provided that such contract, agreement, instrument, indenture or other Contractual Obligation shall not have been entered into in contemplation of such acquisition; provided, further, that such Subsidiary shall cease to be an Excluded Subsidiary upon the termination of such contract, agreement, instrument, indenture or other Contractual Obligation and will become a Grantor pursuant to Section 5.11 only if required by and pursuant to the Credit Agreement, (d) each Foreign Subsidiary that is not a direct, "first-tier" Subsidiary of a Loan Party, (e) each Unconsolidated Subsidiary, (f) each Finance Subsidiary of the Parent, and (g) each Subsidiary that is a dealership.

"Finance Subsidiary": with respect to any Person, any Subsidiary of such Person which is primarily engaged in leasing or financing activities including (a) lease and purchase financing provided by such Subsidiary to dealers and consumers, (b) leasing or financing of installment receivables or otherwise providing banking, financial or insurance services to the Borrower and/or its affiliates or others or (c) financing the Borrower's and/or its affiliates' operations.

"Foreign Law Pledge Agreement": as defined in Section 5.15.

"Foreign Subsidiary": with respect to any Person, any Subsidiary of such Person that is not a Domestic Subsidiary of such Person. Unless otherwise qualified, all references to a "Foreign Subsidiary" or "Foreign Subsidiaries" in this Agreement shall refer to a Foreign Subsidiary or Foreign Subsidiaries of the Borrower.

"Foreign Subsidiary Capital Stock": with respect to any Foreign Subsidiary, the Capital Stock of such Foreign Subsidiary which has been issued by such Foreign Subsidiary; provided, however, that Foreign Subsidiary Capital Stock shall exclude all Excluded Collateral.

"GAAP": generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority": any federal, state, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or any federal, state or municipal court, in each case whether of the United States or a foreign jurisdiction.

"Grantors": as defined in the preamble; provided, however, that the term "Grantors" shall not include any such Person from and after its release from this Agreement or the Collateral Trust Agreement.

"Initial Excluded Subsidiaries": each of the Subsidiaries listed on Schedule 1.1D-1 to the Credit Agreement.

"Intellectual Property": the collective reference to all rights, priorities and privileges of a Grantor relating to intellectual property arising under the laws of the United States or any state thereof, including the Patents, the Patent Licenses, the Trademarks and the Trademark Licenses, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom; provided, however, that Intellectual Property shall exclude all Excluded Collateral.

"Investment Property": the collective reference to (i) all "investment property" as such term is defined in Section 9-102(a)(49) of the New York UCC (other than any Foreign Subsidiary Capital Stock excluded from the definition of "Pledged Stock") of a Grantor and (ii) whether or not constituting "investment property" as so defined, all Pledged Stock; provided, however, that Investment Property shall exclude all Excluded Collateral.

"Issuers": the collective reference to each issuer of any Pledged Stock or Pledged Note.

"Loan Parties": the Borrower, the Parent and each Subsidiary Guarantor.

"Marketable Securities" means, with respect to any Person, investments by such Person in fixed income securities with original maturities greater than 90 days that have a determinable fair value, are liquid and are readily convertible into cash. For the avoidance of doubt, (i) such investments are passive investments, purchased by such Person in the ordinary course of business as part of its liquidity and/or cash management activities and (ii) for all purposes of the Trust Security Documents, the amount of Marketable Securities of the Parent and its Subsidiaries as of the last day of any fiscal quarter or fiscal year of the Parent is equal to the amount reported on the Parent's Annual Report on Form 10-K and Quarterly Report on Form 10-Q consolidated balance sheet for such fiscal quarter or fiscal year, as the case may be, as the line "Marketable securities", less any adjustment for securities that do not satisfy the requirements of the first sentence of this definition.

"Material Adverse Effect": means a material adverse effect on (a) the financial condition of the Loan Parties, taken as a whole or (b) the validity or enforceability of the Trust Security Documents and the Collateral Trust Agreement, taken as a whole, or the rights and remedies of the Collateral Trustee thereunder, taken as a whole.

"Mortgaged Property": (a) each of the real property interests as of the Effective Date set forth in Schedule 1.1E to the Credit Agreement, (b) each of the real property interests constituting the active manufacturing sites and proving grounds acquired or leased by the Borrower or a Subsidiary Grantor after the Effective Date, in each case having a Net Book Value (exclusive of any associated machinery and equipment), as of the last day of the first fiscal quarter of the Parent following such acquisition or lease, in excess of $75,000,000, (c) each of the real property interests constituting warehouse sites acquired by the Borrower or a Subsidiary Grantor after the Effective Date having a Net Book Value (exclusive of any associated

machinery and equipment), as of the last day of the first fiscal quarter of the Parent following such acquisition, in excess of $25,000,000, (d) each of the real property interests constituting the Warren Technology Center located in Warren, Michigan and described in Schedule 1.1E to the Credit Agreement, (e) each of the real property interests constituting the Pontiac North Powertrain campus located in Pontiac, Michigan and described in Schedule 1.1E to the Credit Agreement, and (f) each of the real property interests constituting the Renaissance Center campus located in Detroit, Michigan and described in Schedule 1.1E to the Credit Agreement, provided, however, that Mortgaged Property shall exclude all Excluded Collateral.

"Net Book Value": with respect to any asset of any Person (a) other than accounts receivable, the gross book value of such asset on the balance sheet of such Person, minus depreciation in respect of such asset on such balance sheet and (b) with respect to accounts receivable, the gross book value thereof, minus any specific reserves attributable thereto.

"New York UCC": the Uniform Commercial Code as from time to time in effect in the State of New York.

"Patent Licenses": all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered in whole or in part by a Patent; provided, however, that Patent Licenses shall exclude all Excluded Collateral.

"Patent Security Agreement": the Patent Security Agreement, dated as of October 27, 2010, executed and delivered by General Motors LLC and GM Global Technology Operations, Inc. in favor of the Collateral Trustee, and any additional Trust Security Document executed and delivered by a Grantor and the Collateral Trustee and relating to Patents.

"Patents": with respect to a Grantor, such Grantor's interest in (i) all letters patent of the United States or any political subdivision thereof, all reissues and extensions thereof and all goodwill associated therewith, (ii) all applications for letters patent of the United States and all divisions, continuations and continuations-in-part thereof, and (iii) all rights to obtain any reissues or extensions of the foregoing; provided, however, that Patents shall exclude all Excluded Collateral.

"Pledged Notes": all promissory notes, loan agreements, and other evidences of indebtedness listed on Schedule 2 hereto, including any additional promissory notes, loan agreements or other evidences of indebtedness added to Schedule 2 hereto under an amendment to this Agreement substantially in the form of Exhibit I hereto); provided, however, that Pledged Notes shall exclude all Excluded Collateral.

"Pledged Stock": the shares of Capital Stock listed on Schedule 3 hereto, including any additional shares of Capital Stock added to Schedule 3 hereto under an amendment to this Agreement substantially in the form of Exhibit I hereto, together with any other shares, stock certificates, options, interests or rights of any nature whatsoever in respect of the Capital Stock of any Person listed on Schedule 3 hereto that may be issued or granted to, or held by, any Grantor while this Agreement is in effect; provided, however, that Pledged Stock shall exclude all Excluded Collateral.

"Proceeds": all "proceeds" as such term is defined in Section 9-102(a)(64) of the New York UCC and, in any event, shall include, without limitation, all dividends or other income from the Investment Property, collections thereon or distributions or payments with respect thereto; provided, however, that Proceeds shall exclude all Excluded Collateral.

"Receivable": any right to payment for goods sold or leased or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper and whether or not it has been earned by performance; provided, however, that Receivable shall exclude all Excluded Collateral.

"Restricted Collateral": collectively, (i) the Capital Stock of the Persons listed on Schedule 1.1C to the Credit Agreement, (ii) any asset or property, (x) to the extent that the assignment, pledge or grant of a Lien with respect thereto is prohibited by any applicable requirement of law or by any Governmental Authority, or (y) to the extent that the assignment, pledge, or grant of a Lien with respect thereto is prohibited by, constitutes a default or breach of, or results in the termination of the terms of any contract, agreement, instrument, or indenture relating to such asset or property, in each case, to the extent such law, prohibition or applicable provision is not rendered ineffective or unenforceable under other applicable law, and (iii) any other asset or property of a Grantor that, but for a requirement to obtain a third party consent (to the extent that such requirement is not rendered ineffective or unenforceable under other applicable law) in order to pledge such asset or property as collateral, would constitute "Collateral", in each case only to the extent that, and for so long as, a third party consent that has not been obtained is required in order to assign, pledge, or grant a Lien with respect to such asset or property as collateral, it being understood and agreed that no Grantor shall have any obligation to solicit or obtain any such third party consent under any circumstances whatsoever.

"Section 136 Collateral": assets or property of a Person subject to a Lien to the extent that such Lien is statutorily required to be a first-priority Lien securing indebtedness of such Person in respect of loans made pursuant to Section 136 of the Energy Independence and Security Act of 2007.

"Securities Act": the Securities Act of 1933, as amended.

"Security Agreement Joinder Agreement": as defined in Section 5.11.

"Trademark Licenses": any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark; provided, however, that Trademark Licenses shall exclude all Excluded Collateral.

"Trademark Security Agreement": the Trademark Security Agreement, dated as of October 27, 2010, executed and delivered by General Motors LLC and OnStar, LLC in favor of the Collateral Trustee, and any additional Trust Security Document executed and delivered by a Grantor and the Collateral Trustee and relating to Trademarks.

"Trademarks": with respect to a Grantor, such Grantor's interest in (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, to the extent existing in or under the laws of the United States or any State thereof, (ii) all registrations and recordings of the assets and property described in the foregoing clause (i), and all applications in connection therewith, in each case, solely if made or filed whether in the United States Patent and Trademark Office or in any similar office or agency of the United States or any State thereof, and all common-law rights related thereto, and (iii) the right to obtain all renewals of the registrations and recordings referred to in the foregoing clause (ii); provided, however, that Trademarks shall exclude all Excluded Collateral.

"Unconsolidated Subsidiary": a subsidiary of the Parent or any other Person whose financial results are not, in accordance with GAAP, included in the consolidated financial statements of the Parent.

"Vehicles": all cars, trucks, trailers and other vehicles (including vessels, aircraft and other assets), in each case covered by a certificate of title law or other registration statute of the United States, any State or other jurisdiction.

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, Schedule, Annex and Exhibit 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.

(c) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's interest in such Collateral or the relevant part thereof.

(d) References to agreements shall, unless otherwise specified, be deemed to refer to such agreements as amended, supplemented, restated or otherwise modified from time to time, references to any Person shall include its successors and permitted assigns, and references to any law, treaty, statute, rule or regulation shall (unless otherwise specified) be construed as including all statutory provisions, regulatory provisions, rulings, opinions, determinations or other provisions consolidating, amending, replacing, supplementing or interpreting such law, treaty, statute, rule or regulation.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECTION 2. GRANTS OF SECURITY INTERESTS

(a) Each Grantor hereby grants to the Collateral Trustee, for the benefit of the First Priority Secured Parties, a security interest in, all of the following property now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter, of the First Priority Secured Obligations:

(i) all Accounts (including all Receivables);

(ii) all Chattel Paper;

(iii) each Borrowing Base Collateral Account;

(iv) all Documents (other than title documents with respect to Vehicles);

(v) all Equipment;

(vi) all General Intangibles (including, without limitation, the Trademarks listed on Schedule 4 hereto and the Patents listed on Schedule 5 hereto);

(vii) all Instruments (including without limitation Instruments evidencing the Pledged Notes listed in Schedule 2 hereto);

(viii) all Inventory;

(ix) all Investment Property, but only to the extent that such Investment Property either constitutes the Capital Stock issued to a Grantor by a Person listed on Schedule 3 hereto or constitutes the Pledged Stock listed on Schedule 3 hereto;

(x) all other Investment Property, including without limitation, Securities Accounts, Security Entitlements, Commodity Accounts and Commodity Contracts;

(xi) all books and records (or excerpts thereof), but only to the extent pertaining to the Collateral;

(xii) all Letter-of-Credit Rights pertaining solely to other categories of the Collateral;

(xiii) all Commercial Tort Claims specified on Schedule 6 hereto and otherwise to the extent specifically notified to the Collateral Trustee from time to time; and

(xiv) to the extent not otherwise included, all Proceeds and Supporting Obligations with respect to any of the foregoing;

provided, however, that notwithstanding any of the other provisions set forth in this Section 2(a) or in any of the related definitions, this Agreement shall not apply to any property of a Grantor, and shall not constitute a grant of a security interest in any such property, during any period or at any time that such property is Excluded Collateral, it being understood and agreed that the foregoing proviso shall not apply during any period or at any time that such property ceases to be Excluded Collateral.

(b) Each Grantor hereby grants to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, a security interest in all of the Collateral, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter, of the Second Priority Secured Obligations (it being understood and agreed that such security interest shall have the priority afforded to Second Priority Secured Obligations in the Collateral Trust Agreement); provided, however, that notwithstanding any of the other provisions set forth in this Section 2(b) or in any of the related definitions, this Agreement shall not apply to any property of a Grantor, and shall not constitute a grant of a security interest in any such property, during any period or at any time that such property is Excluded Collateral, it being understood and agreed that the foregoing proviso shall not apply during any period or at any time that such property ceases to be Excluded Collateral.

(c) Notwithstanding the provisions of this Section 2 to the contrary, insofar as such provisions provide for a grant of a security interest by General Motors Overseas Development Corporation in its equity interests in the shares of General Motors Africa and Middle East FZE, a free zone establishment established in the Jebel Ali Free Zone in Dubai, United Arab Emirates, such pledge shall become effective only when the Collateral Trustee has received the approval of the Jebel Ali Free Zone Authority for such pledge.

SECTION 3. REMEDIAL PROVISIONS

3.1 Certain Matters Relating to Receivables.

(a) After the occurrence and during the continuance of an Enforcement Event, the Collateral Trustee shall have the right, upon prior written notice to the Borrower, to make test verifications of the Receivables in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Collateral Trustee may reasonably require in connection with such test verifications. At any time after the occurrence and during the continuance of an Enforcement Event, upon the Collateral Trustee's prior written request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Collateral Trustee to furnish to the Collateral Trustee reports showing reconciliations, aging and test verifications of, and trial balances for, the Receivables.

(b) The Collateral Trustee hereby authorizes each Grantor to collect such Grantor's Receivables, subject, after the occurrence and during the continuance of an Enforcement Event and upon prior written notice to such Grantor, to the Collateral Trustee's direction and control, and the Collateral Trustee may curtail or terminate said authority at any time and from time to time after the occurrence and during the continuance of an Enforcement Event. If required in writing by the Collateral Trustee at any time after the occurrence and during the continuance of an Enforcement Event, any payments of any Grantor's Receivables, when collected by such

Grantor, (i) shall be forthwith (and, in any event, within three Business Days) deposited by such Grantor in the Collateral Account in the exact form received, duly indorsed by such Grantor to the Collateral Trustee if required, subject to withdrawal by the Collateral Trustee only as provided in Section 3.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Collateral Trustee, segregated from other funds of such Grantor.

3.2 Communications with Obligors; Grantors Remain Liable.

(a) The Collateral Trustee in its own name or in the name of others may, at any time and from time to time after the occurrence and during the continuance of an Enforcement Event, upon prior written notice to the Borrower, communicate with obligors under the Receivables to verify with them to the Collateral Trustee's satisfaction the existence, amount and terms of any Receivables; provided, however, that the relevant Grantor shall be afforded the opportunity to participate in, or, if in written form, will be provided with copies of, each such communication.

(b) Upon the written request of the Collateral Trustee at any time after the occurrence and during the continuance of an Enforcement Event, each Grantor shall notify obligors on the Receivables that the Receivables have been assigned to the Collateral Trustee for the benefit of the Secured Parties and that payments in respect thereof shall be made directly to the Collateral Trustee.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of such Grantor's Receivables (or any agreement giving rise thereto) to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Except as otherwise provided by applicable law, neither the Collateral Trustee nor any Secured Party shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Collateral Trustee or any Secured Party of any payment relating thereto, nor shall the Collateral Trustee or any Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

3.3 Pledged Stock.

(a) Until and unless an Enforcement Event shall have occurred and be continuing and the Collateral Trustee shall have given prior written notice to the relevant Grantor and (if other than such Grantor) the Borrower of the Collateral Trustee's intent to exercise its corresponding rights pursuant to Section 3.3(b), each Grantor shall be permitted to receive and retain all cash, assets, or other dividends paid or payable (or distributed, or distributable) in respect of the Pledged Stock and all payments made in respect of the Pledged Notes, and to exercise all voting and corporate or other organizational rights with respect to any of the foregoing.

(b) If an Enforcement Event shall have occurred and be continuing and the Collateral Trustee shall have given written prior notice of its intent to exercise such rights to the relevant Grantor or Grantors and (if other than such Grantor) the Borrower, (i) the Collateral Trustee shall have the right to receive any and all cash dividends, payments and other distributions or other Proceeds paid or distributed in respect of the Pledged Stock and the Pledged Notes and make application thereof to the Secured Obligations in such order as is set forth in the Collateral Trust Agreement, and (ii) any or all of the Pledged Stock and the Pledged Notes shall be registered in the name of the Collateral Trustee or its nominee, and the Collateral Trustee or its nominee may thereafter exercise (x) all voting, corporate and other rights pertaining to such Pledged Stock or Pledged Notes at any meeting of shareholders of the relevant Issuer or Issuers or otherwise and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Pledged Stock and Pledged Notes as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Stock and Pledged Notes upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate or other organizational structure of any Issuer, or upon the exercise by any Grantor or the Collateral Trustee of any right, privilege or option pertaining to such Pledged Stock or Pledged Notes, and in connection therewith, the right to deposit and deliver any and all of the Pledged Stock or the Pledged Notes with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as the Collateral Trustee may determine), all without liability except as otherwise provided by applicable law or to account for payments or property actually received by it, but the Collateral Trustee shall have no duty to any Grantor to exercise any such right, privilege or option and, in the absence of its gross negligence (or, with respect to the handling of funds, simple negligence), willful misconduct, or material breach of its obligations hereunder, shall not be responsible for any failure to do so or delay in so doing.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Stock pledged by such Grantor hereunder to comply with any instruction received by it from the Collateral Trustee in writing that (i) states that an Enforcement Event has occurred and is continuing and (ii) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from, or the consent of, such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying.

3.4 Proceeds to be Turned Over To Collateral Trustee.

In addition to the rights of the Collateral Trustee and the Secured Parties specified in Section 3.1 with respect to payments of Receivables, if an Enforcement Event shall have occurred and be continuing, all Proceeds received by any Grantor consisting of cash, checks, instruments and other near-cash items shall be held by such Grantor in trust for the Collateral Trustee and the Secured Parties, and shall, promptly upon receipt by such Grantor be turned over to the Collateral Trustee in the exact form received by such Grantor (duly indorsed by such Grantor to the Collateral Trustee, if required). All Proceeds received by the Collateral Trustee

hereunder shall be held by the Collateral Trustee in the Collateral Account in accordance with the terms of the Collateral Trust Agreement. All Proceeds while held by the Collateral Trustee in the Collateral Account (or by any Grantor in trust for the Collateral Trustee and the Secured Parties) shall continue to be held as collateral security for all the Secured Obligations and shall not constitute payment thereof until applied as provided in Section 3.5.

3.5 Application of Proceeds.

The Collateral Trustee shall apply all or any part of Proceeds constituting Collateral, whether or not held in any Borrowing Base Collateral Account or the Collateral Account, in payment of the Secured Obligations at the times and in the manner provided in the Collateral Trust Agreement.

3.6 Code and Other Remedies.

If an Enforcement Event shall have occurred and be continuing, the Collateral Trustee, on behalf of the Secured Parties, may exercise, in addition to all other rights and remedies granted to it in this Agreement and in any Secured Instrument or other Trust Security Document, all rights and remedies of a secured party under the New York UCC or any other applicable law. Without limiting the generality of the foregoing, if an Enforcement Event shall have occurred and be continuing, the Collateral Trustee, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice referred to below) to or upon any Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith, with prior written notice to the Borrower and (if applicable) the relevant other Grantor, collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Collateral Trustee or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Collateral Trustee or any Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released. The Collateral Trustee shall apply the net proceeds of any action taken by it pursuant to this Section 3.6, after deducting all reasonable out of pocket costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Collateral Trustee and the Secured Parties hereunder, including, without limitation, reasonable attorneys' fees and out of pocket disbursements, to the payment in whole or in part of the Secured Obligations, in such order provided for in the Collateral Trust Agreement, and only after such application and after the payment by the Collateral Trustee of any other amount required by any provision of law, including, without limitation, Section 9-615(a)(3) of the New

York UCC, need the Collateral Trustee account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Collateral Trustee or any other Secured Party arising out of the exercise by the Collateral Trustee of any rights hereunder other than claims, damages, or demands arising out of the gross negligence (or, with respect to the handling of funds, simple negligence) or willful misconduct by the Collateral Trustee, or the material breach of the Collateral Trust Agreement or any Trust Security Document by the Collateral Trustee. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

3.7 Securities Laws.

Each Grantor recognizes that the Collateral Trustee may be unable to effect a public sale of any or all the Pledged Stock, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Collateral Trustee shall be under no obligation to delay a sale of any of the Pledged Stock for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

3.8 Deficiency.

Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Secured Obligations, only to the extent it is personally liable and the reasonable fees and out of pocket disbursements of any attorneys employed by the Collateral Trustee to collect such deficiency; provided that nothing contained in this Section 3.8 shall be construed to permit a Secured Party to pursue a deficiency claim against a Grantor that has not otherwise agreed to be liable for such claim or in an amount in excess of any limit of liability as may have been agreed between such Secured Party and such Grantor.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECTION 4. THE COLLATERAL TRUSTEE

4.1 Collateral Trustee's Appointment as Attorney-in-Fact, etc.

For the avoidance of doubt, the Collateral Trustee shall not exercise any rights under Section 3 or under the power of attorney provided for in Section 4.1(a) until and unless an Enforcement Event shall have occurred and be continuing, and the Collateral Trustee hereby expressly agrees to refrain from the exercise of any such right until and unless an Enforcement Event has occurred and is continuing.

(a) Effective upon the occurrence and during the continuance of an Enforcement Event, each Grantor appoints the Collateral Trustee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, effective upon the occurrence and during the continuance of an Enforcement Event each Grantor hereby gives the Collateral Trustee the power and right, on behalf of such Grantor, with prior written notice to such Grantor, to do any or all of the following:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Receivable or Contractual Obligation that constitutes Collateral or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed reasonably appropriate by the Collateral Trustee for the purpose of collecting any and all such moneys due under any Receivable or Contractual Obligation that constitutes Collateral or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property that constitutes Collateral, execute and deliver, and have filed or recorded, any and all agreements, instruments, documents and papers as the Collateral Trustee may reasonably request to evidence the Collateral Trustee's security interest in such Intellectual Property and the goodwill and general intangibles of the relevant Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens (other than taxes or Liens permitted by, or not prohibited by, any Secured Instrument) levied or placed on the Collateral, effect any repairs or any insurance called for by the terms of any Secured Instrument and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale provided for in Section 3.6, any indorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (1) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Trustee or as the Collateral Trustee shall direct; (2) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (3) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against

debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (4) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (5) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (6) settle, compromise or adjust any such suit, action or proceeding in respect of any Collateral and, in connection therewith, give such discharges or releases as the Collateral Trustee may deem appropriate; (7) assign any Patent or Trademark (along with the goodwill of the business to which any such Patent or Trademark pertains), for such term or terms, on such conditions, and in such manner, as the Collateral Trustee shall in its sole discretion determine; and (8) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral Trustee were the absolute owner thereof for all purposes, and do, at the Collateral Trustee's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Collateral Trustee deems necessary to protect, preserve or realize upon the Collateral and the Collateral Trustee's and the Secured Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

(b) Upon the occurrence and during the continuance of an Enforcement Event, if any Grantor fails to perform or comply with any of its agreements contained herein, the Collateral Trustee, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Collateral Trustee incurred in connection with actions undertaken as provided in this Section 4.1, together with interest thereon at a rate per annum equal to the highest rate per annum at which interest would then be payable on any past due ABR Loans under the Credit Agreement, from the date of payment by the Collateral Trustee to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Collateral Trustee on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

4.2 Duty of Collateral Trustee.

The Collateral Trustee's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the New York UCC or otherwise, shall be to deal with it in the same manner as the Collateral Trustee deals with similar property for its own account. Subject to any applicable law, and except for matters involving its gross negligence (or, with respect to the handling of funds, simple negligence), willful misconduct or material breach of its obligations hereunder, under any other Trust Security Document or under the Collateral Trust Agreement, neither the Collateral Trustee, any other Secured Party nor any of their respective officers, directors, employees or agents shall be liable

for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Trustee hereunder are solely to protect the Collateral Trustee's and the other Secured Parties' interests in the Collateral and shall not impose any duty upon the Collateral Trustee to exercise any such powers. The Collateral Trustee and the other Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence (or, with respect to the handling of funds, simple negligence), willful misconduct or material breach of its obligations hereunder, under any other Trust Security Document or under the Collateral Trust Agreement.

4.3 Execution of Financing Statements.

Pursuant to any applicable law, each Grantor authorizes the Collateral Trustee to file or record financing statements and other filing or recording documents or instruments with respect to the Collateral without the signature of such Grantor in such form and in such offices as the Collateral Trustee or such Grantor determines appropriate to perfect the security interests of the Collateral Trustee under this Agreement. In furtherance and not in limitation of the foregoing, each relevant Grantor may, at any time and from time to time, execute and deliver one or more Patent Security Agreements (or amendments, supplements, or other modifications thereto) and/or Trademark Security Agreements (or amendments, supplements, or other modifications thereto), and may amend, supplement or otherwise modify Schedule A to any previously executed and delivered Patent Security Agreement and/or Trademark Security Agreement, and file or record the same in the United States Patent and Trademark Office as and to the extent required or permitted by the terms of any Secured Instrument, any Trust Security Document or the Collateral Trust Agreement. For the avoidance of doubt, nothing contained in this Agreement shall require a Grantor to acquire, obtain, preserve, protect, defend, or maintain any Intellectual Property, to create or grant a Lien in any Excluded Collateral, or to restrict, limit, prevent, or prohibit a Grantor from selling, transferring, licensing, sublicensing, or otherwise disposing of, or abandoning, any Intellectual Property.

4.4 Authority of Collateral Trustee.

Each Grantor acknowledges that the rights and responsibilities of the Collateral Trustee under this Agreement with respect to any action taken by the Collateral Trustee or the exercise or non-exercise by the Collateral Trustee of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Collateral Trustee and the Secured Parties, be governed by the Collateral Trust Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Collateral Trustee and the Grantors, the Collateral Trustee shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECTION 5. MISCELLANEOUS

5.1 Amendments in Writing.

None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 6.3 of the Collateral Trust Agreement.

5.2 Notices.

All notices, requests and demands to or upon the Collateral Trustee or any Grantor hereunder shall be effected in the manner provided for in Section 6.1 of the Collateral Trust Agreement.

5.3 No Waiver by Course of Conduct; Cumulative Remedies.

Neither the Collateral Trustee nor any Secured Party shall by any act (except by a written instrument pursuant to Section 5.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default (as such terms, or their equivalents, are or may be defined in any Secured Instrument). No failure to exercise, nor any delay in exercising, on the part of the Collateral Trustee or any Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Trustee or any Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Collateral Trustee or such Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

5.4 Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Trustee, except as permitted by, or not prohibited by, as the case may be, the Collateral Trust Agreement or the terms of any Secured Instrument.

5.5 Counterparts.

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

5.6 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, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

5.7 Section Headings.

The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

5.8 Integration.

This Agreement and the Collateral Trust Agreement, the other Credit Agreement Documents, the other Trust Security Documents, the other Additional Debt Documents and the other Secured Instruments represent the agreement of the Grantors, the Collateral Trustee and the Secured Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Collateral Trustee or any Secured Party relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the Collateral Trust Agreement, the other Credit Agreement Documents, the other Trust Security Documents, the other Additional Debt Documents and the other Secured Instruments.

5.9 **GOVERNING LAW.**

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

5.10 Submission To Jurisdiction; Waivers.

Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Agreement Documents and any Additional Debt Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York located in the Borough of Manhattan, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; and

(c) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

5.11 Additional Grantors.

Each Subsidiary of the Borrower that is required or permitted to become a Subsidiary Grantor pursuant to Section 6.7 of the Credit Agreement and/or any provisions of any other Secured Instrument, and each other Person (whether or not a Subsidiary of the Borrower) that the Borrower desires to designate as a Subsidiary Grantor, shall become a Subsidiary Grantor for all purposes of this Agreement upon execution and delivery by such Subsidiary or other Person of a joinder agreement substantially in the form of Annex I hereto (each, a "Security Agreement Joinder Agreement"); provided, that such Subsidiary or other Person shall concurrently become a "Grantor" under and for purposes of the Collateral Trust Agreement by executing and delivering a joinder agreement substantially in the form of Exhibit B to the Collateral Trust Agreement (each, a "Collateral Trust Joinder Agreement").

5.12 Releases.

(a) At the time and to the extent provided in Section 6.3 or 6.12 of the Collateral Trust Agreement, the Collateral (or the relevant portion thereof, as applicable) shall be released from the Liens created hereby, and (in the case of Section 6.12(a)) this Agreement and all obligations (other than those expressly stated to survive such termination) of the Collateral Trustee and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and (in the case of Section 6.3 or 6.12) all rights to the Collateral (or the relevant portion thereof, as applicable) shall revert to the Grantors.

(b) In addition, so long as no Enforcement Event shall have occurred and be continuing, all security interests, mortgages, or other Liens granted by a Grantor in or on all company cars and Receivables (and other Collateral evidencing, securing, or relating to such company cars or Receivables including Supporting Obligations and Letter-of-Credit Rights) of the Grantors which are contemplated for use in one or more securitization transactions or as collateral security for one or more financing transactions or letter of credit transactions not prohibited by the Trust Security Documents, the Credit Agreement Documents, or the Additional Debt Documents, shall be released upon the request of the Borrower; provided that in the case of any financing transactions that are not structured as securitizations having customary bankruptcy remote limited recourse provisions, the security interests in such released collateral shall be subject to an intercreditor agreement between the financing party or parties (or a trustee or an agent therefor) and the Collateral Trustee that is reasonably satisfactory to the Controlling Party; and provided, further, that letter of credit transactions shall not be deemed to be financing transactions for purposes of the foregoing proviso.

(c) At the times and to the extent provided in Section 6.12(c) of the Collateral Trust Agreement, any Grantor so specified shall be released from its obligations hereunder (and the Liens over any Collateral of such Grantor shall also be released), in accordance with the provisions of the Collateral Trust Agreement, and the Liens over the Capital Stock of such Grantor shall also be released, in accordance with the provisions of the Collateral Trust Agreement.

(d) The Collateral Trustee agrees, at the request and the expense of the Borrower, at any time and from time to time, to execute and deliver any instrument or other document and in such form as may be reasonably requested by the Borrower, in order to give effect to the release of any Collateral or any Grantor pursuant to this Section 5.12 and the provisions of the Collateral Trust Agreement.

5.13 **WAIVER OF JURY TRIAL.**

EACH GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, ANY CREDIT AGREEMENT DOCUMENT, ADDITIONAL DEBT DOCUMENT OR ANY OTHER TRUST SECURITY DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

5.14 Collateral Trust Agreement.

Notwithstanding anything herein to the contrary, the liens and security interests granted to the Collateral Trustee for the benefit of the Secured Parties pursuant to this Agreement and the exercise of any right or remedy hereunder by the Collateral Trustee at any time that an Enforcement Event shall have occurred and be continuing, are subject to the provisions of the Collateral Trust Agreement, and may be exercised only as and when, and to the extent, provided therein. In the event of any conflict between the terms of the Collateral Trust Agreement and this Agreement, the terms of the Collateral Trust Agreement will govern.

5.15 Trust Security Documents Relating to Foreign Subsidiary Capital Stock.

Without intending to derogate from the liens and security interests granted to the Collateral Trustee for the benefit of the Secured Parties pursuant to this Agreement, certain Foreign Subsidiary Capital Stock that is Pledged Stock is concurrently being pledged, or may at any time and from time to time hereafter be pledged, to the Collateral Trustee for the benefit of the Secured Parties under a Trust Security Document (any such Trust Security Document, a "Foreign Law Pledge Agreement") that is governed by the law of the jurisdiction where the issuer of such Foreign Subsidiary Capital Stock is domiciled (such governing law, the "Applicable Foreign Law"). In the event that the terms of any such Foreign Law Pledge Agreement conflict with the terms of this Agreement, (i) in the case of any exercise of rights or remedies thereunder by the Collateral Trustee at any time that an Enforcement Event shall have occurred and be continuing that are governed by such Applicable Foreign Law, the terms of such Foreign Law Pledge Agreement shall control, and (ii) in all other cases, the terms of this Agreement shall control.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered as of the date first above written.

GENERAL MOTORS HOLDINGS LLC, as Borrower

By: _____

Name: _____

Title: _____

[ ], as a Subsidiary Grantor

By: _____

Name: _____

Title: _____

WILMINGTON TRUST COMPANY, as Collateral Trustee

By: _____

Name:

Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

Annex 1
to
Security Agreement

FORM OF JOINDER AGREEMENT

JOINDER AGREEMENT, dated as of _____, 20__ (this "Joinder Agreement"), made by _____, a _____ (the "Additional Grantor"), in favor of Wilmington Trust Company, a Delaware corporation, as Collateral Trustee (in such capacity, the "Collateral Trustee") for the Secured Parties under and as defined in the Security Agreement referred to below. All capitalized terms not defined herein shall have the meanings ascribed to them in such Security Agreement.

W I T N E S S E T H :

WHEREAS, General Motors Holdings LLC, a Delaware limited liability company (the "Borrower") and the other Grantors have entered into the Security Agreement, dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Security Agreement") in favor of the Collateral Trustee for the benefit of the Secured Parties;

WHEREAS, the Additional Grantor desires to become a party to the Security Agreement; and

WHEREAS, the Additional Grantor has agreed to execute and deliver this Joinder Agreement in order to become a party to the Security Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Security Agreement. By executing and delivering this Joinder Agreement, the Additional Grantor, as provided in Section 5.11 of the Security Agreement, hereby becomes a party to the Security Agreement as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Grantor thereunder and hereby (a) grants to the Collateral Trustee, for the benefit of the First Priority Secured Parties, as collateral security for the prompt and complete payment of performance when due (whether at stated maturity, by acceleration or otherwise) and at all times thereafter of the First Priority Secured Obligations, a security interest in, all of the Collateral (it being understood that, as provided in the Security Agreement, "Collateral" does not include any Excluded Collateral and (b) grants to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, as collateral security for the prompt and complete payment of performance when due (whether at stated maturity, by acceleration or otherwise) and at all times thereafter of the Second Priority Secured Obligations, a security interest in, all of such Collateral. The information set forth in Annex 1-A hereto is hereby added to the information set forth in the Schedules to the Security Agreement.

2. Severability. Any provision of this Joinder 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, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3. Governing Law. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GRANTOR]

By: _____
Name:
Title:

ACCEPTED AND AGREED TO
AS OF THE DATE SET FORTH ABOVE:

[NAME OF COLLATERAL TRUSTEE], as Collateral Trustee

By _____
Name: _____
Title: _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

Annex 1-A
to
Joinder Agreement

Supplement to Schedule 1

Supplement to Schedule 2

Supplement to Schedule 3

Supplement to Schedule 4

Supplement to Schedule 5

Supplement to Schedule 6

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

Exhibit I
to
Security Agreement

AMENDMENT

This Amendment, dated as of _____, __(this "Amendment"), is delivered pursuant to Section 1.1 of the Security Agreement referred to below. All defined terms herein shall have the meanings ascribed thereto or incorporated by reference in the Security Agreement.

1. The undersigned hereby (a) pledges and grants to the Collateral Trustee, for the benefit of the First Priority Secured Parties, as collateral security for the prompt and complete payment of performance when due (whether at stated maturity, by acceleration or otherwise) and at all times thereafter of the First Priority Secured Obligations, a security interest in, all of the [Pledged Stock/Pledged Notes/Commercial Tort Claims] listed on Schedule I hereto; provided, however, that notwithstanding any of the other provisions set forth in this Section 1(a) or in any of the related definitions, this Amendment shall not apply to any property of the undersigned, and shall not constitute a grant of a security interest in any such property, during any period or at any time that such property is Excluded Collateral, it being understood and agreed that the foregoing proviso shall not apply during any period or at any time that such property ceases to be Excluded Collateral; and (b) pledges and grants to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, as collateral security for the prompt and complete payment of performance when due (whether at stated maturity, by acceleration or otherwise) and at all times thereafter of the Second Priority Secured Obligations, a security interest in, all of the [Pledged Stock/Pledged Notes/Commercial Tort Claims] listed on Schedule I hereto; provided, however, that notwithstanding any of the other provisions set forth in this Section 1(b) or in any of the related definitions, this Amendment shall not apply to any property of the undersigned, and shall not constitute a grant of a security interest in any such property, during any period or at any time that such property is Excluded Collateral, it being understood and agreed that the foregoing proviso shall not apply during any period or at any time that such property ceases to be Excluded Collateral.

2. The undersigned further agrees that this Amendment may be attached to that certain Security Agreement, dated as of October 27 2010 (as amended, modified or supplemented from time to time, the "Security Agreement"), among General Motors Holdings LLC, the other grantors parties thereto and Wilmington Trust Company, as the Collateral Agent, and that the [Pledged Stock/Pledged Notes] listed on Schedule I to this Amendment shall be and become a part of the [Pledged Stock/Pledged Notes/Commercial Tort Claims] referred to in said Security Agreement.

[NAME OF GRANTOR]

By:
Name: _____
Title: _____

ACCEPTED AND AGREED TO
AS OF THE DATE SET FORTH ABOVE:

WILMINGTON TRUST COMPANY, as Collateral Trustee

By _____
Name: _____
Title: _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

Schedule I
to
Amendment

[PLEDGED STOCK/PLEDGED NOTES/COMMERCIAL TORT CLAIMS]

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT B
to
Credit Agreement

FORM OF

COLLATERAL TRUST AGREEMENT

Dated as of October 27, 2010

among

GENERAL MOTORS HOLDINGS LLC,

THE OTHER GRANTORS PARTIES HERETO

and

WILMINGTON TRUST COMPANY,
as Collateral Trustee

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ANNEX

SCHEDULE

EXHIBITS

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

COLLATERAL TRUST AGREEMENT, dated as of October 27, 2010 (this "Agreement"), among GENERAL MOTORS HOLDINGS LLC, a Delaware limited liability company (the "Borrower"), the subsidiaries of the Borrower from time to time parties hereto (together with the Borrower and any other Person executing a joinder agreement pursuant to Section 6.13 hereof, the "Grantors") and WILMINGTON TRUST COMPANY, a Delaware corporation, as collateral trustee (in such capacity, the "Collateral Trustee").

W I T N E S S E T H:

WHEREAS, the Borrower and the other Grantors have agreed to secure certain obligations from time to time outstanding; and

WHEREAS, the Secured Parties have agreed to certain intercreditor arrangements pertaining to the Collateral and to the rights and obligations of the Secured Parties with respect to the Collateral;

DECLARATION OF TRUST:

NOW, THEREFORE, in order to secure the prompt and complete payment and performance when due (whether by acceleration or otherwise) and at all times thereafter of the Secured Obligations (such term and certain other capitalized terms used hereinafter being defined in Section 1.1) and in consideration of the premises and the mutual agreements set forth herein, the Collateral Trustee does hereby declare that it holds and will hold as trustee for the Secured Parties in trust under this Agreement all of its right, title and interest in, to and under the Trust Security Documents and the Collateral granted to the Collateral Trustee thereunder whether now existing or hereafter arising (and the Grantors do hereby consent thereto).

TO HAVE AND TO HOLD the Trust Security Documents and the entire Collateral (the right, title and interest of the Collateral Trustee in the Trust Security Documents and the Collateral being hereinafter referred to as the "Trust Estate") unto the Collateral Trustee in trust for the Secured Parties under this Agreement.

IN TRUST NEVERTHELESS, under and subject to the conditions herein set forth and for the benefit of the Secured Parties, and as security for the payment and performance of all Secured Obligations, and as security for the performance of and compliance with the covenants and conditions of this Agreement, each of the Secured Instruments and each of the Trust Security Documents.

PROVIDED, HOWEVER, that these presents are upon the condition that if the Grantors shall satisfy the conditions set forth in Section 6.12(a), then this Agreement, and the estates and rights hereby assigned, shall cease, determine and be void; otherwise they shall remain and be in full force and effect.

IT IS HEREBY FURTHER COVENANTED AND DECLARED, that the Trust Estate is to be held and applied by the Collateral Trustee, subject to the further covenants, conditions and trusts hereinafter set forth.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECTION 1.

DEFINED TERMS

1.1 Definitions. (a) As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1:

"Additional Debt" shall mean, collectively, any Indebtedness or other financial accommodations made to or for the benefit of the Parent or any of its Subsidiaries designated by the Borrower as "Additional Debt" pursuant to Section 7.2, including, without duplication, any guarantees thereof.

"Additional Debt Documents" shall mean any contracts, agreements, instruments, indentures, security agreements, mortgages or other documents entered into by the Parent or any of its Subsidiaries in connection with any Additional Debt.

"Additional Debt Obligations" shall mean, collectively, the unpaid principal of, and interest on, the Additional Debt and all other obligations and liabilities of the Parent or any of its Subsidiaries (including, without limitation, interest accruing at the then applicable rate provided in the Additional Debt Documents after the maturity of the Indebtedness thereunder and all Post-Petition Interest) to any Additional Debt Representative or the holders of such Indebtedness or other obligations, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, which may arise under, out of, or in connection with, the Additional Debt Documents, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including, without limitation, all reasonable legal fees and out-of-pocket disbursements of external counsel to any applicable Additional Debt Representative or to the holders of such Additional Debt that are required to be paid by the Parent or any of its Subsidiaries pursuant to the terms of any Additional Debt Document).

"Additional Debt Representative" shall mean any Person designated by the Borrower as the "Additional Debt Representative" for any Additional Debt, in each case as designated pursuant to Section 7.2, and any successor Additional Debt Representative appointed under the Additional Debt Documents for such Additional Debt.

"Agreement" has the meaning assigned to such term in the preamble hereto.

"Bankruptcy Code" shall mean the United States Bankruptcy Code (11 U.S.C. §101 et seq.), as amended from time to time.

"Bankruptcy Law" shall mean each of the Bankruptcy Code and any similar federal, state or foreign law for the relief of debtors.

"Borrower" has the meaning assigned to such term in the preamble hereto.

"Borrowing Base Collateral Account" means any deposit or securities account of a Grantor designated by the Borrower by notice to the Collateral Trustee as a "Borrowing Base Collateral Account".

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banks in the State of New York or the State of Delaware are permitted to close; provided, however, that when used in connection with any currency other than Dollars, the term "Business Day" shall also exclude any day on which banks in the principal financial center of the country of such currency are not open for general business.

"Capital Stock" shall mean any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Class" shall mean, as the context may require, the First Priority Additional Debt Class, the Credit Facility Class or the Second Lien Class.

"Collateral" shall mean, collectively, all collateral in which the Collateral Trustee is granted a security interest pursuant to any Trust Security Document.

"Collateral Account" shall have the meaning assigned in Section 3.1.

"Collateral Enforcement Action" shall mean, with respect to any Secured Party, for such Secured Party, whether or not in consultation with any other Secured Party, to exercise, seek to exercise, join any Person in exercising or to institute or to maintain or to participate in any action or proceeding with respect to, any rights or remedies with respect to any Collateral, including (i) instituting or maintaining, or joining any Person in instituting or maintaining, any enforcement, contest, protest, attachment, collection, execution, levy or foreclosure action or proceeding with respect to any Collateral, whether under any Secured Instrument, Trust Security Document or otherwise, (ii) exercising any right of set-off with respect to any Grantor (other than the exercise of contractually agreed-upon netting or set-off arrangements that are exercisable at a time when no default has occurred and is continuing), or (iii) exercising any other right or remedy under the Uniform Commercial Code of any applicable jurisdiction or under any Bankruptcy Law or other applicable law.

"Collateral Release Date" shall have the meaning assigned in Section 10.15(c) of the Credit Agreement.

"Collateral Trustee" has the meaning assigned to such term in the preamble hereto.

"Controlling Party" shall mean (a) at any time when any First Priority Secured Obligations or commitments in respect thereof have not been paid in full, the Majority First Priority Secured Parties at such time, (b) at any time when the foregoing clause (a) is not applicable and any Second Priority Secured Obligations or commitments in respect thereof have not been paid in full, the Majority Second Priority Secured Parties at such

time and (c) otherwise, the Majority Secured Parties at such time. For purposes of this definition, (i) the Credit Agreement Administrative Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, the Credit Agreement Obligations and (ii) each Additional Debt Representative shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Additional Debt Obligations.

"Credit Agreement" shall mean (i) the Credit Agreement, dated as of October 27, 2010, among the Borrower, the Credit Agreement Lenders parties thereto, and the Credit Agreement Administrative Agent, and the other agents named therein (the "Original Credit Agreement"), and (ii) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any Indebtedness or other financial accommodation, irrespective of the amount thereof, that has been incurred to extend, replace, renew, defease, exchange, repay, refinance or refund in whole or in part the Indebtedness and other obligations outstanding under the Credit Agreement referred to in clause (i) above or any other agreement or instrument referred to in this clause (ii) unless such agreement or instrument expressly provides that it is not a Credit Agreement hereunder (any of the foregoing, a "New Credit Agreement"). Unless otherwise qualified, all references to the "Credit Agreement" in this Agreement shall refer to the Original Credit Agreement prior to the effectiveness of any New Credit Agreement.

"Credit Agreement Administrative Agent" shall mean Citibank, N.A., in its capacity as Administrative Agent under the Credit Agreement, and any successor Credit Agreement Administrative Agent appointed thereunder.

"Credit Agreement Documents" shall mean the Credit Agreement, the Security Documents (to the extent such documents secure Credit Agreement Loans, Credit Agreement Reimbursement Obligations, the Credit Agreement Guarantee or any other obligations and liabilities of the Parent or any of its Subsidiaries or the Borrower or any of its Subsidiaries under the Credit Agreement or the Credit Agreement Guarantee), the Credit Agreement Guarantee, this Agreement, any promissory notes evidencing Credit Agreement Loans, and any amendment, waiver, supplement or other modification to any of the foregoing.

"Credit Agreement Guarantee" shall mean the Guarantee Agreement, dated as of the Effective Date, delivered by the Parent and each Subsidiary Grantor pursuant to the Credit Agreement.

"Credit Agreement Issuing Lender" shall mean any Issuing Lender (as defined in the Credit Agreement).

"Credit Agreement Lender" shall mean any Lender (as defined in the Credit Agreement).

"Credit Agreement Letter of Credit" shall mean any Letter of Credit (as defined in the Credit Agreement).

"Credit Agreement Loan" shall mean any loan made by any Credit Agreement Lender pursuant to the Credit Agreement.

"Credit Agreement Obligations" shall mean, collectively, the unpaid principal of and interest on the Credit Agreement Loans, Credit Agreement Reimbursement Obligations and all other obligations and liabilities of the Parent or any of its Subsidiaries (including, without limitation, interest accruing at the then applicable rate provided in the Credit Agreement after the maturity of the Credit Agreement Loans and Credit Agreement Reimbursement Obligations and Post-Petition Interest) to the Credit Agreement Administrative Agent, any Credit Agreement Lender or any Credit Agreement Issuing Lender thereunder, 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 Credit Agreement Documents or any Credit Agreement Letter of Credit 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 legal fees and disbursements of counsel to the Credit Agreement Administrative Agent, the Credit Agreement Lenders or the Credit Agreement Issuing Lenders that are required to be paid by the Borrower pursuant to the terms of any of the foregoing agreements).

"Credit Agreement Payoff" shall mean the receipt by the Collateral Trustee of written notice from the Credit Agreement Administrative Agent pursuant to Section 10.15(b) of the Credit Agreement stating that the conditions for release in connection with the termination of the Credit Agreement Documents have been satisfied.

"Credit Agreement Reimbursement Obligation" shall mean the obligation of the Borrower (and, if not the Borrower, the account party in respect thereof) to reimburse a Credit Agreement Issuing Lender pursuant to the Credit Agreement for amounts drawn under Credit Agreement Letters of Credit.

"Credit Facility Class" shall mean, collectively, the Secured Parties that are holders of outstanding Extensions of Credit and unfunded commitments under the Credit Agreement Documents.

"Debt" of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments and (c) all guarantees of such Person in respect of obligations of the kind referred to in clauses (a) and (b) above.

"Designated Cash Management Obligations" shall mean obligations of the Parent or any Subsidiary of the Parent to banks, financial institutions, investment banks and other Persons in respect of banking, cash management (including, without limitation, Automated Clearinghouse transactions), custody and other similar services and company paid credit cards that permit employees to make purchases on behalf of the Parent or any Subsidiary of the Parent and which have been designated by the Borrower in accordance with Section 7.3 from time to time as constituting Designated Cash Management Obligations.

"Designated Hedging Obligations" shall mean, without duplication, the obligations of the Parent or any Subsidiary of the Parent, either as a direct obligor or as a guarantor of the direct obligor's obligations, to counterparties, which obligations have been designated by the Borrower in accordance with Section 7.3 from time to time as constituting Designated Hedging Obligations.

"DIP Financing" shall mean any financing obtained by any Grantor during any Insolvency Proceeding or otherwise pursuant to any Bankruptcy Law, including any such financing obtained by any Grantor under Section 364 of the Bankruptcy Code or consisting of any arrangement for use of cash collateral held in respect of any Secured Obligation under Section 363 of the Bankruptcy Code or under any similar provision of any Bankruptcy Law.

"Distribution Date" shall mean each date fixed by the Collateral Trustee for a distribution to the Secured Parties of funds held in the Collateral Account when a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the first of which shall be within 120 days after the effective date of a Notice of Acceleration received by the Collateral Trustee and the remainder of which shall be monthly thereafter (or more frequently if requested by the Controlling Party) on the day of the month corresponding to the first Distribution Date (or, if there be no such corresponding day, the last day of such month) provided that if any such day is not a Business Day, such Distribution Date shall be the next Business Day.

"Dollars" and "$" shall mean the lawful money of the United States.

"Effective Date" shall mean October 27, 2010.

"Extensions of Credit" shall mean, with respect to any holder of Credit Agreement Obligations or Additional Debt Obligations, the sum of (a) the aggregate principal amount of all loans (other than swing loans in which it holds or benefits from a risk participation) held by such holder then outstanding, (b) such holder's pro rata share of the Letter of Credit Exposure then outstanding and (c) such holder's pro rata share of the aggregate principal amount of swing loans then outstanding (in which it holds or benefits from a risk participation).

"First Priority Additional Debt": shall mean, collectively, any Additional Debt designated by the Borrower as "First Priority Additional Debt" pursuant to Section 7.2.

"First Priority Additional Debt Class" shall mean, collectively, Secured Parties that are holders of any First Priority Additional Debt Obligations.

"First Priority Additional Debt Obligations" shall mean all Additional Debt Obligations with respect to First Priority Additional Debt.

"First Priority Secured Obligations" shall mean, without duplication, all Credit Agreement Obligations, all Permitted First Lien Non-Loan Exposure and all First Priority Additional Debt Obligations; provided, however, that to the extent any payment with respect to the First Priority Secured Obligations (whether by or on behalf of any Grantor,

as proceeds of Collateral, enforcement of any right of set off or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor in possession, trustee, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"First Priority Secured Parties" shall mean at any time the Collateral Trustee (in its capacity as the holder of the Lien on the Collateral securing the First Priority Secured Obligations), each Holder Representative in respect of the Credit Agreement Obligations and the First Priority Additional Debt Obligations outstanding at such time, and any other holder of First Priority Secured Obligations outstanding at such time.

"Fitch" shall mean Fitch Ratings, a business segment of Fitch Group, Inc.

"Governmental Authority" shall mean any federal, state, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or any federal, state or municipal court, in each case whether of the United States or a foreign jurisdiction.

"Grantors" shall have the meaning assigned to such term in the preamble hereto; provided, however, that the term "Grantor" shall not include any such Person from and after the date such Person ceases for any reason not otherwise prohibited by the Trust Security Documents and this Agreement to be a Grantor.

"Hedging Obligations": shall mean any of the following: (a) a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (b) which is a type of transaction that is similar to any transaction referred to in clause (a) above that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made.

"Holder Representative" shall mean (i) in respect of the Credit Agreement Obligations, the Credit Agreement Administrative Agent and (ii) in respect of any Additional Debt Obligations, the relevant Additional Debt Representative.

"Indebtedness" shall mean, of any Person at any date, all indebtedness of such Person for borrowed money at such date.

"Insolvency Proceeding" shall mean each of the following, in each case with respect to the Borrower or any Grantor or any property or Indebtedness of the Borrower or any Grantor (a)(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 (other than in connection with a transaction not prohibited by any of the Secured Instruments) 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 and (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 (b) any general assignment for the benefit of creditors.

"Letter of Credit Exposure" shall mean (i) with respect to any Credit Agreement Letter of Credit, the undrawn face amount of, and any unreimbursed drawings under, such Credit Agreement Letter of Credit, and (ii) with respect to any letter of credit or bank guarantee issued under any Additional Debt Documents in respect of any Additional Debt, the undrawn face amount of, and any unreimbursed drawings under, such letter of credit or bank guarantee.

"Lien" shall mean any mortgage, pledge, lien, security interest, charge, conditional sale or other title retention agreement or other similar encumbrance.

"Majority Class Holders" shall mean, on any date, each of the following: (i) Credit Facility Class members holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Credit Agreement Documents; (ii) First Priority Additional Debt Class members holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Additional Debt Documents in respect of any First Priority Additional Debt Obligations outstanding on such date; and (iii) Second Lien Class members holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Additional Debt Documents in respect of any Second Priority Additional Debt Obligations outstanding on such date. For purposes of this definition, (i) the Credit Agreement Administrative Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, the Credit Agreement Obligations and (ii) each Additional Debt Representative shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Additional Debt Obligations.

"Majority First Priority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the sum of (i) the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Credit Agreement Documents, and (ii) the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded

commitments) under the Additional Debt Documents in respect of any First Priority Additional Debt outstanding on such date. For purposes of this definition, (i) the Credit Agreement Administrative Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, the Credit Agreement Obligations and (ii) each Additional Debt Representative shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Additional Debt Obligations.

"Majority Second Priority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Additional Debt Documents in respect of the Second Priority Additional Debt Obligations outstanding on such date. For purposes of this definition, each Additional Debt Representative shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Additional Debt Obligations.

"Majority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the sum of (i) the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Credit Agreement Documents on such date, and (ii) the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Additional Debt Documents in respect of the First Priority Additional Debt Obligations outstanding on such date and (iii) the aggregate Extensions of Credit (and, if no Notice of Acceleration is outstanding with respect thereto, unfunded commitments) under the Additional Debt Documents in respect of the Second Priority Additional Debt Obligations outstanding on such date. For purposes of this definition, (i) the Credit Agreement Administrative Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, the Credit Agreement Obligations and (ii) each Additional Debt Representative shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Additional Debt Obligations.

"Material Indebtedness" means at any time, with respect to the Parent or a Grantor, indebtedness for borrowed money of, or guaranteed by, such Person that constitutes "Material Indebtedness" under the Credit Agreement at such time.

"Moody's" shall mean Moody's Investors Service, Inc.

"Mortgages" shall mean each of the mortgages, deeds of trust and deeds to secure debt made by the Borrower or any Grantor in favor of, or for the benefit of, the Collateral Trustee for the benefit of the Secured Parties.

"New Credit Agreement" has the meaning assigned to such term in the definition of Credit Agreement in this Section 1.1(a).

"Notice of Acceleration" shall mean a written notice delivered to the Collateral Trustee, while any First Priority Secured Obligations are outstanding, by the relevant

Holder Representative in respect of any Credit Agreement Obligations or any First Priority Additional Debt Obligations, and thereafter while any Second Priority Secured Obligations are outstanding, by the relevant Holder Representative in respect of such Second Priority Secured Obligations, stating that (a) the relevant Secured Obligations represented by such Holder Representative have not been paid in full at the stated final maturity thereof and any applicable grace period has expired or, in the case of an outstanding, non-cash collateralized reimbursement obligation in respect of an outstanding letter of credit or letter of guarantee, have not been terminated or cash collateralized on the date such obligation was required to have been terminated or cash collateralized, or (b) a default has occurred and is continuing under the provisions of the relevant Secured Instrument and, as a result thereof, all related Secured Obligations outstanding under such Secured Instrument have become due and payable and have not been paid in full or in the case of any reimbursement obligation in respect of an outstanding letter of credit or letter of guarantee, a requirement for immediate cash collateralization has not been satisfied. Each Notice of Acceleration shall be in substantially the form of Exhibit A.

"Notice of Designation" shall have the meaning assigned to such term in Section 7.3.

"Notice of Designation of Additional Debt" shall have the meaning assigned to such term in Section 7.2.

"Notice of Designation of Secured Non-Loan Exposure" shall have the meaning assigned to such term in Section 7.3.

"Opinion of Counsel" shall mean an opinion in writing signed by legal counsel reasonably satisfactory to the Collateral Trustee, who may be counsel regularly retained or employed by the Collateral Trustee or counsel to a Grantor.

"Other Secured Non-Loan Exposure" shall mean Designated Hedging Obligations, Designated Cash Management Obligations and any other financial accommodations that have been designated as "Secured Non-Loan Exposure" pursuant to Section 7.3 and that have not been classified as "Permitted First Lien Non-Loan Exposure" pursuant to Section 7.3.

"paid in full" or "payment in full" or "pay such amounts in full" shall mean, with respect to any Secured Obligations, (i) with respect to Credit Agreement Obligations and Additional Debt Obligations, the payment in full (other than as part of a Refinancing) in cash of the principal of, accrued (but unpaid) interest (including Post-Petition Interest) and premium, if any on all such Secured Obligations and, with respect to letters of credit outstanding thereunder, delivery of cash collateral or backstop letters of credit in respect thereof in compliance with the Credit Agreement Documents or the applicable Additional Debt Documents, in each case, after or concurrently with termination of all commitments thereunder and payment in full of all fees payable at or prior to the time such principal and interest are paid and (ii) with respect to any other Secured Obligations, the payment in full (other than as part of a Refinancing) in cash of such other Secured Obligations and, with respect to letters of credit outstanding thereunder, delivery of cash collateral or backstop letters of credit in respect thereof in compliance with the applicable documentation.

"Parent" shall mean General Motors Company, a Delaware corporation.

"Patent Security Agreement" shall mean the Patent Security Agreement, dated as of the Effective Date, executed and delivered by General Motors LLC and GM Global Technology Operations, Inc. in favor of the Collateral Trustee.

"Permitted First Lien Non-Loan Exposure" shall mean Designated Hedging Obligations, Designated Cash Management Obligations, reimbursement obligations in respect of letters of credit and bank guarantees, guarantees provided by the Parent or any of its Subsidiaries (including in respect of Indebtedness), lines of credit, ACH and overdraft arrangements and other obligations of the Parent or any of its Subsidiaries that, in each case, have been designated by the Borrower pursuant to Section 7.3 as "Permitted First Lien Non-Loan Exposure".

"Permitted Investments" shall mean (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of twelve months or less from the date of acquisition issued by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000 and having a short-term indebtedness or certificate of deposit rating of at least A-1 by S&P or P-1 by Moody's or F1 by Fitch, or carrying an equivalent rating by a nationally recognized statistical rating organization; (c) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody's or F1 by Fitch, or carrying an equivalent rating by a nationally recognized statistical rating organization, if all of the named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within thirteen months from the date of acquisition; (d) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 30 days, with respect to securities described in clause (a) of this definition; (e) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's or A by Fitch or carry an equivalent rating by any other nationally recognized statistical rating organization; (f) securities with maturities of twelve months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (b) of this definition; (g) money market mutual or similar funds at least 95% of the investments of which are in assets satisfying the requirements of clauses (a) through (f) of this definition; (h) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA by S&P or Aaa by Moody's or AAA by Fitch or carry an equivalent rating by any other nationally recognized statistical rating organization and (iii) have portfolio assets of at

least $5,000,000,000; (i) asset-backed securities rated AAA by S&P or Aaa by Moody's or AAA by Fitch or carry an equivalent rating by any other nationally recognized statistical rating organization maturing within one year from the date of acquisition; or (j) corporate notes and other debt instruments with maturities of one year or less from the date of acquisition that are rated at least A by S&P or A2 by Moody's or A by Fitch or that carry an equivalent rating by any other nationally recognized statistical rating organization.

"Person" shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Post-Petition Interest" shall mean all interest (or entitlement to fees or expenses or other charges) accruing or that would have accrued, whether as a result of the classification of the Second Priority Secured Obligations and the First Priority Secured Obligations as one secured claim with respect to the Collateral (and not separate classes of senior and junior secured claims) or otherwise, after the commencement of any Insolvency Proceeding, irrespective of whether a claim for post-filing or petition interest (or entitlement to fees or expenses or other charges) is allowed in any such Insolvency Proceeding.

"Post-Petition Securities" shall mean any debt securities or other Indebtedness received in full or partial satisfaction of any claim as part of any Insolvency Proceeding.

"Proceeds" shall mean 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" shall mean, with respect to any Debt, any other Debt (including under any Post-Petition Securities received on account of such Debt and regardless of whether the aggregate amount of such other Debt is greater than, equal to, or less than the aggregate original amount of such Debt) issued as part of a refinancing, extension, renewal, defeasance, amendment, restatement, modification, supplement, restructuring, replacement, exchange, refunding or repayment thereof.

"Related Obligations" shall have the meaning assigned to such term in Section 6.4.

"Required Secured Parties" shall mean, as of a particular date, the Controlling Party on such date.

"Requirement of Law" shall mean as to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court of competent jurisdiction or other Governmental Authority, in each case applicable to and binding upon such Person and any of its property, and to which such Person and any of its property is subject.

"Responsible Officer" shall mean, with respect to any Person, the chief executive officer, president, chief accounting officer, chief financial officer, principal accounting officer, a financial vice president, treasurer, assistant treasurer, controller or assistant controller of such Person.

"S&P": Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and its successors.

"Second Lien Class" shall mean, collectively, the Secured Parties which are holders of any of Second Priority Additional Debt Obligations.

"Second Priority Additional Debt" shall mean all Additional Debt designated by the Borrower as "Second Priority Additional Debt" pursuant to Section 7.2.

"Second Priority Additional Debt Obligations" shall mean all Additional Debt Obligations with respect to Second Priority Additional Debt.

"Second Priority Secured Obligations" shall mean, without duplication, all Second Priority Additional Debt Obligations and all Other Secured Non-Loan Exposure; provided, however, that to the extent any payment with respect to the Second Priority Secured Obligations (whether by or on behalf of any Grantor, as proceeds of Collateral, enforcement of any right of set off or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor in possession, trustee, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Second Priority Secured Parties" shall mean, at any time, the Collateral Trustee (in its capacity as the holder of the Lien on the Collateral securing the Second Priority Secured Obligations), each Holder Representative in respect of Second Priority Additional Debt Obligations outstanding at such time and any other holder of Second Priority Secured Obligations outstanding at such time.

"Secured Instruments" shall mean at any time (i) the Credit Agreement Documents, (ii) any agreements or other instruments governing or evidencing any Secured Non-Loan Exposure and (iii) the Additional Debt Documents.

"Secured Non-Loan Exposure" shall mean, collectively, (i) all Permitted First Lien Non-Loan Exposure and (ii) all Other Secured Non-Loan Exposure.

"Secured Obligations" shall mean, collectively, (i) all First Priority Secured Obligations and (ii) all Second Priority Secured Obligations.

"Secured Parties" shall mean, collectively, (i) the Collateral Trustee, (ii) any First Priority Secured Party and (iii) any Second Priority Secured Party.

"Security Agreement" shall mean the Security Agreement, dated as of the Effective Date, executed and delivered by the Borrower and each Subsidiary Grantor in favor of the Collateral Trustee.

"Security Documents" shall mean, collectively, the Security Agreement, the Mortgages, the Trademark Security Agreement, the Patent Security Agreement and all other security documents hereafter delivered to the Collateral Trustee granting a Lien on any property of a Grantor or any Person to secure the Secured Obligations.

"Subsidiary" shall mean, with respect to any Person, any corporation, partnership, limited liability company or other entity of which at least a majority of securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity have or shall have the right to have voting power by reason of the happening of any contingency) is at the time directly or indirectly, owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person. Unless otherwise qualified, all references to a Subsidiary or to Subsidiaries in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Subsidiary Grantor" shall mean, collectively, each Grantor other than the Borrower.

"Trademark Security Agreement" shall mean the Trademark Security Agreement, dated as of the Effective Date, executed and delivered by General Motors LLC and OnStar, LLC in favor of the Collateral Trustee.

"Trust Estate" shall have the meaning assigned to such term in the Declaration of Trust in this Agreement.

"Trust Security Documents" shall mean each of the instruments described in Annex I to this Agreement and each agreement entered into pursuant to clause (ii) of Section 6.3(b) of this Agreement.

"Trustee Fees" shall mean all fees, costs and expenses of the Collateral Trustee of the types described in Sections 4.3, 4.4 and 4.6.

(b) The words "hereof", "herein" 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; Section references are to this Agreement unless otherwise specified. References to agreements defined in Section 1.1(a) shall, unless otherwise specified, be deemed to refer to such agreements as amended, supplemented, restated , replaced (regardless of whether such replacement is contemporaneous with any termination), restructured, renewed or otherwise modified from time to time; references to any Person shall include its successors and permitted assigns; and references to any law, treaty, statute, rule or regulation shall (unless otherwise specified) be construed as including all statutory provisions, regulatory provisions, rulings, opinions, determinations or other provisions consolidating, amending, replacing, supplementing or interpreting such law, treaty, statute, rule or regulation.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SECTION 2.

ACCELERATION OF SECURED OBLIGATIONS

2.1 Notices of Acceleration. (a) Upon receipt by the Collateral Trustee of a Notice of Acceleration, the Collateral Trustee shall immediately notify the Borrower and the Holder Representatives of its receipt and the contents thereof. So long as such Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall exercise the rights and remedies provided in this Agreement and in the Trust Security Documents subject to the direction of the Controlling Party, as provided herein. Except as otherwise provided in the last sentence of Section 2.2, the Collateral Trustee is not empowered to exercise any remedy hereunder or thereunder unless a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect.

(b) A Notice of Acceleration delivered to the Collateral Trustee by an Additional Debt Representative representing Additional Debt Obligations that have been accelerated but do not, in the aggregate, constitute Material Indebtedness shall be and become effective on (but not prior to) the 10th Business Day after the receipt thereof by the Collateral Trustee. A Notice of Acceleration delivered to the Collateral Trustee by any other Holder Representative shall be and become effective upon receipt thereof by the Collateral Trustee. Notwithstanding anything in this Agreement to the contrary, a Notice of Acceleration shall be deemed to be delivered to the Collateral Trustee, shall be deemed to be effective, and shall remain in effect, whenever an Event of Default under Section 8(f) of the Credit Agreement (as in effect of the date hereof) with respect to the Borrower has occurred and is continuing. For the avoidance of doubt, as soon as practicable following the occurrence of an Event of Default under Section 8(f) of the Credit Agreement (as in effect on the date hereof) with respect to the Borrower, the Credit Agreement Administrative Agent shall advise the Collateral Trustee of the occurrence thereof. A Notice of Acceleration, once effective, shall remain in effect unless and until it is withdrawn or cancelled as provided in Section 2.1(c).

(c) Any Holder Representative shall be entitled to withdraw or cancel its own Notice of Acceleration by delivering a written notice of withdrawal or cancellation to the Collateral Trustee. The Collateral Trustee shall immediately notify the Borrower and each Holder Representative as to its receipt and the contents of any such notice of withdrawal or cancellation. Any Notice of Acceleration shall be automatically withdrawn and cancelled when the Secured Obligations subject to such notice have been paid in full. Without intending to derogate from the immediately preceding sentence, each Holder Representative, severally and for itself alone, hereby agrees to withdraw or cancel its Notice of Acceleration immediately following the payment in full of the Secured Obligations subject to such notice.

2.2 General Authority of the Collateral Trustee over the Collateral. Each Grantor hereby irrevocably constitutes and appoints the Collateral Trustee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in its or his own name, from time to time in the Collateral Trustee's discretion, subject to Section 2.1, so long as any Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Agreement and the Trust Security Documents and accomplish the purposes

hereof and thereof and, without limiting the generality of the foregoing, each Grantor hereby gives the Collateral Trustee, subject to Section 2.1, the power and right on behalf of such Grantor, without notice to or further assent by such Grantor, so long as any Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, to take any Collateral Enforcement Actions permitted under the Trust Security Documents and to do, at its option and at the expense and for the account of Grantors, all acts and things which the Collateral Trustee reasonably deems necessary to protect or preserve the Collateral and to realize upon the Collateral, in each case, in accordance with the provisions of the Trust Security Documents. Notwithstanding the foregoing, so long as no Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall take such actions as are permitted by this Agreement or the Trust Security Documents in accordance with the instructions of the Controlling Party delivered to the Collateral Trustee.

2.3 Right to Initiate Judicial Proceedings. If a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee, subject to the provisions of Section 2.5(b) and Section 5, (i) shall have the right and power to institute and maintain such suits and proceedings as it may deem appropriate to protect and enforce the rights vested in it by this Agreement and each Trust Security Document and (ii) may, either after entry, or without entry, proceed by suit or suits at law or in equity to enforce such rights and to foreclose upon the Collateral and to sell all or, from time to time, any of the Collateral under the judgment or decree of a court of competent jurisdiction.

2.4 Right to Appoint a Receiver. If a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Collateral Trustee under this Agreement or any Trust Security Document, the Collateral Trustee shall, to the extent permitted by law, with at least 10 days prior written notice to the Borrower but without notice to any party claiming through the Grantors, without regard to the solvency or insolvency at the time of any Person then liable for the payment of any of the Secured Obligations, without regard to the then value of the Trust Estate, and without requiring any bond from any complainant in such proceedings, be entitled as a matter of right to the appointment by a court of law of a receiver or receivers (who may be the Collateral Trustee) of the Trust Estate, or any part thereof, and of the rents, issues, tolls, profits, royalties, revenues and other income thereof, pending such proceedings, with such powers and duties as the court making such appointment shall confer, and to the entry of an order directing that the rents, issues, tolls, profits, royalties, revenues and other income of the property constituting the whole or any part of the Trust Estate be segregated, sequestered and impounded for the benefit of the Collateral Trustee and the other Secured Parties to be applied in accordance with Section 3.4 and each Grantor irrevocably consents to the appointments of such receiver or receivers and to the entry of such order; provided that, notwithstanding the appointment of any receiver, the Collateral Trustee shall be entitled to retain possession and control of all cash and Permitted Investments held by or deposited with it pursuant to this Agreement or any Trust Security Document.

2.5 Exercise of Powers; Instructions of the Controlling Party. (a) All of the powers, remedies and rights of the Collateral Trustee as set forth in this Agreement may be exercised by the Collateral Trustee in respect of any Trust Security Document as though set forth in full therein and all of the powers, remedies and rights of the Collateral Trustee, each Holder Representative and the other Secured Parties as set forth in any Trust Security Document may be exercised from time to time as herein and therein provided.

(b) The Controlling Party shall at all times have the right, by one or more notices in writing executed and delivered to the Collateral Trustee (or by telephonic notice promptly confirmed in writing), to direct the time, method and place of conducting any proceeding for any right or remedy available to the Collateral Trustee, or of exercising any trust or power conferred on the Collateral Trustee, or for the appointment of a receiver, or to direct the taking or the refraining from taking of any action authorized by this Agreement or any Trust Security Document; provided that (i) such direction shall not conflict with any Requirement of Law or this Agreement or any Trust Security Document, (ii) the Collateral Trustee shall be adequately secured and indemnified as provided in Section 5.4(d) and (iii) no Collateral Enforcement Action may be taken unless a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect. In the absence of such direction, the Collateral Trustee shall have no duty to take or refrain from taking any action unless explicitly required herein.

(c) Whether or not any Insolvency Proceeding has been commenced by or against any Grantor, no Holder Representative or other Secured Party shall do (and no such Holder Representative or Secured Party (other than the Controlling Party) shall direct the Collateral Trustee to do) any of the following without the consent of the Controlling Party: (i) take any Collateral Enforcement Action or commence, seek to commence or join any other Person in commencing any Insolvency Proceeding; or (ii) object to, contest or take any other action that is reasonably likely to hinder (1) any Collateral Enforcement Action initiated by the Collateral Trustee, (2) any release of Collateral permitted under Section 6.12, whether or not done in consultation with or with notice to such Secured Party or (3) any decision by the Controlling Party to forbear or refrain from bringing or pursuing any such Collateral Enforcement Action or to effect any such release.

2.6 Remedies Not Exclusive. (a) No remedy conferred upon or reserved to the Collateral Trustee herein or in the Trust Security Documents is intended to be exclusive of any other remedy or remedies, but every such remedy shall be cumulative and shall be in addition to every other remedy conferred herein or in any Trust Security Document or now or hereafter existing at law or in equity or by statute.

(b) No delay or omission by the Collateral Trustee to exercise any right, remedy or power hereunder or under any Trust Security Document shall impair any such right, remedy or power or shall be construed to be a waiver thereof, and every right, power and remedy given by this Agreement or any Trust Security Document to the Collateral Trustee may be exercised from time to time and as often as may be deemed expedient by the Collateral Trustee.

(c) If the Collateral Trustee shall have proceeded to enforce any right, remedy or power under this Agreement or any Trust Security Document and the proceeding for the enforcement thereof shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Collateral Trustee, then the Grantors and the Collateral Trustee shall, subject to any determination in such proceeding, severally and respectively be restored to their former positions and rights hereunder or thereunder with respect to the Trust Estate and in all other respects, and thereafter all rights, remedies and powers of the Collateral Trustee shall continue as though no such proceeding had been taken.

(d) All rights of action and of asserting claims upon or under this Agreement and the Trust Security Documents may be enforced by the Collateral Trustee without the possession of any Secured Instrument or instrument evidencing any Secured Obligation or the production thereof at any trial or other proceeding relative thereto, and any suit or proceeding instituted by the Collateral Trustee shall be, subject to Sections 5.5(c) and 5.10(b)(ii), brought in its name as Collateral Trustee and any recovery of judgment shall be held as part of the Trust Estate.

2.7 Waiver and Estoppel. (a) Each Grantor agrees, to the extent it may lawfully do so, that it will not at any time after a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, in any manner whatsoever claim, or take the benefit or advantage of, any appraisement, valuation, stay, extension, moratorium, turnover or redemption law, or any law permitting it to direct the order in which the Collateral shall be sold, now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance or enforcement of this Agreement or any Trust Security Document and hereby waives all benefit or advantage of all such laws and covenants that it will not hinder, delay or impede the execution of any power granted to the Collateral Trustee in this Agreement or any Trust Security Document but will suffer and permit the execution of every such power as though no such law were in force; provided that nothing contained in this Section 2.7(a) shall be construed as a waiver of any rights of the Grantors under any applicable Bankruptcy Law.

(b) Each Grantor, to the extent it may lawfully do so, on behalf of itself and all who may claim through or under it, including without limitation any and all subsequent creditors, vendees, assignees, licensors and lienors, waives and releases, after a Notice of Acceleration has been delivered to the Collateral Trustee, is effective, and remains in effect, all rights to demand or to have any marshalling of the Collateral upon any sale, whether made under any power of sale granted herein or in any Trust Security Document or pursuant to judicial proceedings or upon any foreclosure or any enforcement of this Agreement or any Trust Security Document and consents and agrees that all the Collateral may at any such sale be offered and sold as an entirety.

(c) Each Grantor waives, after a Notice of Acceleration has been delivered to the Collateral Trustee, is effective, and remains in effect, to the extent permitted by applicable law, presentment, demand, protest and any notice of any kind (except notices explicitly required hereunder, under any Secured Instrument or under any other Trust Security Document) in connection with this Agreement and the Trust Security Documents and any action taken by the Collateral Trustee with respect to the Collateral.

2.8 Limitation on Collateral Trustee's Duty in Respect of Collateral. Beyond its duties as to the custody thereof expressly provided herein or in any Trust Security Document and to account to the Secured Parties and the Grantors for moneys and other property received by it hereunder or under any Trust Security Document, the Collateral Trustee shall not have any duty to the Grantors or to the Secured Parties as to any Collateral in its possession or control or in the possession or control of any of its agents or nominees, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto.

2.9 Limitation by Law. All rights, remedies and powers provided in this Agreement or any Trust Security Document may be exercised only to the extent that the exercise thereof does not violate any applicable Requirement of Law, and all the provisions hereof are intended to be subject to all applicable mandatory Requirements of Law which may be controlling and to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable in whole or in part or not entitled to be recorded, registered or filed under the provisions of any applicable law.

2.10 Rights of Secured Parties under Secured Instruments. Notwithstanding any other provision of this Agreement or any Trust Security Document, the right of each Secured Party to receive payment of the Secured Obligations held by such Secured Party when due (whether at the stated maturity thereof, by acceleration or otherwise) as expressed in the related Secured Instrument or other instrument evidencing or agreement governing a Secured Obligation or to institute suit for the enforcement of such payment on or after such due date or to exercise any other remedy it may have as an unsecured creditor against the Grantors, and the obligation of the Grantors to pay such Secured Obligations when due, shall not be impaired or affected without the consent of such Secured Party given in the manner prescribed by the Secured Instrument under which such Secured Obligation is outstanding; provided, however, that in the event any Secured Party (other than with respect to Secured Non-Loan Exposure) becomes a judgment lien creditor or otherwise obtains any Lien on any property or assets that constitute Collateral as a result of its enforcement of its rights as an unsecured creditor, such judgment lien and the property or assets constituting Collateral subject thereto shall be subject to all of the terms and conditions of this Agreement, and if such judgment lien is held by a Second Priority Secured Party such Liens shall be junior and subordinate to the Liens securing the First Priority Secured Obligations hereunder on the same basis as any other Lien securing the Second Priority Secured Obligations.

2.11 Collateral Use Prior to Acceleration. (a) So long as no Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Grantors shall have the right: (i) to remain in possession and retain exclusive control of the Collateral (except for such property which the Grantors are required to give possession of or control over to the Collateral Trustee pursuant to the terms of any Trust Security Document) with power freely and without let or hindrance on the part of the Secured Parties to operate, manage, develop, use and enjoy the Collateral, to receive the rents, issues, tolls, profits, royalties, revenues and other income thereof, and (ii) to sell or otherwise dispose of, free and clear of the Lien created by the Trust Security Documents and this Agreement, any Collateral if such sale or other disposition is not prohibited by the Credit Agreement Documents or the Additional Debt Documents or has been expressly approved in accordance with the terms of the Credit Agreement Documents and the Additional Debt Documents or if any Person is legally empowered to take any Collateral under the power of condemnation or eminent domain. The Collateral Trustee shall have no duty to monitor the exercise by the Grantors of their rights under this Section 2.11(a). For the avoidance of doubt, any act or omission by any Grantor that is permitted by (or not prohibited by) each of the Secured Instruments shall not be prohibited or restricted in any way by any provision of this Agreement.

(b) When a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, cash Proceeds received by the Collateral Trustee in connection with the sale or other disposition of Collateral shall be deposited in the Collateral

Account, to be held therein and applied in accordance with Section 3 hereof. Any such Proceeds received by any Grantor shall be held by such Grantor in trust for the Collateral Trustee and shall, as soon as reasonably practicable following such receipt, be turned over to the Collateral Trustee, in the same form as received by such Grantor (duly indorsed to the Collateral Trustee, if required) for deposit in the Collateral Account. Notwithstanding anything to the contrary in this Agreement, unless a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, each Grantor may upon written or oral request (confirmed in writing to the Collateral Trustee) obtain the prompt release to it or its order of funds or Permitted Investments in the Collateral Account or any Borrowing Base Collateral Account, provided that the failure to confirm an oral request in writing shall not affect the validity of such request and the Collateral Trustee's obligations to promptly release such funds or Permitted Investments. Any written or oral request or instruction by any Grantor pursuant to the preceding sentence shall be full authority for and direction to the Collateral Trustee to make the requested release and the Collateral Trustee shall promptly do so. The Collateral Trustee in so doing shall have no liability to any Person.

(c) When a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, any insurance proceeds in respect of any Collateral, any Proceeds from the exercise of rights of eminent domain or condemnation in respect of any Collateral and any liquidating dividends paid in respect of any Collateral received by any of the Grantors shall be deposited in the Collateral Account, to be held therein and applied in accordance with Section 3. If for any reason any Grantor shall receive or hold any insurance proceeds, condemnation proceeds or liquidating dividends that are required to be held by the Collateral Trustee pursuant to the first sentence of this Section 2.11(c), such Grantor shall hold such proceeds or dividends in trust for the Collateral Trustee and shall, as promptly as practicable, deliver such proceeds or dividends to the Collateral Trustee to be held in accordance with the provision of this Section 2.11(c).

(d) For the avoidance of doubt it is understood that if a Notice of Acceleration has not been delivered to the Collateral Trustee, or if any such Notice of Acceleration which has been so delivered is not effective, or if any such Notice of Acceleration has been withdrawn or cancelled, or ceases to remain in effect, (i) neither the Collateral Trustee nor any other Secured Party shall exercise any rights or remedies under (including the giving of any notices, directions or entitlement orders with respect to any account subject to) any account control agreement, deposit account control agreement or similar agreement relating to a Borrowing Base Collateral Account or any similar account and (ii) the Grantors shall be entitled and able to freely make deposits to, and withdrawals or transfers from, a Borrowing Base Collateral Account.

SECTION 3.

COLLATERAL ACCOUNT; DISTRIBUTIONS

3.1 The Collateral Account. On the Effective Date there shall be established and, at all times thereafter until the trusts created by this Agreement shall have terminated, there shall be maintained in the name of the Collateral Trustee at the office of the Collateral Trustee's corporate trust division (or at such other office selected by the Collateral Trustee) an account which is entitled the "General Motors Holdings LLC Collateral Account" (together with the sub-accounts

referred to below, collectively, the "Collateral Account"). All moneys which are required by this Agreement or any Trust Security Document to be delivered to the Collateral Trustee while a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect or which are received by the Collateral Trustee or any agent or nominee of the Collateral Trustee in respect of the Collateral, whether in connection with the exercise of the remedies provided in this Agreement or any Trust Security Document or otherwise, while a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect shall be deposited in the Collateral Account, to be held by the Collateral Trustee as part of the Trust Estate and applied in accordance with the terms of this Agreement. Upon the withdrawal or cancellation of all Notices of Acceleration pursuant to Section 2.1(c) or the receipt by the Collateral Trustee of any moneys at any time when no Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall (subject to the first sentence of Section 3.4(a)) cause all funds on deposit in the Collateral Account or otherwise received by the Collateral Trustee to be promptly paid over to the Grantors in accordance with their respective interests.

3.2 Control of Collateral Account. All right, title and interest in and to the Collateral Account shall vest in the Collateral Trustee, and funds and Permitted Investments on deposit in the Collateral Account shall constitute part of the Trust Estate. The Collateral Account shall be subject to the exclusive dominion and control of the Collateral Trustee. Each Grantor hereby grants (i) a security interest in the Collateral Account to the Collateral Trustee for the benefit of the First Priority Secured Parties, as collateral security for such Grantor's First Priority Secured Obligations and (ii) a security interest in the Collateral Account to the Collateral Trustee for the benefit of the Second Priority Secured Parties, as collateral security for such Grantor's Second Priority Secured Obligations.

3.3 Investment of Funds Deposited in Collateral Account. The Collateral Trustee shall, at the direction of the Controlling Party, invest and reinvest moneys on deposit in the Collateral Account at any time in Permitted Investments. All such investments and the interest and income received thereon and the net proceeds realized on the sale or redemption thereof shall be held in the Collateral Account as part of the Trust Estate. Neither the Collateral Trustee nor any other Secured Party shall be responsible for any diminution in funds resulting from such investments or any liquidation prior to maturity. In the absence of such directions, the Collateral Trustee shall have no obligation to invest or reinvest moneys.

3.4 Application of Moneys. (a) The Collateral Trustee shall have the right (pursuant to Section 4.6) at any time to apply moneys held by it in the Collateral Account to the payment of due and unpaid Trustee Fees without any requirement that such applications be made ratably from such accounts.

(b) All moneys held by the Collateral Trustee in the Collateral Account while a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect shall, to the extent available for distribution (it being understood that the Collateral Trustee may liquidate investments prior to maturity in order to make a distribution pursuant to this Section 3.4(b)), be distributed (subject to the provisions of Sections 3.5 and 3.7) by the Collateral Trustee on each Distribution Date in the following order of priority (with such distributions being made by the Collateral Trustee to the respective Holder Representatives for the Secured Parties entitled thereto as provided in Section 3.4(d), and each such Holder Representative shall be responsible for insuring that amounts distributed to it are distributed to its Secured Parties in the order of priority set forth below):

First: to the Collateral Trustee for any unpaid Trustee Fees and then to any Secured Party which has theretofore advanced or paid any Trustee Fees constituting administrative expenses allowable under Section 503(b) of the Bankruptcy Code, an amount equal to the amount thereof so advanced or paid by such Secured Party and for which such Secured Party has not been reimbursed prior to such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Secured Parties in proportion to the amounts of such Trustee Fees advanced by the respective Secured Parties and remaining unpaid on such Distribution Date;

Second: to any Secured Party which has theretofore advanced or paid any Trustee Fees other than such administrative expenses, an amount equal to the amount thereof so advanced or paid by such Secured Party and for which such Secured Party has not been reimbursed prior to such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Secured Parties in proportion to the amounts of such Trustee Fees advanced by the respective Secured Parties and remaining unpaid on such Distribution Date;

Third: to any Holder Representative for any unpaid expenses payable to such Person pursuant to the Secured Instruments to the extent the same constitute First Priority Secured Obligations and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Persons in proportion to the unpaid amounts thereof on such Distribution Date;

Fourth: to the holders of First Priority Secured Obligations in an amount equal to the unpaid principal of and unpaid interest on and premium and other charges, if any, and reimbursement obligations (including, without limitation, the obligation to cash collateralize undrawn letters of credit or letters of guarantee) with respect to the First Priority Secured Obligations, any amounts that constitute Permitted First Lien Non-Loan Exposure, and interest and fees thereon, in each case to the extent the same are due and payable, as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date;

Fifth: to the holders of First Priority Secured Obligations in an amount equal to all other amounts constituting First Priority Secured Obligations (including but not limited to indemnities and payments for increased costs), in each case to the extent the same are due and payable, as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date;

Sixth: to any Holder Representative for any unpaid expenses payable to such Person pursuant to the Secured Instruments to the extent the same constitute Second Priority Secured Obligations and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such Persons in proportion to the unpaid amounts thereof on such Distribution Date;

Seventh: to the holders of Second Priority Secured Obligations in an amount equal to all other Second Priority Secured Obligations which have not been paid, including termination amounts in respect of Designated Hedging Obligations that constitute Other Secured Non-Loan Exposure, amounts due in respect of Designated Cash Management Agreements that constitute Other Secured Non-Loan Exposure, and all other Second Priority Secured Obligations (including but not limited to the unpaid principal and unpaid interest on and premium and other charges, if any, with respect to Second Priority Additional Debt Obligations) then outstanding, in each case to the extent then due and payable, as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date; and

Eighth: any surplus then remaining shall be paid to the Grantors or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(c) The term "unpaid" as used in clauses Third, Fourth, Sixth and Seventh of Section 3.4(b) with respect to the relevant Grantor(s), refers to all amounts of Secured Obligations outstanding as of a Distribution Date, whether or not such amounts are fixed or contingent, and, in the case of an Insolvency Proceeding, with respect to any Grantor, whether or not such amounts are allowed in such Insolvency Proceeding, to the extent that prior distributions (whether actually distributed or set aside pursuant to Section 3.5) have not been made in respect thereof.

(d) The Collateral Trustee shall make all payments and distributions under this Section 3.4: (i) on account of Credit Agreement Obligations to the Credit Agreement Administrative Agent, pursuant to directions of the Credit Agreement Administrative Agent, for re-distribution in accordance with the provisions of the Credit Agreement; (ii) on account of any Additional Debt Obligations (subject to Section 3.5) to the relevant Additional Debt Representative, pursuant to directions of such Additional Debt Representative, for re-distribution in accordance with the provisions of the applicable Additional Debt Documents; and (iii) on account of any other Secured Obligation, to the relevant Secured Party based on the information supplied to the Collateral Trustee by the Borrower pursuant to Section 7.3.

3.5 Amounts Held for Contingent Obligations. In the event any Secured Party shall be entitled to receive any moneys pursuant to Section 3.4(b) in respect of the unliquidated, unmatured or contingent portion of the outstanding Secured Obligations (including, without limitation, obligations under then outstanding letters of credit, guarantees and termination liabilities with respect to Designated Hedging Obligations which are not determinable or are unmatured), then the Collateral Trustee shall invest such moneys in obligations of the kinds referred to in Section 3.3 maturing within three months after they are acquired by the Collateral Trustee and shall hold all such amounts so distributable, and all such investments and the net proceeds thereof, in trust solely for such Secured Party and for no other purpose until (i) such Secured Party shall have notified the Collateral Trustee that all or part of such unliquidated, unmatured or contingent claim shall have become matured or fixed, in which case the Collateral

Trustee shall distribute from such investments and the proceeds thereof an amount equal to such matured or fixed claim to such Secured Party for application to the payment of such matured or fixed claim, and shall promptly give notice thereof to the Borrower or (ii) all or part of such unliquidated, unmatured or contingent claim shall have been extinguished, whether as the result of an expiration without drawing of any letter of credit, payment of amounts secured or covered by any letter of credit other than by drawing thereunder, payment of amounts covered by any guarantee or otherwise, in which case (x) such Secured Party shall, as soon as practicable thereafter, notify the Borrower and the Collateral Trustee and (y) such investments, and the proceeds thereof, shall be held in the Collateral Account in trust for all Secured Parties pending application in accordance with the provisions of Section 3.4.

3.6 Collateral Trustee's Calculations. In making the determinations and allocations required by Section 3.4, the Collateral Trustee may conclusively rely upon information supplied by the Credit Agreement Administrative Agent as to the amounts of unpaid principal and interest and other amounts outstanding with respect to the Credit Agreement Obligations, information supplied by an Additional Debt Representative in respect of the relevant Additional Debt Obligations as to the unpaid amount of such Additional Debt Obligations, and information supplied by the applicable Secured Party in respect of the relevant Secured Non-Loan Exposure as to the unpaid amount of such Secured Obligations, and the Collateral Trustee shall have no liability to any of the Secured Parties for actions taken in reliance on such information, provided that nothing in this sentence shall prevent any Grantor from contesting any amounts claimed by any Secured Party in any information so supplied. All distributions made by the Collateral Trustee pursuant to Section 3.4 shall be (subject to Section 3.7 and to any decree of any court of competent jurisdiction) final (absent manifest error), and the Collateral Trustee shall have no duty to inquire as to the application by any Holder Representative in respect of any amounts distributed to them.

3.7 Pro Rata Sharing. If, through the operation of any Bankruptcy Law or otherwise, the Collateral Trustee's security interest hereunder and under the Trust Security Documents is enforced with respect to some, but not all, of the Secured Obligations then outstanding, the Collateral Trustee shall nonetheless apply the proceeds of the Collateral for the benefit of the holders of all Secured Obligations in the proportions and subject to the priorities specified herein; provided, that nothing in this Section 3.7 shall be deemed to require the Collateral Trustee to disregard or violate any court order binding upon it.

SECTION 4.

AGREEMENTS WITH TRUSTEE

4.1 Delivery of Trust Security Documents. On the Effective Date, the Borrower shall deliver to the Collateral Trustee copies of each Trust Security Document then in effect. The Borrower shall deliver to the Collateral Trustee, promptly after the execution thereof, a copy of all Trust Security Documents, and all amendments, modifications or supplements to any Trust Security Document, entered into after the Effective Date.

4.2 Information as to Secured Parties and Holder Representatives. The Borrower shall deliver to the Collateral Trustee, not later than 90 days after the Effective Date,

and from time to time upon request of the Collateral Trustee when a Notice of Acceleration shall be in effect, a list setting forth as of the Effective Date in the case of the initial list or as of a date not more than 60 days prior to the date of such delivery in the case of any subsequent list, (i) the aggregate principal amount of Credit Agreement Obligations outstanding and the name and address of the Credit Agreement Administrative Agent, (ii) the aggregate principal amount of any Additional Debt Obligations outstanding and the name and address of each Additional Debt Representative and (iii) the information necessary, in the judgment of the Borrower, to calculate the Majority Class Holders, the Majority First Priority Secured Parties and the Majority Secured Parties as of such date. In addition, the Borrower will promptly notify the Collateral Trustee of each change in the identity of the Controlling Party or any Holder Representative. The Borrower will request that each Holder Representative notify the Collateral Trustee of any changes of the officers of each thereof authorized to give directions hereunder on behalf of such parties prior to the date of any such changes. If the Collateral Trustee does not receive the names of the officers of each Holder Representative authorized to give directions hereunder on behalf of such parties, the Collateral Trustee may rely on any person purporting to be authorized to give directions hereunder on behalf of such parties. If the Collateral Trustee is not informed of changes of the officers of any Holder Representative authorized to give directions hereunder on behalf of such parties, the Collateral Trustee may rely on the information previously provided to the Collateral Trustee.

4.3 Compensation and Expenses. The Borrower agrees to pay to the Collateral Trustee, from time to time upon written demand in accordance with this Section 4.3, (i) the fees set forth in the letter agreement dated September 10, 2010 between the Borrower and the Collateral Trustee with respect to its services hereunder and under the Trust Security Documents and for administering the Trust Estate, such fees to be payable in the amounts and on the dates set forth in such letter agreement and (ii) all of the reasonable out-of-pocket costs and expenses of the Collateral Trustee (including, without limitation, the reasonable fees and disbursements of its counsel, advisors and agents) (A) arising in connection with the preparation, execution, delivery, modification, and termination of this Agreement and each Trust Security Document or the enforcement of any of the provisions hereof or thereof (including reasonable out-of-pocket search, filing, recording and registration fees, taxes, excise taxes and other similar imposts which may be payable or determined to be payable in respect of the execution and delivery of this Agreement and each Trust Security Document), (B) incurred or required to be advanced in connection with the sale or other disposition of Collateral pursuant to any Trust Security Document and the preservation, protection or defense of the Collateral Trustee's rights under this Agreement and the Trust Security Documents and in and to the Collateral and the Trust Estate, (C) incurred by the Collateral Trustee in connection with the removal of the Collateral Trustee pursuant to Section 5.7(a) or (D) incurred in connection with the execution of the directions provided by the Controlling Party. Such fees, costs and expenses are intended to constitute expenses of administration under any Bankruptcy Law relating to creditors' rights generally. If the Borrower fails to pay any amounts owing to the Collateral Trustee pursuant to this Section 4.3, the obligations of the Secured Parties to indemnify the Collateral Trustee pursuant to Section 9.7 of the Credit Agreement or any similar provision in any Additional Debt Document shall be applicable to such amounts on a pro rata basis amongst such Secured Parties. The obligations of the Borrower under this Section 4.3 shall survive the termination of the other provisions of this Agreement and the resignation or removal of the Collateral Trustee hereunder. Unless such amounts are being contested in good faith by the Borrower, all amounts due under

clause (ii) of the first sentence of this Section 4.3 shall be payable not later than 45 Business Days after the Collateral Trustee has provided a statement or invoice therefor, setting forth in reasonable detail, the amount due and the relevant provision of this Section 4.3 under which such amount is payable by the Borrower. For purposes of the preceding sentence, it is understood and agreed that the Borrower may ask for reasonable supporting documentation to support any request to reimburse or pay out-of-pocket expenses, legal fees and disbursements, and that the grace period to pay any such amounts shall not commence until such supporting documentation has been received by the Borrower. Notwithstanding the foregoing, in no event shall the Borrower be obligated for (1) any out-of-pocket expenses that are not consistent with the Borrower's then prevailing policies and procedures for reimbursement of expenses or (2) any fees or expense reimbursement obligations in excess of the cap on fees and expenses (the "Cap") set forth in the letter agreement referenced in clause (i) of this Section 4.3 or in any agreement replacing or modifying such letter agreement (it being understood that the Cap shall only be applicable to the preparation, negotiation, execution and delivery of (a) this Agreement and the Trust Security Documents on or prior to the Effective Date, (b) the Post-Closing Deliverables (as defined in the Credit Agreement) on or prior to the expiration of the applicable Perfection Period (as defined in the Credit Agreement), and (c) any modification to this Agreement or any Trust Security Document in connection with any such Post-Closing Deliverable). The Borrower agrees to provide upon request by the Collateral Trustee, on a confidential basis, a written statement setting forth those portions of its then prevailing policies and procedures that are relevant to obtaining expense reimbursement hereunder. Statements payable by the Borrower pursuant to this Section 4.3 shall be submitted to the Borrower at the address of the Borrower set forth on the signature page hereof, or to such address as may be hereafter designated by the Borrower in accordance with Section 6.1.

4.4 Stamp and Other Similar Taxes. The Borrower agrees to indemnify and hold harmless the Collateral Trustee, each Holder Representative and each Secured Party from any present or future claim for liability for any stamp or any other similar tax, and any penalties or interest with respect thereto, which may be assessed, levied or collected by any jurisdiction in connection with this Agreement, any Trust Security Document, the Trust Estate or any Collateral. The obligations of the Borrower under this Section 4.4 shall survive the termination of the other provisions of this Agreement and the resignation or removal of the Collateral Trustee hereunder.

4.5 Indemnification. The Borrower agrees to pay, indemnify, and hold the Collateral Trustee (and its directors, officers, agents and employees (each, an "Indemnified Party")) harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including, without limitation, the reasonable fees and expenses of counsel, advisors and agents) or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement and performance of this Agreement and the Trust Security Documents, unless arising from the gross negligence (or simple negligence in the handling of funds) or willful misconduct of, or material breach of this Agreement or any Trust Security Document by, the Indemnified Party or any of its affiliates or any of their respective directors, officers, agents or employees, including for taxes in any jurisdiction in which the Collateral Trustee is subject to tax by reason of actions hereunder or under the Trust Security Documents, unless such taxes are imposed on or measured by compensation paid to the Collateral Trustee under Section 4.3. In any suit, proceeding or action brought by the Collateral

Trustee under or with respect to any contract, agreement, interest or obligation constituting part of the Collateral for any sum owing thereunder, or to enforce any provisions thereof, the Borrower will save, indemnify and keep the Collateral Trustee harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of any Grantor thereunder, arising out of a breach by such Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such Grantor or its successors from any Grantor, and all such obligations of the Borrower shall be and remain enforceable against and only against the Borrower and shall not be enforceable against the Collateral Trustee. If the Borrower fails to pay any amounts owing to the Collateral Trustee pursuant to this Section 4.5, the obligations of the Secured Parties to indemnify the Collateral Trustee pursuant to Section 9.7 of the Credit Agreement or any similar provision in any Additional Debt Document shall be applicable to such amounts on a pro rata basis amongst such Secured Parties. The agreements in this Section 4.5 shall survive the termination of the other provisions of this Agreement and the resignation or removal of the Collateral Trustee hereunder. In no event shall any party hereto be liable for any special, indirect, consequential or punitive damages (including any loss of profits, business or anticipated savings).

4.6 Trustee's Lien. Notwithstanding anything to the contrary in this Agreement, as security for the payment of Trustee Fees (i) the Collateral Trustee is hereby granted a lien upon all Collateral which shall have priority ahead of all other Secured Obligations secured by such Collateral and (ii) the Collateral Trustee shall have the right to use and apply any of the funds held by the Collateral Trustee in the Collateral Account to cover such Trustee Fees.

4.7 Further Assurances. At any time and from time to time, upon the reasonable written request of the Collateral Trustee, and at the expense of the Borrower, each Grantor will promptly execute and deliver any and all such further instruments and documents and take such further action as is necessary or reasonably requested further to perfect, or to protect the perfection of, the liens and security interests granted under the Trust Security Documents, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction; provided, however, that notwithstanding anything to the contrary contained herein or in any Trust Security Document, (i) no Grantor shall be required to perfect the security interests granted by it in any Collateral by any means other than by (a) in the case of real estate Collateral, execution, delivery and recordation of a Mortgage, (b) filings pursuant to the Uniform Commercial Code of the relevant State(s) and (c) such additional actions as may be required pursuant to any Security Instrument or Trust Security Document and (ii) no Grantor shall be required to perform any action under this Section 4.7 unless such action is also required by an applicable Trust Security Document. Notwithstanding the foregoing, in no event shall the Collateral Trustee have any obligation to monitor the perfection or continuation of perfection or the sufficiency or validity of any security interest in or related to the Collateral.

4.8 Inspection of Properties and Books. So long as a Notice of Acceleration shall be in effect, the Borrower and the other Grantors shall give the Collateral Trustee access, at its reasonable request upon reasonable prior notice during normal business hours, to all Collateral and to all books, records, documents and information in the possession of the Borrower or any other Grantor or any of their respective Subsidiaries relating to the Collateral;

provided, that (i) the Collateral Trustee and its representatives shall not interfere with the operation and use of the Collateral, (ii) a representative of the Borrower or the applicable Subsidiary Grantor shall accompany the Collateral Trustee and its representatives at all times during such visits or inspections, (iii) the Collateral Trustee and its representatives shall comply with all safety and security requirements of the Borrower or the applicable Subsidiary Grantor, and (iv) any visit or inspection by the Collateral Trustee or its representatives shall be subject to Section 6.15. No Grantor shall have any obligation to disclose materials that are protected by attorney-client privilege and materials the disclosure of which would violate confidentiality obligations or any specified security, safety or other procedures of such Grantor.

SECTION 5.

THE COLLATERAL TRUSTEE

5.1 Acceptance of Trust. The Collateral Trustee, for itself and its successors, hereby accepts the trusts created by this Agreement upon the terms and conditions hereof.

5.2 Exculpatory Provisions. (a) The Collateral Trustee shall not be responsible in any manner whatsoever for the correctness of any recitals, statements, representations or warranties herein, all of which are made solely by the Grantors. The Collateral Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Grantors thereto or as to the security afforded by this Agreement or any Trust Security Document, or as to the validity, execution (except its execution), enforceability, legality or sufficiency of this Agreement, the Trust Security Documents or the Secured Obligations, and the Collateral Trustee shall incur no liability or responsibility in respect of any such matters.

(b) The Collateral Trustee shall not be required to ascertain or inquire as to the performance by the Grantors of any of the covenants or agreements contained herein or in any Trust Security Document or Secured Instrument. Whenever it is necessary, or in the opinion of the Collateral Trustee advisable, for the Collateral Trustee to ascertain the amount of Secured Obligations then held by Secured Parties, the Collateral Trustee may rely (i) on a certificate of the Credit Agreement Administrative Agent, in the case of Credit Agreement Obligations, (ii) a certificate of any relevant Additional Debt Representative, in the case of any Additional Debt Obligations and (iii) a certificate of the relevant Secured Party, in the case of any Secured Non-Loan Exposure, and, if the Credit Agreement Administrative Agent, any relevant Additional Debt Representative or any relevant Secured Party shall not give such information to the Collateral Trustee, it shall not be entitled to receive distributions hereunder (in which case distributions to those Persons who have supplied such information to the Collateral Trustee shall be calculated by the Collateral Trustee using, for those Persons who have not supplied such information, the list then most recently delivered by the Borrower pursuant to Section 4.2), and the amount so calculated to be distributed to the Person who fails to give such information shall be held in trust for such Person until such Person does supply such information to the Collateral Trustee, whereupon on the next Distribution Date the amount distributable to such Person shall be recalculated using such information and distributed to it. Nothing in this Section 5.2(b) shall prevent any Grantor from contesting any amounts claimed by any Secured Party in any certificate so supplied. Notwithstanding anything to the contrary set forth in this Section 5.2(b),

so long as no Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee may rely conclusively on a certificate of a Responsible Officer of the Borrower with respect to the matters set forth in the second sentence of this Section 5.2(b).

(c) The Collateral Trustee shall be under no obligation or duty to take any action under this Agreement or any Trust Security Document if taking such action (i) would subject the Collateral Trustee to a tax in any jurisdiction where it is not then subject to a tax or (ii) would require the Collateral Trustee to qualify to do business in any jurisdiction where it is not then so qualified, unless the Collateral Trustee receives security or indemnity satisfactory to it against such tax (or equivalent liability), or any liability resulting from such qualification, in each case as results from the taking of such action under this Agreement or any Trust Security Document.

(d) The Collateral Trustee shall have the same rights with respect to any Secured Obligation held by it as any other Secured Party and may exercise such rights as though it were not the Collateral Trustee hereunder, and may accept deposits from, lend money to, and generally engage in any kind of banking or trust business with, any of the Grantors or any of their affiliates as if it were not the Collateral Trustee.

(e) Notwithstanding any other provision of this Agreement, the Collateral Trustee shall not be liable for any action taken or omitted to be taken in accordance with this Agreement or the Trust Security Documents except for its own gross negligence (or simple negligence in the handling of funds), willful misconduct or material breach of this Agreement or any Trust Security Document.

5.3 Delegation of Duties. The Collateral Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by or through agents or attorneys-in-fact. The Collateral Trustee shall be entitled to advice of counsel concerning all matters pertaining to such trusts, powers and duties. The Collateral Trustee shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it without gross negligence or willful misconduct.

5.4 Reliance by Collateral Trustee. (a) Whenever in the administration of this Agreement or the Trust Security Documents the Collateral Trustee shall deem it necessary or desirable that a factual matter be proved or established in connection with the Collateral Trustee taking, suffering or omitting any action hereunder or thereunder, such matter (unless other evidence in respect thereof is herein specifically prescribed) may be deemed to be conclusively proved or established by a certificate of a Responsible Officer of a Grantor delivered to the Collateral Trustee, and such certificate shall be full warrant to the Collateral Trustee for any action taken, suffered or omitted in reliance thereon, subject, however, to the provisions of Section 5.5.

(b) The Collateral Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder or under any Trust Security Document in accordance therewith. While a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall have the right at any time to seek instructions concerning the administration of this Agreement and the Trust Security Documents from any court of competent jurisdiction.

(c) The Collateral Trustee may rely, and shall be fully protected in acting, upon any resolution, statement, certificate, instrument, opinion, report, notice, request, consent, order, bond or other paper or document which it has no reason to believe to be other than genuine and to have been signed or presented by the proper party or parties or, in the case of cables, telecopies and telexes, to have been sent by the proper party or parties. In the absence of its own gross negligence (or simple negligence in the handling of funds) or willful misconduct, or a material breach of this Agreement or any Trust Security Documents, the Collateral Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Collateral Trustee and conforming to the requirements of this Agreement.

(d) The Collateral Trustee shall not be under any obligation to exercise any of the rights or powers vested in the Collateral Trustee by this Agreement and the Trust Security Documents, at the request or direction of the Controlling Party pursuant to this Agreement or otherwise, unless the Collateral Trustee shall have been provided adequate security and indemnity against the costs, expenses and liabilities which may be incurred by the Collateral Trustee in compliance with such request or direction, including such reasonable advances as may be requested by the Collateral Trustee.

(e) Upon any application or demand by any of the Grantors (except any such application or demand which is expressly permitted to be made orally) to the Collateral Trustee to take or permit any action under any of the provisions of this Agreement or any Trust Security Document, the Borrower shall, if requested to do so by the Collateral Trustee, furnish to the Collateral Trustee a certificate of a Responsible Officer stating that all conditions precedent, if any, provided for in this Agreement, in any relevant Trust Security Document or in the Credit Agreement or any applicable Additional Debt Document relating to the proposed action have been complied with, and in the case of any such application or demand as to which the furnishing of any document is specifically required by any provision of this Agreement or a Trust Security Document relating to such particular application or demand, such additional document shall also be furnished.

(f) Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate of a Responsible Officer of a Grantor provided to such counsel in connection with such opinion or representations made by a Responsible Officer of a Grantor in a writing filed with the Collateral Trustee.

5.5 Limitations on Duties of Trustee. (a) Unless a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall be obligated to perform such duties and only such duties as are specifically set forth in this Agreement and the Trust Security Documents, and no implied covenants or obligations shall be read into this Agreement or any Trust Security Document against the Collateral Trustee. If and so long as a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall, subject to the provisions of Section 2.5(b), exercise the rights and powers vested in the Collateral Trustee by this Agreement and the Trust Security Documents, and shall not be liable with respect to any action taken, or omitted to be taken, in accordance with the direction of the Controlling Party.

(b) Except as herein otherwise expressly provided, the Collateral Trustee shall not be under any obligation to take any action which is discretionary with the Collateral Trustee under the provisions hereof or of any Trust Security Document, except upon the written request of the Controlling Party at such time. The Collateral Trustee shall make available for inspection and copying by each Holder Representative and each relevant Secured Party in respect of Secured Non-Loan Exposure, each certificate or other paper furnished to the Collateral Trustee by any of the Grantors under or in respect of this Agreement or any of the Collateral.

(c) No provision of this Agreement or of any Trust Security Document shall be deemed to impose any duty or obligation on the Collateral Trustee to perform any act or acts or exercise any right, power, duty or obligation conferred or imposed on it, in any jurisdiction in which it shall be illegal, or in which the Collateral Trustee shall be unqualified or incompetent, to perform any such act or acts or to exercise any such right, power, duty or obligation or if such performance or exercise would constitute doing business by the Collateral Trustee in such jurisdiction or impose a tax on the Collateral Trustee by reason thereof or to risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder.

5.6 Moneys to be Held in Trust. All moneys received by the Collateral Trustee under or pursuant to any provision of this Agreement or any Trust Security Document (except Trustee Fees) shall be held in trust for the purposes for which they were paid or are held.

5.7 Resignation and Removal of the Collateral Trustee. (a) The Collateral Trustee may at any time, by giving written notice to the Borrower and each Holder Representative, resign and be discharged of the responsibilities hereby created, such resignation to become effective upon (i) the appointment of a successor Collateral Trustee, (ii) the acceptance of such appointment by such successor Collateral Trustee and (iii) the approval of such successor Collateral Trustee evidenced by one or more instruments signed by the Controlling Party and, so long as no Notice of Acceleration is then in effect, by the Borrower (which approval, in each case, shall not be unreasonably delayed or withheld). If no successor Collateral Trustee shall be appointed and shall have accepted such appointment within 90 days after the Collateral Trustee gives the aforesaid notice of resignation, the Collateral Trustee, the Borrower (so long as no Notice of Acceleration is then in effect) or, if a Notice of Acceleration is effective and remains in effect, the Controlling Party may apply to any court of competent jurisdiction to appoint a successor Collateral Trustee to act until such time, if any, as a successor Collateral Trustee shall have been appointed as provided in this Section 5.7. Any successor so appointed by such court shall immediately and without further act be superseded by any successor Collateral Trustee appointed by the Borrower or the Controlling Party, as the case may be, as provided in Section 5.7(b). While a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Controlling Party may, at any time upon giving 30 days' prior written notice thereof to the Collateral Trustee, the Borrower and each other Holder Representative, remove the Collateral Trustee and appoint a successor Collateral Trustee, such removal to be effective upon the acceptance of such appointment by the successor. If a Notice of Acceleration is not in effect, the Borrower may, at any time upon giving 30 days' prior written notice thereof to the Collateral Trustee and each Holder Representative, and with the consent of the Controlling Party (such consent shall not be

unreasonably delayed or withheld) remove the Collateral Trustee and appoint a successor Collateral Trustee, such removal to be effective upon the acceptance of such appointment by the successor. The Collateral Trustee shall be entitled to Trustee Fees to the extent incurred or arising, or relating to events occurring, before such resignation or removal, but shall promptly refund to the Borrower any such Trustee Fees which have been paid in advance and which are attributable to the period following such resignation or removal.

(b) If at any time the Collateral Trustee shall resign or be removed or otherwise become incapable of acting, or if at any time a vacancy shall occur in the office of the Collateral Trustee for any other cause, a successor Collateral Trustee may be appointed by the Borrower with the consent (not to be unreasonably delayed or withheld) of the Controlling Party, if no Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, and otherwise by the Controlling Party. The powers, duties, authority and title of the predecessor Collateral Trustee shall be terminated and cancelled without procuring the resignation of such predecessor and without any other formality (except for the consent of the Controlling Party referred to above and as may be required by applicable law) other than appointment and designation of a successor in writing duly delivered to the predecessor, the successor and the Borrower. Such appointment and designation shall be full evidence of the right and authority to make the same and of all the facts therein recited, and this Agreement and the Trust Security Documents shall vest in such successor, without any further act, deed or conveyance, all the estates, properties, rights, powers, trusts, duties, authority and title of its predecessor; but such predecessor shall, nevertheless, on the written request of the Controlling Party, the Borrower, or the successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers, trusts, duties, authority and title of such predecessor hereunder and under the Trust Security Documents and shall deliver all Collateral held by it or its agents to such successor. Should any deed, conveyance or other instrument in writing from any Grantor be required by any successor Collateral Trustee for more fully and certainly vesting in such successor the estates, properties, rights, powers, trusts, duties, authority and title vested or intended to be vested in the predecessor Collateral Trustee, any and all such deeds, conveyances and other instruments in writing shall, on request of such successor, be executed, acknowledged and delivered by such Grantor. If such Grantor shall not have executed and delivered any such deed, conveyance or other instrument within 30 days after it received a written request from the successor Collateral Trustee to do so, or if a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the predecessor Collateral Trustee may execute the same on behalf of such Grantor. Such Grantor hereby appoints any predecessor Collateral Trustee as its agent and attorney to act for it as provided in the next preceding sentence.

5.8 Status of Successor Collateral Trustee. Every successor Collateral Trustee appointed pursuant to Section 5.7 shall be a bank or trust company in good standing and having power to act as Collateral Trustee hereunder, incorporated under the laws of the United States of America or any State thereof or the District of Columbia and having its principal corporate trust office within the 48 contiguous United States and shall also have capital, surplus and undivided profits of not less than $500,000,000, if there be such an institution with such capital, surplus and undivided profits willing, qualified and able to accept the trust hereunder upon reasonable or customary terms.

5.9 Merger of the Collateral Trustee. Any corporation into which the Collateral Trustee may be merged, or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Collateral Trustee shall be a party, shall be Collateral Trustee under this Agreement and the Trust Security Documents without the execution or filing of any paper or any further act on the part of the parties hereto.

5.10 Co-Collateral Trustee; Separate Collateral Trustee. (a) If at any time or times it shall be necessary or prudent in order to conform to any law of any jurisdiction in which any of the Collateral shall be located, or to avoid any violation of law or imposition on the Collateral Trustee of taxes by such jurisdiction not otherwise imposed on the Collateral Trustee, or the Collateral Trustee shall be advised by counsel, satisfactory to it, that it is necessary or prudent in the interest of the Secured Parties, or any Holder Representative shall in writing so request the Collateral Trustee and the Grantors, or the Collateral Trustee shall deem it desirable for its own protection in the performance of its duties hereunder or under any Trust Security Document, the Collateral Trustee and each of the Grantors shall execute and deliver all instruments and agreements necessary or proper to constitute another bank or trust company, or one or more Persons approved by the Collateral Trustee and the Grantors, either to act as co-trustee or co-trustees of all or any of the Collateral under this Agreement or under any of the Trust Security Documents, jointly with the Collateral Trustee originally named herein or therein or any successor Collateral Trustee, or to act as separate trustee or trustees of any of the Collateral. If any of the Grantors shall not have joined in the execution of such instruments and agreements within 30 days after it receives a written request from the Collateral Trustee to do so, or if a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee may act under the foregoing provisions of this Section 5.10(a) without the concurrence of such Grantors and execute and deliver such instruments and agreements on behalf of such Grantors. Each of the Grantors hereby appoints the Collateral Trustee as its agent and attorney to act for it under the foregoing provisions of this Section 5.10(a) in either of such contingencies.

(b) Every separate trustee and every co-trustee, other than any successor Collateral Trustee appointed pursuant to Section 5.7, shall, to the extent permitted by law, be appointed and act and be such, subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred upon the Collateral Trustee in respect of the custody, control and management of moneys, papers or securities shall be exercised solely by the Collateral Trustee or any agent appointed by the Collateral Trustee;

(ii) all rights, powers, duties and obligations conferred or imposed upon the Collateral Trustee hereunder and under the relevant Trust Security Document or Documents shall be conferred or imposed and exercised or performed by the Collateral Trustee and such separate trustee or separate trustees or co-trustee or co-trustees, jointly, as shall be provided in the instrument appointing such separate trustee or separate trustees or co-trustee or co-trustees, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Collateral Trustee shall be incompetent or unqualified to perform such act or acts, or unless the performance of such act or acts would result in the imposition of any tax on the Collateral Trustee which would not be imposed absent such joint act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such separate trustee or separate trustees or co-trustee or co-trustees;

(iii) no power given hereby or by the relevant Trust Security Documents to, or which it is provided herein or therein may be exercised by, any such co-trustee or co-trustees or separate trustee or separate trustees shall be exercised hereunder or thereunder by such co-trustee or co-trustees or separate trustee or separate trustees except jointly with, or with the consent in writing of, the Collateral Trustee, anything contained herein to the contrary notwithstanding;

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(v) the Borrower and the Collateral Trustee, at any time by an instrument in writing executed by them jointly, may accept the resignation of or remove any such separate trustee or co-trustee and, in that case by an instrument in writing executed by them jointly, may appoint a successor to such separate trustee or co-trustee, as the case may be, anything contained herein to the contrary notwithstanding. If the Borrower shall not have joined in the execution of any such instrument within 30 days after it receives a written request from the Collateral Trustee to do so, or if a Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, the Collateral Trustee shall have the power to accept the resignation of or remove any such separate trustee or co-trustee and to appoint a successor without the concurrence of the Borrower, the Borrower hereby appointing the Collateral Trustee its agent and attorney to act for it in such connection in such contingency. If the Collateral Trustee shall have appointed a separate trustee or separate trustees or co-trustee or co-trustees as above provided, the Collateral Trustee may at any time, by an instrument in writing, accept the resignation of or remove any such separate trustee or co-trustee and the successor to any such separate trustee or co-trustee shall be appointed by the Borrower and the Collateral Trustee, or by the Collateral Trustee alone pursuant to this Section 5.10(b).

5.11 Treatment of Payee or Indorsee by Collateral Trustee; Representatives of Secured Parties. The Collateral Trustee may treat the registered holder or, if none, the payee or indorsee of any promissory note or debenture evidencing a Secured Obligation as the absolute owner thereof for all purposes and shall not be affected by any notice to the contrary, whether such promissory note or debenture shall be past due or not.

SECTION 6.

MISCELLANEOUS

6.1 Notices. Unless otherwise specified herein, all notices, requests, demands or other communications given to any of the Grantors, the Collateral Trustee, the Controlling Party and any Holder Representative shall be given in writing or by electronic transmission and shall be deemed to have been duly given when personally delivered or when duly deposited in the mails, registered or certified mail postage prepaid, or when transmitted by electronic transmission, to an electronic mail address (or by other means of electronic delivery) addressed

(i) if to any Grantor or the Collateral Trustee, to such party at its address specified on the signature pages hereof or any other address which such party shall have specified as its address for the purpose of communications hereunder, by notice given in accordance with this Section 6.1 to the party sending such communication or (ii) if to any Holder Representative, to it at its address specified from time to time in the list provided by the Borrower to the Collateral Trustee pursuant to Section 4.2; provided that any notice, request or demand to the Collateral Trustee shall not be effective until received by the Collateral Trustee (or, as provided in the first sentence of Section 2.1(b), until the 10th Business Day following the date of such receipt by the Collateral Trustee) in writing or by facsimile transmission in the corporate trust division at the office designated by it pursuant to this Section 6.1.

6.2 No Waivers. No failure on the part of the Collateral Trustee, any co-trustee, any separate trustee, the Controlling Party, any Holder Representative or any Secured Party to exercise, no course of dealing with respect to, and no delay in exercising, any right, power or privilege under this Agreement or any Trust Security Document shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

6.3 Amendments, Supplements and Waivers. (a) With the written consent of the Required Secured Parties, and prior to the Credit Agreement Payoff, the Credit Agreement Administrative Agent, the Collateral Trustee and the Grantors may, from time to time, enter into written agreements supplemental or additional hereto or to any Trust Security Document for the purpose of adding to, or waiving any provisions of, this Agreement or any Trust Security Document or changing in any manner the rights of the Collateral Trustee, the Secured Parties or the Grantors hereunder or thereunder; provided that no such supplemental agreement shall (i) amend, modify or waive any provision of this Section 6.3 without the written consent of each Holder Representative, (ii) reduce the percentages specified in the definition of Majority Class Holders, Majority First Priority Secured Parties, Majority Second Priority Secured Parties and Majority Secured Parties or amend, modify or waive any provision of Section 3.4 or the definition of Secured Obligations or otherwise change the relative rights of the Secured Parties under this Agreement in respect of payments from the Proceeds of Collateral or Collateral without the written consent of holders constituting the Majority Class Holders of each Class whose rights would be directly and adversely affected thereby, (iii) amend, modify or waive any provision of Section 8 without the written consent of each Additional Debt Representative with respect to any Second Priority Additional Debt then outstanding, but only if the relative rights of the Second Priority Secured Parties in respect of such Additional Debt would be directly and adversely affected thereby or (iv) amend, modify or waive any provision of Section 4 or 5 or alter the duties, rights or obligations of the Collateral Trustee hereunder or under the Trust Security Documents without the written consent of the Collateral Trustee. Any such supplemental agreement shall be binding upon the Grantors, each Holder Representative, the Secured Parties and the Collateral Trustee and their respective successors; provided, however, that any update or revision to any schedule or annex to this Agreement or any Trust Security Document, delivery of any joinder or similar agreement to this Agreement (including, without limitation, pursuant to Section 6.13) or any Trust Security Document, or any revision or update related to such joinder or similar agreement shall not constitute an amendment, supplement or modification for purposes of this Section 6.3 and shall be effective upon delivery thereof to the Collateral Trustee.

(b) Notwithstanding the foregoing clause (a), the Collateral Trustee and the Borrower (on its own behalf and as agent on behalf of any Grantor who is party to the relevant Trust Security Document or this Agreement) may, at any time and from time to time, (x) enter into one or more written amendments, supplements or modifications hereto, or (y) enter into one or more agreements supplemental or additional hereto or to any Trust Security Document, in form reasonably satisfactory to the Collateral Trustee, in each case (i) to add to the covenants of such Grantor for the benefit of the Secured Parties or to surrender any right or power herein conferred upon such Grantor; (ii) to mortgage or pledge to the Collateral Trustee, or grant a security interest in favor of the Collateral Trustee in, any property or assets of a Grantor or of any other Person as additional security for the Secured Obligations, including by entering into account control agreements in connection with the granting of a security interest in a Borrowing Base Collateral Account to the Collateral Trustee; (iii) to cure any ambiguity, to correct or supplement any provision herein or in any Trust Security Document which may be defective or inconsistent with any other provision herein or therein, or to make any other provision with respect to matters or questions arising hereunder which shall not be inconsistent with any provision hereof; provided that any such action contemplated by this clause (iii) shall not adversely affect the interests of the Secured Parties; (iv) to release any Grantor from this Agreement and from each Trust Security Document to which such Grantor is a party if such release is permitted by the terms of the Secured Instruments then in effect or pursuant to Section 6.12, or (v) to release from this Agreement and any Trust Security Document, and from the Trust Estate, any Collateral that is released, or is required to be released, pursuant to Section 6.12.

(c) Notwithstanding the foregoing clause (a), if a New Credit Agreement becomes effective, each applicable defined term incorporated herein or in any Trust Security Document by reference to the "Credit Agreement" and each section or schedule reference to a section in or schedule to the "Credit Agreement" shall be deemed to refer to the applicable defined term or section or schedule reference in such New Credit Agreement without the necessity of entering into a written amendment to this Agreement or any applicable Trust Security Document; provided that, at the request of the Borrower, the Collateral Trustee and the Borrower shall enter into any amendment, supplement or modification to this Agreement or any applicable Trust Security Document, reasonably requested by the Borrower to give effect to the foregoing.

(d) The Collateral Trustee and each Second Priority Secured Party, severally and for itself alone, hereby agrees that any Credit Agreement Document and any other Secured Instrument with respect to First Priority Secured Obligations may be amended, supplemented, waived, or modified in accordance with the applicable terms thereof at any time and from time to time without the consent or approval of, or (except as otherwise provided in Section 4.1 with respect to the Collateral Trustee) notice to, the Collateral Trustee or any Second Priority Secured Party; and, the Collateral Trustee and each First Priority Secured Party, severally and for itself alone, hereby agrees that any Secured Instrument with respect to Second Priority Secured Obligations may be amended, supplemented, waived or modified in accordance with the applicable terms thereof at any time and from time to time without the consent or approval of, or (except as otherwise provided in Section 4.1 with respect to the Collateral Trustee) notice to, the Collateral Trustee or any First Priority Secured Party; provided that this Agreement and the Trust Security Documents may only be amended or modified in compliance with the terms of this Section 6.3.

(e) Subject to the foregoing provisions of this Section 6.3, any Trust Security Document may be amended, supplemented, waived or modified in accordance with the applicable terms of such Trust Security Document and any amendment, supplement, waiver or modification effected in accordance with such terms shall be effective for purposes of such Trust Security Agreement, this Agreement, and the transactions contemplated hereby and thereby.

6.4 Holders of Secured Non-Loan Exposure. The benefit of the Trust Security Documents and of the provisions of this Agreement relating to the Collateral shall extend to and be available in respect of any Secured Obligation arising under any Secured Non-Loan Exposure or that is otherwise owed to Persons other than the holders of Credit Agreement Obligations and Additional Debt Obligations (collectively, the "Related Obligations") solely on the condition and understanding, as among the Collateral Trustee and the Holder Representatives and all Secured Parties, that (i) the Related Obligations shall be entitled to the benefit of the Trust Security Documents and the Collateral to the extent expressly set forth in this Agreement and the other Trust Security Documents and to such extent the Collateral Trustee shall hold, and have the right and power to act with respect to, the Related Obligations and the Collateral on behalf of and as agent for the holders of the Related Obligations, but the Collateral Trustee shall have no fiduciary duty, duty of loyalty, duty of care, duty of disclosure or other obligation whatsoever to any holder of Related Obligations, (ii) all matters, acts and omissions relating in any manner to the Trust Security Documents, the Collateral, or the omission, creation, perfection, priority, abandonment or release of any Lien, shall be governed solely by the provisions of this Agreement and the Trust Security Documents and no separate Lien, right, power or remedy shall arise or exist in favor of any Secured Party under any separate instrument or agreement or in respect of any Related Obligation, (iii) each Secured Party shall be bound by all actions taken or omitted, in accordance with the provisions of this Agreement and the other Trust Security Documents, by the Collateral Trustee (at the direction of the relevant Secured Parties or Holder Representatives), which shall be entitled to act in accordance with the terms of this Agreement without any duty or liability to any other Secured Party or as to any Related Obligation and without regard to whether any Related Obligation remains outstanding or is deprived of the benefit of the Collateral or becomes unsecured or is otherwise affected or put in jeopardy thereby, and (iv) no holder of Related Obligations and no other Secured Party (except the Holder Representatives to the extent set forth in this Agreement) shall have any right to be notified of, or to direct, require or be heard with respect to, any action taken or omitted in respect of the Collateral or under this Agreement or the Trust Security Documents.

6.5 Headings. The table of contents and the headings of Sections have been included herein and in the Trust Security Documents for convenience only and should not be considered in interpreting this Agreement or the Trust Security Documents.

6.6 Severability. 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.

6.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns and shall also inure to the benefit of each of the Secured Parties (other than the Collateral Trustee) and their respective successors and assigns, and nothing herein is intended or shall be construed to give any other Person any right, remedy or claim under, to or in respect of this Agreement or any Collateral; provided, however, that (i) each Secured Party, by its acceptance of the benefit of any Collateral, hereby agrees that it and its respective successors and permitted assigns are bound by the terms of this Agreement to the same extent as if a party thereto, and (ii) no Secured Party (other than the Collateral Trustee) may exercise any right or remedy hereunder, all of which rights and remedies are exercisable solely by the Collateral Trustee for the benefit of the Secured Parties.

6.8 Currency Conversions. In calculating the amount of Secured Obligations or Collateral proceeds for any purpose hereunder, including, without limitation, voting or distribution purposes, the amount of any Secured Obligation which is denominated in a currency other than Dollars shall be converted by the Collateral Trustee into Dollars (i) pursuant to the terms of the applicable Secured Instrument related to such Secured Obligations or (ii) if provisions related to currency conversion are not included in the applicable Secured Instrument, at the spot rate for purchasing Dollars with such currency as set forth in The Wall Street Journal on the Business Day prior to the date on which such calculation is to be made.

6.9 Acknowledgements. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the Credit Agreement Documents to which it is a party and Additional Debt Documents to which it is or is to be a party;

(b) neither the Collateral Trustee nor any other Secured Party has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the Credit Agreement Documents and Additional Debt Documents, and the relationship between the Grantors, on the one hand, and the Collateral Trustee and the other Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the Credit Agreement Documents or Additional Debt Documents or otherwise exists by virtue of the transactions contemplated hereby among the Secured Parties or among the Grantors and the Secured Parties.

6.10 Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

6.11 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

6.12 Termination and Release. (a) Upon either (A) receipt by the Collateral Trustee from each Holder Representative of (x) written directions to cause the Liens created by Section 4.6 and by the Trust Security Documents to be released and discharged or (y) written notices from the Credit Agreement Administrative Agent and from each other Holder Representative, stating that the conditions for release in connection with the termination of the Credit Agreement Documents or the Additional Debt Documents, as the case may be, have been satisfied, or (B) receipt by the Collateral Trustee of (x) a written request of the Borrower following the occurrence of the Collateral Release Date to cause the Liens created by Section 4.6 and by the Trust Security Documents to be released and discharged, and (y) a written notice from the Credit Agreement Administrative Agent (or, at any time after the Credit Agreement Payoff, a written notice to such effect from the Controlling Party), the Liens created by Section 4.6 and by the Trust Security Documents shall automatically terminate forthwith and all right, title and interest of the Collateral Trustee in and to the Collateral shall automatically revert to the Grantors, their successors and assigns.

(b) Upon the termination of the Collateral Trustee's security interest and the release of the Collateral in accordance with Section 6.12(a), the Collateral Trustee will promptly upon the Borrower's request, but in no case later than five (5) Business Days following the later of such request or the effective date of such release, at the Borrower's expense, (i) execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence the termination of such security interest or the release of the Collateral and (ii) deliver or cause to be delivered to the Grantors all property of the Grantors then held by the Collateral Trustee or any agent thereof.

(c) Upon the sale of all the Capital Stock of a Grantor to any Person (other than another Grantor) in a transaction permitted (or not prohibited, as the case may be) by the Credit Agreement Documents and the Additional Debt Documents), or if any Grantor ceases to be a Grantor for any reason permitted or not prohibited, as the case may be, by the Credit Agreement Documents and the Additional Debt Documents, and as long as no Notice of Acceleration is then in effect: (i) such Grantor which is included in such sale or which ceases to be a Grantor and each Subsidiary of such Grantor (such Grantor and each such Subsidiary, being referred to herein as "Included Grantors") shall automatically cease to be a Grantor hereunder or a party hereto or to any Trust Security Document and shall be released automatically from its obligations pursuant hereto and thereto, (ii) the Liens and security interests created by Section 4.6 hereof and the Trust Security Documents entered into by such Included Grantors in all right, title and interest of such Included Grantors in the Collateral, and the Liens and security interests created by Section 4.6 hereof and the Trust Security Documents in the Capital Stock of such Grantor, shall terminate automatically, in each case only with respect to such Included Grantors and such Capital Stock, (iii) all right, title and interest of the Collateral Trustees in and to the Collateral subject to such security interests shall revert automatically to such Included Grantors, their successors and assigns and (iv) any obligations of such Included Grantors shall, unless otherwise expressly notified by the Borrower to the Collateral Trustee and the Controlling Party in writing, automatically cease to be Secured Obligations. Upon any such termination and receipt by the Collateral Agent of a certificate from the Borrower or the relevant Grantor stating that such sale is to a Person other than another Grantor in a transaction permitted or not prohibited, as the case may be, by the Credit Agreement Documents and the Additional Debt Documents or that each relevant Included Grantor has ceased to be a Grantor for a reason

permitted or not prohibited, as the case may be, by the Credit Agreement Documents and the Additional Debt Documents, the Collateral Trustee will promptly, at the Borrower's request and expense, (x) execute and deliver to such Included Grantors (and the Grantor that pledged such Capital Stock under the Trust Security Documents) such documents as the Borrower shall reasonably request to evidence the termination of such security interest or the release of such Collateral, (y) deliver or cause to be delivered to such Included Grantors all property of such Included Grantors then held by the Collateral Trustee or any agent thereof and (z) deliver such Capital Stock to the Grantor that pledged such Capital Stock under the Trust Security Documents.

(d) Upon the sale or other disposition (including the granting of a consensual Lien that is permitted or not prohibited, as the case may be, by the Credit Agreement Documents and the Additional Debt Documents) of all or any portion of the Collateral to any Person (other than another Grantor) in a transaction permitted (or not prohibited, as the case may be) by the Credit Agreement Documents and the Additional Debt Documents (including pursuant to any consent to such sale and /or release of the Lien and security interest in such Collateral pursuant to the terms thereof), and as long as no Notice of Acceleration is then in effect, the Liens and security interests created by Section 4.6 hereof and the Trust Security Documents in such Collateral shall automatically terminate and such Collateral shall be automatically released from the Lien created by Section 4.6 hereof and the Trust Security Documents. Upon any such release and receipt by the Collateral Trustee of a certificate from the Borrower or the relevant Grantor stating that such sale or other disposition (including the granting of a consensual Lien) is permitted or not prohibited, as the case may be, by (or the relevant consent has been received under) the Credit Agreement Documents and the Additional Debt Documents, the Collateral Trustee will within two (2) Business Days after the Borrower's request therefor (which request may be made prior to the consummation of such sale or other disposition) and at Borrower's expense, execute and deliver such documents as the Borrower shall reasonably request to evidence the termination of such security interest and the release of such Collateral, effective upon consummation of such sale or other disposition.

(e) Upon (i) receipt by the Collateral Trustee of written notice from the Majority Secured Parties and, prior to the Credit Agreement Payoff, the Credit Agreement Administrative Agent directing the Collateral Trustee to cause the Liens on a portion of the Collateral identified in such notice to be released and discharged and (ii) a certificate of the Borrower confirming that the Collateral identified in such notice in clause (i) above does not constitute all or substantially all of the Collateral, the Liens and security interests created by Section 4.6 hereof and the Trust Security Documents in such Collateral shall automatically terminate forthwith and all right, title and interest of the Collateral Trustee in and to such Collateral shall automatically revert to the Grantors, their successors and assigns.

(f) This Agreement shall terminate when the security interest granted under the Trust Security Documents has terminated and the Collateral has been released as provided in Section 6.12(a); provided that the provisions of Sections 4.3, 4.4 and 4.5 shall not be affected by any such termination.

(g) In addition, so long as no Notice of Acceleration has then been delivered to the Collateral Trustee, is then effective, and then remains in effect, all security interests, mortgages, or other Liens granted by a Grantor in or on all company cars and receivables (and all

other Collateral evidencing, recurring or relating to such company cars or receivables, including Supporting Obligations, and Letter-of-Credit Rights, in each case as such terms are defined in the Uniform Commercial Code as from time to time in effect in the State of New York) of a Grantor which are contemplated for use in one or more securitization transactions or as collateral security for one or more financing transactions or letter of credit transactions not prohibited by the Secured Instruments, shall be released upon the request of the Borrower; provided that in the case of any financing transactions that are not structured as securitizations having customary bankruptcy remote limited recourse provisions, the security interests in such released collateral shall be subject to an intercreditor agreement between the financing party or parties (or a trustee or an agent therefor) and the Collateral Trustee that is reasonably satisfactory to the Credit Agreement Administrative Agent; and provided, further, that letter of credit transactions shall not be deemed to be financing transactions for purposes of the foregoing proviso.

(h) In addition to and without limiting the other provisions of this Section 6.12 and notwithstanding anything to the contrary contained herein or in any Trust Security Document, the Collateral Trustee is hereby irrevocably authorized by each Secured Party (without requirement of notice to any Secured Party) to take, and the Collateral Trustee hereby agrees to take promptly, any action requested by the Borrower having the effect of releasing, or evidencing the release of, (x) any property or assets of a Grantor from the Liens and security interests created by Section 4.6 and by the Trust Security Documents to the extent that such property or assets were not intended to be or ceases to be Collateral pursuant to the terms of the relevant Trust Security Document, (y) any Collateral from the Liens and security interests created by Section 4.6 and by the Trust Security Documents, and/or (z) any Grantor from its obligations under this Agreement and each Trust Security Document to which it is a party (and, upon such release, such Grantor shall no longer be considered a Grantor for purposes of this Agreement or such Trust Security Documents), in either case to the extent necessary to permit the consummation of any transaction permitted (or not prohibited, as the case may be) by the Credit Agreement Documents and the Additional Debt Documents or that has been consented to in accordance with Credit Agreement Documents and the Additional Debt Documents.

6.13 New Grantors. During the term of this Agreement, one or more additional Subsidiaries or other Persons may become a party to this Agreement by executing a joinder agreement, substantially in the form of Exhibit B, whereupon such Subsidiary or other Person shall become a Grantor for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Agreement.

6.14 Inspection by Regulatory Agencies. The Collateral Trustee shall make available, and shall cause each custodian and agent acting on its behalf in connection with this Agreement to make available, all Collateral in such Person's possession at all times for inspection by any regulatory agency having jurisdiction over any Grantor to the extent required by such regulatory agency in its discretion, subject at all times to compliance with any confidentiality obligations of this Agreement.

6.15 Confidentiality. The Collateral Trustee agrees to keep confidential all non-public information (a) obtained by it or provided to it by or on behalf of the Parent or any of its Subsidiaries or the Borrower or any of its Subsidiaries pursuant to or in connection with this Agreement, any Trust Security Document or any Secured Instrument, or (b) obtained by the Collateral Trustee based on a review of the books and records of the Parent or any of its

Subsidiaries or the Borrower or any of its Subsidiaries; provided, that nothing herein shall prevent the Collateral Trustee from disclosing any such information (i) to the Credit Agreement Administrative Agent, any Credit Agreement Lender, any Credit Agreement Issuing Lender or any other Holder Representative (it being acknowledged and agreed that such information would be subject to the confidentiality provisions of this Section 6.15), (ii) to its employees, directors, agents, attorneys, accountants and other professional advisors, in each case, who are subject to or bound by an agreement to comply with the provisions of this Section 6.15 (or other provisions at least as restrictive as this Section 6.15), (iii) upon the request or demand of any Governmental Authority having jurisdiction over the Collateral Trustee or if required by any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, after notice to the Borrower if reasonably feasible, (iv) if requested or required to do so in connection with any litigation or similar proceeding to which the Collateral Trustee is a party, after notice to the Borrower if reasonably feasible, (v) that has been publicly disclosed other than in breach of this Agreement, or (vi) to the extent reasonably necessary, in connection with the exercise of any remedy hereunder or under any Trust Security Document.

6.16 Submission to Jurisdiction; Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Trust Security Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the State of New York located in the Borough of Manhattan, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) to the extent permitted by applicable law, consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; and

(c) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

6.17 **WAIVERS OF JURY TRIAL**. THE COLLATERAL TRUSTEE AND EACH OF THE GRANTORS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER TRUST SECURITY DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

SECTION 7.

DESIGNATION OF ADDITIONAL SECURED OBLIGATIONS

7.1 Designations of Secured Obligations. The Borrower may at any time and from time to time designate additional obligations (whether outstanding on the date of such designation or on a prospective “when issued basis”) as obligations that are secured by the

Collateral pursuant to this Agreement in accordance with this Section 7 (it being understood that if such notice is prospective such designation is contingent upon the issuance or incurrence of the related obligations). The Borrower shall furnish each Notice of Designation to each Holder Representative promptly after delivering the same to the Collateral Trustee; provided that failure to deliver such notice shall not affect the validity of any such designation. If each Holder Representative receives such notice and none of such Persons notifies the Borrower within five (5) Business Days following the receipt thereof that it disagrees with the certification described in clause (v) of Section 7.2 or clause (iv) of Section 7.3, as applicable, then the designation of such additional obligations as Secured Obligations shall be binding among all holders of Secured Obligations for purposes of this Agreement and each Trust Security Document; provided, however that nothing in this sentence shall (i) constitute a waiver of any right or remedy of any Holder Representative or other holder of Credit Agreement Obligations or Additional Debt Obligations may have under any Secured Instrument with respect to the incurrence or designation of such obligations or (ii) prevent the designation of such additional obligations as Secured Obligations pursuant to Section 7.2 or 7.3, as applicable.

7.2 Designation of Additional Debt. Upon receipt by the Collateral Trustee of a written certification from a Responsible Officer of the Borrower, substantially in the form of Exhibit C (each a "Notice of Designation of Additional Debt") (i) identifying the obligations it is designating as "Additional Debt" under this Agreement, (ii) identifying the Additional Debt Representative with respect thereto (and providing its address for notices), (iii) designating whether the Additional Debt will be classified as First Priority Additional Debt or Second Priority Additional Debt, (iv) stating that any First Priority Additional Debt, at any time prior to the Credit Agreement Payoff, is permitted, or is not prohibited, as the case may be, by the Credit Agreement and (v) stating that the designation of such Indebtedness or financial accommodation as Additional Debt hereunder is permitted, or is not prohibited, as the case may be, by any then-existing Credit Agreement Document or any then-existing Additional Debt Document, such Indebtedness or other financial accommodation will become "Additional Debt" hereunder.

7.3 Designation of Secured Non-Loan Exposure. Upon receipt by the Collateral Trustee of a written certification from a Responsible Officer of the Borrower, substantially in the form of Exhibit D (each a "Notice of Designation of Secured Non-Loan Exposure"; together with a Notice of Designation of Additional Debt, each a "Notice of Designation") (i) identifying the obligations and/or agreement(s) it is designating as "Designated Cash Management Obligations", "Designated Hedging Obligations" or other "Secured Non-Loan Exposure" under this Agreement (which agreements and obligations may be identified specifically or generically by category or type), (ii) designating whether all or a portion of such Secured Non-Loan Exposure will be classified as Permitted First Lien Non-Loan Exposure, (iii) if designated as Permitted First Lien Non-Loan Exposure, specifying the maximum aggregate amount of the obligations in respect thereof that are so designated (it being understood that any amounts in excess of the amount specified shall be Other Secured Non-Loan Exposure) and (iv) stating that the designation thereof is permitted, or not prohibited, as the case may be, by any then-existing Credit Agreement Document or any then-existing Additional Debt Document, such obligations will become Designated Cash Management Obligations or Designated Hedging Obligations or other Secured Non-Loan Exposure, as the case may be, and Other Secured Non-Loan Exposure hereunder or, to the extent specified in such notice, Permitted First Lien Non-Loan Exposure.

7.4 Termination of Designation. Once designated as secured pursuant to this Section 7, the relevant Secured Obligations shall remain secured pursuant to this Agreement until the first to occur of (i) the termination of this Agreement in accordance with Section 6.12, (ii) the payment in full of such Secured Obligations, (iii) the date on which such Secured Obligations automatically cease to be Secured Obligations pursuant to Section 6.12(c) hereof and (iv) the delivery to the Collateral Trustee of the written consent of the relevant Holder Representative or Secured Party to the release of the security interest in the Collateral securing such Secured Obligations.

SECTION 8.

INTERCREDITOR PROVISIONS RELATING TO SECOND PRIORITY OBLIGATIONS

8.1 Second Priority Additional Debt. To the extent that the Borrower or any other Grantor shall incur any Second Priority Additional Debt, each Additional Debt Representative for, and each Second Priority Secured Party with respect to, such Second Priority Additional Debt shall be bound by the following terms and conditions:

(a) Any and all Liens on all or any of the Collateral which are created or which arise in favor of any such Second Priority Secured Party securing the Second Priority Secured Obligations with respect to the Second Priority Additional Debt, 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 now existing or hereafter created or arising in favor of the First Priority Secured Parties securing the First Priority Secured Obligations, notwithstanding (i) anything to the contrary contained in any agreement or filing to which any such Second Priority 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 First Priority Secured Obligations or the Second Priority Secured Obligations or any other circumstance whatsoever and (iii) the fact that any such Liens in favor of any First Priority Secured Party securing any of the First Priority Secured Obligations are (x) subordinated to any Lien securing any obligation of any Grantor other than the Second Priority Secured Obligations or (y) otherwise subordinated, voided, avoided, invalidated or lapsed; provided, that, for the avoidance of doubt, it is expressly understood and agreed that, if and to the extent permitted, or not prohibited, by the terms of each then existing Secured Instrument, any Grantor may, at any time and from time to time, grant one or more Liens in favor of any Second Priority Secured Party (or to any trustee or agent therefor) on any or all of its assets or property not constituting Collateral under this Agreement, and the provisions of this Section 8 shall not apply thereto;

(b) No such Second Priority Secured Party shall object to or contest, or support any other Person in contesting or objecting to, in any proceeding (including without limitation, any Insolvency Proceeding), the validity, extent, perfection, priority or enforceability of any Lien on the Collateral granted to any First Priority Secured Party. Notwithstanding any failure by any First Priority Secured Party to perfect its Liens on the Collateral or any avoidance,

invalidation or subordination by any third party or court of competent jurisdiction of the security interests in the Collateral granted to the First Priority Secured Parties, the priority and rights as between the First Priority Secured Parties and the Second Priority Secured Parties with respect to the Collateral shall be as set forth herein;

(c) No such Second Priority Secured Party shall, prior to the payment in full of the First Priority Secured Obligations, assert, demand, request, plead or otherwise claim the benefit of, any marshalling, appraisal, valuation and any other right that may otherwise be available under any applicable Requirement of Law with respect to any Collateral to a creditor in its capacity as beneficiary of a junior Lien on such Collateral;

(d) No such Second Priority 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 in respect of any of the Collateral, including, without limitation, with respect to the determination of any Liens or claims held by any First Priority Secured Party or the value of any claims of such parties under Section 506(a) of the Bankruptcy Code or otherwise; provided that any such Second Priority Secured Party may file a proof of claim in an Insolvency Proceeding, subject to the limitations contained in this Agreement and only if consistent with the terms and the limitations on such Second Priority Secured Party imposed hereby;

(e) If any Grantor becomes subject to any Insolvency Proceeding, and if the Required Secured Parties desire to consent (or not object) to the use of cash collateral under the Bankruptcy Code or to provide any DIP Financing to any Grantor or to consent (or not object) to the provision of any DIP Financing to any Grantor, whether or not proceeds of any such DIP Financing are being used to refinance all or any portion of the Credit Agreement Obligations or any First Priority Additional Debt Obligations, then each such Second Priority Secured Party (a) will be deemed to have consented to, and will raise no objection to, nor support any other Person objecting to, the use of such cash collateral or such DIP Financing, (b) will not request or accept adequate protection or any other relief in connection with the use of such cash collateral or such DIP Financing except as set forth in Section 8.1(g) below, (c) will subordinate (and will be deemed hereunder to have subordinated) its Second Priority Secured Obligations (i) to such DIP Financing on the same terms as the First Priority Secured Obligations are subordinated thereto (and such subordination will not alter in any manner the terms of this Agreement) or, to the extent the proceeds of such DIP Financing refinance all or any portion of the First Priority Secured Obligations, on the same terms as the Second Priority Secured Obligations are subordinated to the First Priority Secured Obligations pursuant to this Agreement, (ii) to any adequate protection provided to the First Priority Secured Parties and (iii) to any "carve-out" agreed to by the Required Secured Parties, and (d) agrees that notice received two calendar days prior to the entry of an order approving such usage of cash collateral or approving such financing shall be adequate notice;

(f) No such Second Priority Secured Party will seek relief from the automatic stay as provided in Section 362 of the Bankruptcy Code or any similar provision of any applicable Bankruptcy Law, or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any Collateral, without the prior written consent of the Required Secured Parties, except (i) to the extent that the Required Secured Parties and/or the First Priority Secured Parties seek or obtain relief from or modification of such stay and only to the extent of such relief or modification or (ii) if a motion for adequate protection permitted under Section 8.1(g) is denied;

(g) No such Second Priority Secured Party shall object, contest, or support any other Person objecting to or contesting, (a) any request by any First Priority Secured Party for adequate protection or any adequate protection provided to any First Priority Secured Party or (b) any objection by any First Priority Secured Party to any motion, relief, action or proceeding based on a claim of a lack of adequate protection or (c) the payment of interest, fees, expenses or other amounts to any First Priority Secured Party under Section 506(b) or 506(c) of the Bankruptcy Code or otherwise. Notwithstanding anything contained in this Section (but subject to all other provisions of this Agreement), in any Insolvency Proceeding, (i) if the First Priority Secured Parties (or any subset thereof) are granted adequate protection consisting of additional collateral (with replacement Liens on such additional collateral) and superpriority claims in connection with any DIP Financing or use of cash collateral, and such First Priority Secured Parties do not object to the adequate protection being provided to them, then in connection with any such DIP Financing or use of cash collateral such Second Priority Secured Parties may seek or accept adequate protection consisting solely of a replacement Lien on the same additional collateral, subordinated to the Liens securing the First Priority Secured Obligations and such DIP Financing on the same basis as the other Liens on the Collateral securing the Second Priority Secured Obligations are so subordinated to the First Priority Secured Obligations under this Agreement and superpriority claims junior in all respects to the superpriority claims granted to the First Priority Secured Parties; and (ii) in the event any such Second Priority Secured Party seeks or accepts adequate protection in accordance with clause (i) above and such adequate protection is granted in the form of additional collateral, then such Second Priority Secured Party agrees that the First Priority Secured Parties shall also be granted a senior Lien on such additional collateral as security for the First Priority Secured Obligations and any such DIP Financing and that any Lien on such additional collateral securing the Second Priority Secured Obligations shall be subordinated to the Liens on such collateral securing the First Priority Secured Obligations and any such DIP Financing (and all obligations relating thereto) and any other Liens granted to the First Priority Secured Parties as adequate protection, with such subordination to be on the same terms that the other Liens securing the Second Priority Secured Obligations are subordinated to the Liens securing such First Priority Secured Obligations under this Agreement. The Second Priority Secured Parties agree that except as expressly set forth in this Section none of them shall seek or accept adequate protection without the prior written consent of the Required Secured Parties;

(h) If any First Priority Secured Party is required in any Insolvency Proceeding or otherwise to disgorge, turn over or otherwise pay to the estate of any Grantor any amount that constituted the Proceeds of Collateral, 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 such amount (a "Recovery"), solely to the extent such amount constituted the Proceeds of Collateral, then the First Priority Secured Obligations shall be reinstated to the extent of such Recovery and deemed to be outstanding as if such payment had not occurred and the payment in full of the First Priority Secured Obligations shall be deemed not to have occurred. If this Agreement shall have been terminated prior to such 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

Second Priority 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;

(i) No such Second Priority Secured Party shall, in an Insolvency Proceeding or otherwise, oppose any sale or disposition of any assets of any Grantor that constitute Collateral and that is supported by the Required Secured Parties, and each such Second Priority Secured Party will be deemed to have consented under Section 363 of the Bankruptcy Code (and otherwise) to any sale supported by the Required Secured Parties and to have released its Liens on such assets; provided that the net proceeds of such sale shall have been applied to the Secured Obligations in accordance with Section 3.4; provided further that each Second Priority Secured Party may credit bid on such Collateral in any such disposition in accordance with Section 363 of the Bankruptcy Code, so long as such credit bid contemplates the payment in full of the First Priority Secured Obligations;

(j) Each such Second Priority Secured Party acknowledges and agrees that because of, among other things, their differing rights in the Collateral, the Second Priority Secured Obligations are fundamentally different from the First Priority Secured Obligations and must be separately classified in any plan of reorganization proposed or adopted in an Insolvency Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of the First Priority Secured Parties and the Second Priority Secured Parties in respect of the Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then the Second Priority Secured Parties hereby acknowledge and agree that all distributions shall be made as if there were separate classes of senior and junior secured claims against the Grantors in respect of the Collateral (with the effect being that, to the extent that the aggregate value of the Collateral is sufficient (for this purpose ignoring all claims held by the Second Priority Secured Parties), the First Priority Secured Parties shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of Post-Petition Interest before any distribution is made in respect of the claims held by the Second Priority Secured Parties, with the Second Priority Secured Parties hereby acknowledging and agreeing to turn over to the First Priority Secured Parties amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Priority Secured Parties;

(k) To the extent that a Second Priority Secured Party has not voted its claim with respect to the Second Priority Secured Obligations in any Insolvency Proceeding on any proposed plan of reorganization prior to the date which is 10 days before the expiration of the time to vote such claim, the Collateral Trustee may vote such claim on behalf of such Second Priority Secured Party at the direction of the Controlling Party;

(l) No such Second Priority Secured Party shall oppose or seek to challenge any claim by any First Priority Secured Party for allowance in any Insolvency Proceeding of Post-Petition Interest, fees or expenses in respect of any First Priority Secured Obligation. No First Priority Secured Party shall oppose or seek to challenge any claim by any Second Priority

Secured Party for the allowance and accrual (but not payment, unless such payment is permitted under Section 8.1(g)) in any Insolvency Proceeding of Post-Petition Interest, fees or expenses in respect of any Second Priority Secured Obligation;

(m) Nothing contained herein shall prohibit or in any way limit any First Priority Secured Party from objecting in any Insolvency Proceeding or otherwise to any action taken by any Second Priority Secured Party, including the seeking by any Second Priority Secured Party of adequate protection (except as provided in Section 8.1(g) and except for actions consistent with this Agreement) or the asserting by any Second Priority Secured Party of any of its rights and remedies under any Additional Debt Document in respect of the Collateral;

(n) 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;

(o) If, prior to the payment in full of the First Priority Secured Obligations, any such Second Priority Secured Party receives any Post-Petition Securities on account of any Second Priority Secured Obligations in any Insolvency Proceeding and such Post-Petition Securities are secured by any Lien upon any property of any reorganized debtor which is also subject to Liens securing Post-Petition Securities received on account of any First Priority Secured Obligations in such Insolvency Proceedings, such Liens shall be junior and subordinate to the Liens securing Post-Petition Securities received on account of the First Priority Secured Obligations to the same extent as all other Liens securing Second Priority Secured Obligations hereunder and shall be subject to the terms of this Agreement;

(p) Each such Second Priority Secured Party may exercise rights and remedies as unsecured creditors in accordance with the terms of the Secured Instruments with respect to its Second Priority Secured Obligations and applicable law so long as such rights and remedies do not violate any express provision of this Agreement;

(q) Except to the extent provided in the proviso to Section 8.1(a) hereof, each such Second Priority Secured Party agrees that it will not enter into, or accept the benefit of, any security agreement or mortgage covering the Collateral or any portion thereof to secure the Second Priority Secured Obligations and will not file any financing statements with respect to the Collateral and its Second Priority Additional Debt, it being understood that this Agreement and the Trust Security Documents (together with the filings contemplated thereby) are the only such security documents permitted to secure the Second Priority Additional Debt insofar as the foregoing pertains to the Collateral;

(r) Until the First Priority Secured Obligations have been paid in full, any Collateral, including without limitation any such Collateral constituting Proceeds, that may be received by any Second Priority Secured Party in violation of this Agreement shall be segregated and held in trust and promptly paid over to the Collateral Trustee, for the benefit of the First Priority Secured Parties (or, if no Notice of Acceleration is effective or remains in effect, for the benefit of the Grantors), in the same form as received, with any necessary endorsements, and each Second Priority Secured Party hereby authorizes the Collateral Trustee to make any such endorsements as agent for any Holder Representative (or, if no Notice of Acceleration has been received by the Collateral Trustee, is effective, and remains in effect, for the Grantors) in respect of any Second Priority Secured Obligations (which authorization, being coupled with an interest, is irrevocable); and

(s) Notwithstanding any other provision of this Agreement (including, without limitation, this Section 8.1), the rights and remedies of each Secured Party with respect to any property or assets that do not constitute Collateral or under any agreement, document or other instrument evidencing, creating or governing any Lien thereon, shall not be impaired, altered or affected by this Agreement

8.2 First Priority Obligations Unconditional. All rights and interests of the First Priority Secured Parties hereunder, and all agreements and obligations of the Second Priority Secured Parties (and, to the extent applicable, the Grantors) hereunder, shall remain in full force and effect irrespective of:

(i) any lack of validity or enforceability of any Credit Agreement Document or any Additional Debt Document in respect of First Priority Additional Debt;

(ii) any change in the time, place or manner of payment of, or in any other term of, all or any portion of the First Priority Secured Obligations, or any amendment, waiver or other modification, whether by course of conduct or otherwise, or any refinancing, replacement, refunding or restatement of any Credit Agreement Document or any Additional Debt Document in respect of First Priority Additional Debt;

(iii) prior to the payment in full of the First Priority Secured Obligations, any exchange, release, voiding, avoidance or non-perfection of any Lien in any Collateral or any other collateral, or any release, amendment, waiver or other modification, whether by course of conduct or otherwise, or any Refinancing of all or any portion of the First Priority Secured Obligations or any guarantee or guaranty thereof; or

(iv) any other circumstances that otherwise might constitute a defense available to, or a discharge of, any Grantor in respect of the First Priority Secured Obligations or any Second Priority Secured Party in respect of this Agreement.

8.3 Information Concerning Financial Condition of the Grantors. Each Secured Party hereby assumes responsibility for keeping itself informed of the financial condition of the Borrower and each of the other Grantors and all other circumstances bearing upon the risk of nonpayment of the First Priority Secured Obligations or the Second Priority 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 (a) to provide any such information to such other Secured Party or any other party on any subsequent occasion, (b) to undertake any investigation not a part of its regular business routine, or (c) to disclose any other information

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first written above.

GENERAL MOTORS HOLDINGS LLC

By: _____
Name:
Title:

Address for Notices: (for all Grantors):

General Motors Holdings LLC
New York Treasury Office
767 Fifth Avenue, 14th floor
New York, NY 10153
Attention: Treasurer
Telecopy: 212-418-3695

with a copy to:

General Motors Company
New York Treasury Office
767 Fifth Avenue, 14th floor
New York, NY 10153
Attention: Director, Global Funding and Cash Management
Telecopy: 212-418-6419
Email: debtcompliance@gm.com

with an additional copy to:

General Motors Company
Legal Staff
Mail Code 482-C23-D24
300 Renaissance Center
P.O. Box 300
Detroit, MI 48265-3000
Attention: Kimberly K. Hudolin, Practice Area Manager, Transactions
Telecopy: 248-267-4318
Email: kimberly.k.hudolin@gm.com

with an additional copy to:

Jenner & Block LLP
353 North Clark Street
Chicago, IL 60654
Attention: Peter M. Gaines
Telecopy: 312-923-3673
Email: pgaines@jenner.com

[ ], as a Subsidiary Grantor

By: _____

Name: _____

Title: _____

WILMINGTON TRUST COMPANY,
as Collateral Trustee

By: _____
Name:
Title:

Address for Notices:

Wilmington Trust Company
1100 North Market Street
Rodney Square North
Wilmington, DE 19890
Attention: James A. Hanley, CCTS
Vice President
Telecopy: 302 636 4145
Email: Jhanley@wilmingtontrust.com

ANNEX I

Trust Security Documents

1. Security Agreement, dated as of October 27, 2010, made by General Motors Holdings LLC and certain of its Subsidiaries, in favor of Wilmington Trust Company, as Collateral Trustee.
2. Mortgages listed on Schedule 1.1 E hereto.
3. Trademark Security Agreement, dated as of October 27, 2010, made by General Motors LLC and OnStar, LLC in favor of Wilmington Trust Company, as Collateral Trustee.
4. Patent Security Agreement, dated as of October 27, 2010, made by General Motors LLC and GM Global Technology Operations, Inc. in favor of Wilmington Trust Company, as Collateral Trustee.
5. Securities Account Control Agreement, dated as of October 27, 2010, between, Wilmington Trust Company, in its capacity as Collateral Trustee, as Secured Party, General Motors Holdings LLC, as Pledgor, and Citibank, N.A., as Securities Intermediary.

SCHEDULE 1.1E
MORTGAGES

[TO BE PROVIDED UNDER A SEPARATE COVER]

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT A

FORM OF NOTICE OF ACCELERATION

[Date]

To: Wilmington Trust Company, as Collateral Trustee

Re: Collateral Trust Agreement, dated as of October 27, 2010 (the "Collateral Trust Agreement"), among General Motors Holdings LLC (the "Borrower"), the other grantors party thereto as grantors (together with the Borrower, collectively, the "Grantors"), and Wilmington Trust Company, as collateral trustee (in such capacity, the "Collateral Trustee").

[The [Credit Agreement Obligations] [Additional Debt Obligations] have not been paid in full at the stated final maturity thereof and any applicable grace period has expired and/or, with respect to any such obligation consisting of an outstanding, non-cash collateralized reimbursement obligation in respect of an outstanding letter of credit or letter of guarantee, have not been terminated or cash collateralized on the date such obligation was required to have been terminated or cash collateralized.] [An Event of Default has occurred and is continuing under (and as defined in) the provisions of the Credit Agreement] [An event of default (or any comparable default) has occurred and is continuing under the provisions of the Additional Debt Documents] and any required notice of default has been given and any applicable grace period has expired and, as a result thereof, the [Credit Agreement Obligations] [Additional Debt Obligations] have become due and payable prior to the stated maturity thereof.] The Secured Obligations described in this paragraph [constitute or include][do not constitute or include] "Material Indebtedness".

Terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them in the Collateral Trust Agreement.

[CITIBANK, N.A.,
as Credit Agreement Administrative Agent]

[[Name of Additional Debt Representative], as Additional Debt Representative]

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT B

FORM OF JOINDER AGREEMENT

JOINDER AGREEMENT, dated as of _____ __, 20__, made by _____, a _____ (the "New Grantor") in favor of Wilmington Trust Company, a Delaware corporation, as Collateral Trustee under the Collateral Trust Agreement referred to below (in such capacity, the "Collateral Trustee"). All capitalized terms not defined herein shall have the meanings ascribed to them in the Collateral Trust Agreement.

WITNESSETH:

WHEREAS, General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the other persons party thereto as grantors (together with the Borrower, the "Grantors") and the Collateral Trustee have entered into the Collateral Trust Agreement, dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Collateral Trust Agreement"); and

WHEREAS, the New Grantor desires to become a party to the Collateral Trust Agreement in accordance with Section 6.13 of the Collateral Trust Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Collateral Trust Agreement. By executing and delivering this Joinder Agreement, the New Grantor hereby becomes a party to the Collateral Trust Agreement as a "Grantor" thereunder and, without limiting the foregoing, hereby expressly assumes all obligations and liabilities and has all rights of a "Grantor" thereunder.

2. GOVERNING LAW. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

[NEW GRANTOR]

By: _____
Name:
Title:

c/o General Motors Holdings LLC
New York Treasury Office
767 Fifth Avenue, 14th Floor
New York, NY 10153
Attention: Treasurer
Telecopy: 212-418-3695

with a copy to:

General Motors Company
New York Treasury Office
767 Fifth Avenue, 14th floor
New York, NY 10153
Attention: Director, Global Funding and Cash Management
Telecopy: 212-418-6419
Email: debtcompliance@gm.com

with an additional copy to:

General Motors Company
Legal Staff
Mail Code 482-C23-D24
300 Renaissance Center
P.O. Box 300
Detroit, MI 48265-3000
Attention: Kimberly K. Hudolin, Practice Area Manager, Transactions
Telecopy: 248-267-4318
Email: kimberly.k.hudolin@gm.com

with an additional copy to:

Jenner & Block LLP
353 North Clark Street
Chicago, IL 60654
Attention: Peter M. Gaines
Telecopy: 312-923-3673
Email: pgaines@jenner.com

ACCEPTED AND AGREED TO
AS OF THE DATE SET FORTH ABOVE:

WILMINGTON TRUST COMPANY, as Collateral Trustee

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT C

FORM OF NOTICE OF DESIGNATION OF ADDITIONAL DEBT

[Date]

To: Wilmington Trust Company, as Collateral Trustee

Re: Collateral Trust Agreement, dated as of October 27, 2010 (the "Collateral Trust Agreement"), among General Motors Holdings LLC (the "Borrower"), the other grantors party thereto as grantors (together with the Borrower, collectively, the "Grantors"), and Wilmington Trust Company, as collateral trustee (in such capacity, the "Collateral Trustee").

Pursuant to Section 7.2 of the Collateral Trust Agreement, the Borrower hereby designates [identify obligations] as "Additional Debt" under the Collateral Trust Agreement. Until otherwise notified by the Borrower, the Additional Debt Representative with respect to such Additional Debt shall be _____, and its address for notices shall be _____.

Until otherwise designated by the Borrower, such Additional Debt shall be classified as [First Priority/Second Priority] Additional Debt.

The designation of such obligations as provided above is permitted or is not prohibited, as the case may be, by the Credit Agreement and all Additional Debt Documents.

Terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them in the Collateral Trust Agreement.

GENERAL MOTORS HOLDINGS LLC

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT D

FORM OF DESIGNATION OF SECURED NON-LOAN EXPOSURE

[Date]

To: Wilmington Trust Company, as Collateral Trustee

Re: Collateral Trust Agreement, dated as of October 27, 2010 (the "Collateral Trust Agreement"), among General Motors Holdings LLC (the "Borrower"), the other grantors party thereto as grantors (together with the Borrower, collectively, the "Grantors"), and Wilmington Trust Company, as collateral trustee (in such capacity, the "Collateral Trustee").

Pursuant to Section 7.3 of the Collateral Trust Agreement, the Borrower hereby designates [identify agreements and/or obligations] as ["Designated Cash Management Obligations"/"Designated Hedging Obligations"/"Secured Non-Loan Exposure"] under the Collateral Trust Agreement.

Until otherwise designated by the Borrower, $_____ of the obligations in respect of such ["Designated Cash Management Obligations"/"Designated Hedging Obligations"/"Secured Non-Loan Exposure"] shall be designated as Permitted First Lien Non-Loan Exposure.

The designation of such obligations as provided above is permitted or is not prohibited, as the case may be, by the Credit Agreement and all Additional Debt Documents.

Terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them in the Collateral Trust Agreement.

GENERAL MOTORS HOLDINGS LLC

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT C
to
Credit Agreement

FORM OF

GUARANTEE AGREEMENT

made by

GENERAL MOTORS COMPANY

AND CERTAIN OTHER PERSONS FROM TIME TO TIME PARTIES HERETO, *as Guarantors*

in favor of

CITIBANK, N.A., *as Administrative Agent*

Dated as of October 27, 2010

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

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[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

GUARANTEE AGREEMENT, dated as of October 27, 2010 (this "Agreement"), made by GENERAL MOTORS COMPANY, a Delaware corporation (the "Parent"), each of the Subsidiary Guarantors (such term and certain other capitalized terms used herein being defined in Section 1.1) from time to time party hereto, and each of the Other Guarantors from time to time party hereto (together with the Parent and the Subsidiary Guarantors, collectively, the "Guarantors"), in favor of CITIBANK, N.A., as administrative agent (in such capacity, the "Administrative Agent") for the lenders (collectively, the "Lenders") from time to time party to the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the Lenders, the Administrative Agent , and Bank of America, N.A., as syndication agent.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, the Lenders have severally agreed to make extensions of credit to or for the account of the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Guarantor will derive substantial direct and indirect benefit from the making of the extensions of credit made by the Lenders to or for the account of Borrower under the Credit Agreement; and

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to or for the account of the Borrower under the Credit Agreement that the Guarantors shall have executed and delivered this Agreement to the Administrative Agent;

NOW, THEREFORE, in consideration of the premises and to induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective extensions of credit to or for the account of the Borrower under the Credit Agreement, each Guarantor hereby agrees with the Administrative Agent, for the benefit of the Guaranteed Parties, as follows:

SECTION 1. DEFINED TERMS

1.1 Definitions.

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings assigned to such terms in the Credit Agreement.

(b) The following terms shall have the following meanings:

"Administrative Agent" has the meaning assigned to such term in the preamble.

"Agreement" has the meaning assigned to such term in the preamble.

"Borrower" has the meaning assigned to such term in the preamble.

"Credit Agreement" " has the meaning assigned to such term in the preamble.

"Guaranteed Obligations" means, collectively, the unpaid principal of and interest on the Loans, Reimbursement Obligations and all other obligations and liabilities of the Borrower (including interest on such other obligations or liabilities accruing at the then applicable rate provided in the Credit Agreement after the maturity of the Loans and Reimbursement Obligations, and interest accruing interest on the Loans, Reimbursement Obligations and such other obligations and liabilities at the then applicable rate provided in the Credit Agreement after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) to the Administrative Agent, any Lender or any Issuing Lender thereunder, 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 Loan Documents to which the Borrower is a party, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including all reasonable fees and out-of-pocket disbursements of external counsel to the Administrative Agent, the Lenders or the Issuing Lenders that are required to be paid by the Borrower pursuant to the terms of any of the Loan Documents).

"Guaranteed Parties" means, collectively, the Administrative Agent, the Lenders and each other Person that holds a Guaranteed Obligation.

"Guarantors" has the meaning assigned to such term in the preamble.

"Joinder Agreement" has the meaning assigned to such term in Section 3.13.

"Lenders" has the meaning assigned to such term in the preamble.

"Other Guarantors" means each Person, other than the Parent, a Subsidiary Guarantor or the Administrative Agent, that becomes a party to this Agreement pursuant to a Joinder Agreement executed and delivered by such Person pursuant to Section 3.13.

"paid in full" or "payment in full" means with respect to the Guaranteed Obligations, the payment in full in cash of the principal of and accrued (but unpaid) interest (including post-petition interest) and premium, if any, on, all such Guaranteed Obligations and, with respect to Letters of Credit outstanding thereunder, delivery of cash collateral or backstop letters of credit in respect thereof in compliance with the Loan Documents, in each case, after or concurrently with termination of all commitments thereunder and payment in full in cash of all fees payable with respect to a Guaranteed Obligation at or prior to the time such principal and interest are paid.

"Parent" has the meaning assigned to such term in the preamble.

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 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.

(c) References to agreements defined in Section 1.1(b) shall, unless otherwise specified, be deemed to refer to such agreements as amended, supplemented, restated or otherwise modified from time to time, references to any Person shall include its successors and permitted assigns, and references to any law, treaty, statute, rule or regulation shall (unless otherwise specified) be construed as including all statutory provisions, regulatory provisions, rulings, opinions, determinations or other provisions consolidating, amending, replacing, supplementing or interpreting such law, treaty, statute, rule or regulation.

SECTION 2. GUARANTEE

2.1 Guarantee.

(a) Each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees, as primary obligor and not merely as surety, to the Administrative Agent, for the benefit of the Guaranteed Parties, the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter, of all Guaranteed Obligations.

(b) Anything herein or in any other Loan Document to the contrary notwithstanding, the maximum liability of each Subsidiary Guarantor and Other Guarantor hereunder shall in no event exceed the amount which can be guaranteed by such Subsidiary Guarantor or Other Guarantor under applicable federal and state laws relating to the insolvency of debtors (after giving effect to the right of contribution established in Section 2.2).

(c) Each Guarantor agrees that the Guaranteed Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing the guarantee contained in this Section 2 or affecting the rights and remedies of the Guaranteed Parties hereunder.

(d) The guarantee contained in this Section 2 shall remain in full force and effect until all the Guaranteed Obligations shall have been paid in full, notwithstanding that from time to time during the term of the Credit Agreement the Borrower may be free from any Guaranteed Obligations.

(e) No payment made by the Borrower, any of the Guarantors, any other guarantor or any other Person or received or collected by any Guaranteed Party from the Borrower, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Guaranteed Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Guaranteed Obligations or any payment received or collected from such Guarantor in respect of the Guaranteed Obligations), remain liable for the Guaranteed Obligations up to the maximum liability of such Guarantor hereunder until the Guaranteed Obligations are paid in full.

2.2 Right of Contribution.

Each Subsidiary Guarantor and Other Guarantor hereby agrees that to the extent that such Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder which has not paid its proportionate share of such payment. Each Subsidiary Guarantor’s or

Other Guarantor's right of contribution shall be subject to the terms and conditions of Section 2.3. The provisions of this Section 2.2 shall in no respect limit the obligations and liabilities of any Guarantor to any Guaranteed Party and each Guarantor shall remain liable to such Guaranteed Party for the full amount guaranteed by such Guarantor hereunder.

2.3 No Subrogation.

Notwithstanding any payment made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by any Guaranteed Party, no Guarantor shall be entitled to be subrogated to any of the rights of any Guaranteed Party against the Borrower or any other Guarantor or any collateral security or guarantee or right of offset held by the Collateral Trustee, the Administrative Agent or any other Guaranteed Party for the payment of the Guaranteed Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Borrower or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Guaranteed Parties by the Borrower on account of the Guaranteed Obligations are paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Guaranteed Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Guaranteed Parties, and shall, forthwith upon receipt by such Guarantor, be turned over to the Administrative Agent in the form received by such Guarantor (duly indorsed by such Guarantor to the Administrative Agent, if required), to be applied against the Guaranteed Obligations, whether matured or unmatured, in such order as such Guarantor (or, if an Event of Default shall have occurred and be continuing, the Administrative Agent) may determine.

2.4 Amendments, etc. with respect to the Guaranteed Obligations.

Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Guaranteed Obligations made by any Guaranteed Party may be rescinded by such Guaranteed Party and any of the Guaranteed Obligations continued, and the Guaranteed Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by any Guaranteed Party, and the Credit Agreement and the other Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders or all Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by any Guaranteed Party for the payment of the Guaranteed Obligations may be sold, exchanged, waived, surrendered or released. No Guaranteed Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Guaranteed Obligations or for the guarantee contained in this Section 2 or any property subject thereto.

2.5 Guarantee Absolute and Unconditional.

To the extent permitted by applicable law, each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Guaranteed Obligations and notice of or proof of

reliance by any Guaranteed Party upon the guarantee contained herein or acceptance of the guarantee contained herein; the Guaranteed Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained herein; and all dealings between the Borrower and any of the Guarantors, on the one hand, and the Guaranteed Parties, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained herein. To the extent permitted by applicable law, each Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Borrower or any of the Guarantors with respect to the Guaranteed Obligations. Each Guarantor understands and agrees that the guarantee contained herein shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of the Credit Agreement or any other Loan Document, any of the Guaranteed Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by any Guaranteed Party, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Borrower or any other Person against any Guaranteed Party, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Borrower or such Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge or defense of a surety or guarantor or any other obligor on any obligation of the Borrower for any of the Guaranteed Obligations, or of such Guarantor under the guarantee contained herein, in bankruptcy or in any other instance. Without limiting the foregoing, each Guarantor understands and agrees that this Agreement shall remain in full force and effect following the occurrence of the Collateral Release Date. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, any Guaranteed Party may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Borrower, any Guarantor or any other Person or against any collateral security or guarantee for the Guaranteed Obligations or any right of offset with respect thereto, and any failure by any Guaranteed Party to make any such demand, to pursue such other rights or remedies or to collect any payments from the Borrower, any Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Borrower, any Guarantor or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of any Guaranteed Party against any Guarantor. For the purposes hereof “demand” shall include the commencement and continuance of any legal proceedings.

2.6 Reinstatement.

The guarantee contained herein shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by any Guaranteed Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

2.7 Payments.

Each Guarantor hereby guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in Dollars at the Funding Office.

2.8 Covenant of the Parent.

The Parent hereby covenants and agrees with the Administrative Agent that the Parent shall comply with the provisions set forth in Section 7.6 of the Credit Agreement.

SECTION 3. MISCELLANEOUS

3.1 Authority of Administrative Agent.

Each Guarantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as among the Guaranteed Parties, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Guarantors the Administrative Agent shall be conclusively presumed to be acting as agent for the Lenders with full and valid authority so to act or refrain from acting, and no Guarantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority. No Guaranteed Party other than the Administrative Agent may exercise any right or remedy hereunder, it being understood that all of such rights and remedies are vested in, and are exercisable solely by, the Administrative Agent for the benefit of the Guaranteed Parties.

3.2 Amendments in Writing.

None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 10.1 of the Credit Agreement.

3.3 Notices.

All notices, requests and demands to or upon the Administrative Agent or any Guarantor hereunder shall be effected in the manner provided for in Section 10.2 of the Credit Agreement; provided, that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on the signature pages of this Agreement or on the signature page to the applicable Joinder Agreement pursuant to which such Guarantor became a party hereto (or, in each case, such other address as such Guarantor may at any time or from time to time provide for purposes of this Agreement).

3.4 No Waiver by Course of Conduct; Cumulative Remedies.

No Guaranteed Party shall by any act (except by a written instrument pursuant to Section 3.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of any Guaranteed Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by any Guaranteed Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which such Guaranteed Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

3.5 Enforcement Expenses; Indemnification.

(a) Without intending to duplicate the obligations of the Guarantors under Section 2.1, if and to the extent that the Borrower is required to pay or reimburse the Guaranteed Parties (or any of them), for various costs and expenses contemplated by Section 10.5 of the Credit Agreement, or to indemnify the Indemnitees (or any of them) for the Indemnified Liabilities, in each case as and to the extent (and in the manner) contemplated by Section 10.5 of the Credit Agreement, the Guarantors, jointly and severally, hereby agree to make such payments or reimbursements and to provide such indemnification.

(b) The agreements of the Guarantors in this Section 3.5 shall survive repayment of the Guaranteed Obligations and all other amounts payable under the Credit Agreement.

3.6 Successors and Assigns.

This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the Guaranteed Parties and their successors and assigns; provided that no Guarantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent.

3.7 Counterparts.

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

3.8 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, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

3.9 Section Headings.

The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

3.10 Integration.

This Agreement and the other Loan Documents represent the agreement of the Guarantors and the Guaranteed Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by any Guarantor or any Guaranteed Party relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents.

3.11 **GOVERNING LAW**.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

3.12 Submission To Jurisdiction; Waivers.

Each Guarantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York located in the Borough of Manhattan, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Guarantor at its address referred to in Section 3.3 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) in the case of each Subsidiary Guarantor and other Guarantor, hereby irrevocably designates the Borrower (and the Borrower hereby irrevocably accepts such designation) as its agent to receive service of process in any such action or proceeding;

(e) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(f) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

3.13 Additional Guarantors.

Each Additional Subsidiary Guarantor that is required to become a party to this Agreement pursuant to Section 6.7(a) of the Credit Agreement, and each Other Subsidiary Guarantor or other Person (whether or not a Subsidiary of the Borrower) that the Borrower desires to become a party to this Agreement pursuant to Section 6.7(b) of the Credit Agreement or otherwise, shall become a Guarantor for all purposes of this Agreement upon execution and delivery by such Subsidiary or other Person of a Joinder Agreement in the form of Annex I hereto (a "Joinder Agreement").

3.14 Releases.

(a) This Agreement and the obligations (other than those expressly stated to survive such termination) of each Guarantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, in accordance with Section 10.15 of the Credit Agreement.

(b) In addition, at the times and to the extent provided in Section 10.15 of the Credit Agreement, any Guarantor shall be released from its obligations hereunder, in accordance with the provisions of the Credit Agreement, all without delivery of any instrument or performance of any act by any party.

(c) Notwithstanding the foregoing, the Administrative Agent agrees, at the request and the expense of the Borrower, at any time and from time to time, to execute and deliver any instrument or other document and in such form as may be reasonably specified by the Borrower, in order to give effect to the release of any Guarantor pursuant to the foregoing provisions of this Section 3.14.

3.15 **WAIVER OF JURY TRIAL**.

EACH GUARANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered as of the date first above written.

GENERAL MOTORS COMPANY, as Parent

By: _____

Name: _____

Title: _____

Address for Notices (for all Guarantors):

General Motors Company
New York Treasury Office
767 Fifth Avenue, 14th Floor
New York, NY 10153
Attention: Treasurer
Telecopy: 212-418-3695
Email:

with a copy to:

General Motors Company
New York Treasury Office
767 Fifth Avenue, 14th floor
New York, NY 10153
Attention: Director, Global Funding and Cash Management
Telecopy: 212-418-6419
Email: debtcompliance@gm.com

with an additional copy to:

General Motors Company
Legal Staff
Mail Code 482-C23-D24
300 Renaissance Center
P.O. Box 300
Detroit, MI 48265-3000
Attention: Kimberly K. Hudolin, Practice Area Manager, Transactions
Telecopy: 248-267-4318
Email: kimberly.k.hudolin@gm.com

with an additional copy to:

Jenner & Block LLP
353 North Clark Street
Chicago, IL 60654
Attention: Peter M. Gaines
Telecopy: 312-923-3673
Email: pgaines@jenner.com

[ ], as a Subsidiary Guarantor

By: _____

Name: _____

Title: _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACCEPTED AND AGREED TO
AS OF THE DATE SET FORTH ABOVE:

CITIBANK, N.A., as Administrative Agent

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

Annex 1
to
Guarantee Agreement

JOINDER AGREEMENT, dated as of _____, 20__ (the "Joinder Agreement"), made by _____ (the "Additional Guarantor"), in favor of Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent") for the Lenders from time to time parties to the Credit Agreement referred to below. Unless otherwise defined herein, all capitalized terms not defined herein shall have the meanings ascribed to them in the Credit Agreement.

W I T N E S S E T H :

WHEREAS, General Motors Company, a Delaware corporation (the "Parent"), certain of its Subsidiaries (collectively, the "Subsidiary Guarantors"; and, together with the Parent and the other Persons party to the Guarantee Agreement (as defined below) as guarantors, collectively, the "Guarantors"), have entered into the Guarantee Agreement, dated as of October 27, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Guarantee Agreement"); and

WHEREAS, the Additional Guarantor desires to become a party to the Guarantee Agreement in accordance with Section 3.13 of the Guarantee Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Guarantee Agreement. By executing and delivering this Joinder Agreement, the Additional Guarantor, as provided in Section 3.13 of the Guarantee Agreement, hereby becomes a party to the Guarantee Agreement as a Guarantor thereunder with the same force and effect as if originally named therein as a Guarantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities and has all rights of a Guarantor thereunder.

2. **Governing Law. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GUARANTOR]

By: _____
Name:
Title:

Address for Notices:

c/o General Motors Company
New York Treasury Office
767 Fifth Avenue, 14th Floor
New York, NY 10153
Attention: Treasurer
Telecopy: 212-418-3695
Email:

with a copy to:

General Motors Company
New York Treasury Office
767 Fifth Avenue, 14th floor
New York, NY 10153
Attention: Director, Global Funding and Cash Management
Telecopy: 212-418-6419
Email: debtcompliance@gm.com

with an additional copy to:

General Motors Company
Legal Staff
Mail Code 482-C23-D24
300 Renaissance Center
P.O. Box 300
Detroit, MI 48265-3000
Attention: Kimberly K. Hudolin, Practice Area Manager, Transactions
Telecopy: 248-267-4318
Email: kimberly.k.hudolin@gm.com

with an additional copy to:

Jenner & Block LLP
353 North Clark Street
Chicago, IL 60654
Attention: Peter M. Gaines
Telecopy: 312-923-3673
Email: pgaines@jenner.com

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACCEPTED AND AGREED TO
AS OF THE DATE SET FORTH ABOVE:

CITIBANK, N.A., as Administrative Agent

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT D-1
to
Credit Agreement

FORM OF PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT, dated as of October 27, 2010 (this "Agreement"), is made by GENERAL MOTORS LLC, a Delaware limited liability company (together with its successors and permitted assigns, "GM LLC"), located at 300 Renaissance Center, Detroit, Michigan 48265-3000, and GM GLOBAL TECHNOLOGY OPERATIONS, INC., a Delaware corporation (together with its successors and permitted assigns, "GMGTO"; and, together with GM LLC, collectively, the "Grantors" and each, a "Grantor"), located at 300 Renaissance Center, Detroit, Michigan 48265-3000, in favor of WILMINGTON TRUST COMPANY, a Delaware corporation, located at 1110 North Market Street, Rodney Square North, Wilmington, Delaware 19890, as collateral trustee (in such capacity, together with any successor thereto in such capacity, the "Collateral Trustee"), under the Collateral Trust Agreement, dated as of October 27, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Collateral Trust Agreement"), among, *inter alia*, the Grantors and the Collateral Trustee.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "Borrower"), the lenders party thereto (collectively, the "Credit Agreement Lenders"), Citibank, N.A., as administrative agent (in such capacity, together with any successor thereto in such capacity, the "Credit Agreement Administrative Agent"), and Bank of America, N.A., as syndication agent, the Credit Agreement Lenders have severally agreed to make extensions of credit to or for the account of the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, the Grantors (among others) have executed and delivered a Security Agreement, dated as of October 7, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Security Agreement"), in favor of the Collateral Trustee for the benefit of the First Priority Secured Parties and the Second Priority Secured Parties;

WHEREAS, pursuant to the Security Agreement, the Grantors severally pledged and granted to the Collateral Trustee for the benefit of the First Priority Secured Parties and the Second Priority Secured Parties a continuing security interest in, *inter alia*, the Patents (including, without limitation, those items set forth on Schedule A) (collectively, the "Patent Collateral"); and

WHEREAS, the Grantors have each duly authorized the execution, delivery and performance of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, each Grantor, severally and for itself alone, hereby agrees, for the benefit of the Secured Parties, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings assigned to such terms in the Security Agreement, and/or the Collateral Trust Agreement, as applicable.

SECTION 2. Grant of Security Interest for First Priority Secured Obligations. Each Grantor, severally and for itself alone, hereby grants a security interest in, all of such Grantor's right, title, and interest in, to and under the Patent Collateral, to the Collateral Trustee, for the benefit of the First Priority Secured Parties, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter of the First Priority Secured Obligations.

SECTION 3. Grant of Security Interest for Second Priority Secured Obligations. Each Grantor, severally and for itself alone, hereby grants a security interest in, all of such Grantor's right, title, and interest in, to and under the Patent Collateral, to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter of the Second Priority Secured Obligations (it being understood and agreed that such security interest shall have the priority afforded to Second Priority Secured Obligations in the Collateral Trust Agreement).

SECTION 4. Purpose. This Agreement has been executed and delivered by the Grantors for the purpose of recording the grants of security interests herein with the United States Patent and Trademark Office. The security interests granted hereby have been granted to the Collateral Trustee, for the benefit of the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, in connection with the Security Agreement and are expressly subject to the terms and conditions thereof. The Security Agreement (and all rights and remedies of the Collateral Trustee, for the benefit of the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 5. Acknowledgment. Each Grantor, severally and for itself alone, does hereby further acknowledge and affirm that the rights and remedies of the Collateral Trustee, for the benefit of the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 7. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers on this 27th day of October, 2010.

GENERAL MOTORS LLC, as Grantor

By: _____
Name:
Title:

GM GLOBAL TECHNOLOGY OPERATIONS, INC., as Grantor

By: _____
Name:
Title:

WILMINGTON TRUST COMPANY, as Collateral Trustee

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACKNOWLEDGMENT OF GRANTOR

STATE OF)
)ss
COUNTY OF)

On the 27th day of October, 2010, before me personally came _____, who is personally known to me to be the _____ of GENERAL MOTORS LLC, a Delaware limited liability company; who, being duly sworn, did depose and say that she/he is the _____ in such company, the company described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Managers of such company; and that she/he acknowledged said instrument to be the free act and deed of said company.

_____
Notary Public

(PLACE STAMP AND SEAL ABOVE)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACKNOWLEDGMENT OF GRANTOR

STATE OF)
)ss
COUNTY OF)

On the 27th day of October, 2010, before me personally came _____, who is personally known to me to be the _____ of GM GLOBAL TECHNOLOGY OPERATIONS, INC., a Delaware corporation; who, being duly sworn, did depose and say that she/he is the _____ in such corporation, the corporation described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Directors of such corporation; and that she/he acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public

(PLACE STAMP AND SEAL ABOVE)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACKNOWLEDGMENT OF COLLATERAL TRUSTEE

STATE OF)
)ss
COUNTY OF)

On the 27th day of October, 2010, before me personally came _____, who is personally known to me to be the _____ of WILMINGTON TRUST COMPANY, a Delaware corporation; who, being duly sworn, did depose and say that she/he is the _____ in such corporation, the corporation described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Directors of such corporation; and that she/he acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public

(PLACE STAMP AND SEAL ABOVE)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE A

U.S. Patent Applications and Issued Patents

1. GENERAL MOTORS LLC

Patent	Registration or Serial Number

2. GM GLOBAL TECHNOLOGY OPERATIONS, INC.

Patent	Registration or Serial Number

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT D-2
to
Credit Agreement

FORM OF TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of October 27, 2010 (this "Agreement"), is made by GENERAL MOTORS LLC, a Delaware limited liability company (together with its successors and permitted assigns, "GM LLC"), located at 300 Renaissance Center, Detroit, Michigan 48265-3000, and ONSTAR, LLC, a Delaware limited liability company (together with its successors and permitted assigns, "OnStar"; and, together with GM LLC, collectively, the "Grantors" and each, a "Grantor"), located at 400 Renaissance Center, Detroit, Michigan 48265-4000, in favor of WILMINGTON TRUST COMPANY, a Delaware corporation, located at 1110 North Market Street, Rodney Square North, Wilmington, Delaware 19890, as collateral trustee (in such capacity, together with any successor thereto in such capacity, the "Collateral Trustee"), under the Collateral Trust Agreement, dated as of October 27, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Collateral Trust Agreement"), among, *inter alia*, the Grantors and the Collateral Trustee.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "Borrower"), the lenders party thereto (collectively, the "Credit Agreement Lenders"), Citibank, N.A., as administrative agent (in such capacity, together with any successor thereto in such capacity, the "Credit Agreement Administrative Agent"), and Bank of America, N.A., as syndication agent, the Credit Agreement Lenders have severally agreed to make extensions of credit to or for the account of the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, the Grantors (among others) have executed and delivered a Security Agreement, dated as of October 27, 2010 (as amended, supplemented, or otherwise modified from time to time, the "Security Agreement"), in favor of the Collateral Trustee for the benefit of the First Priority Secured Parties and the Second Priority Secured Parties;

WHEREAS, pursuant to the Security Agreement, the Grantors severally pledged and granted to the Collateral Trustee for the benefit of the First Priority Secured Parties and the Second Priority Secured Parties separate continuing security interests in, *inter alia*, the Trademarks (including, without limitation those items set forth on Schedule A) (collectively, the "Trademark Collateral"); and

WHEREAS, the Grantors have each duly authorized the execution, delivery and performance of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, each Grantor, severally and for itself alone, hereby agrees, for the benefit of the Secured Parties, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings assigned to such terms in the Security Agreement, and/or the Collateral Trust Agreement, as applicable.

SECTION 2. Grant of Security Interest for First Priority Secured Obligations. Each Grantor, severally and for itself alone, hereby grants a security interest in, all of such Grantor's right, title, and interest in, to and under the Trademark Collateral, to the Collateral Trustee, for the benefit of the First Priority Secured Parties, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter of the First Priority Secured Obligations.

SECTION 3. Grant of Security Interest for Second Priority Secured Obligations. Each Grantor, severally and for itself alone, hereby grants a security interest in, all of such Grantor's right, title, and interest in, to and under the Trademark Collateral, to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter of the Second Priority Secured Obligations (it being understood and agreed that such security interest shall have the priority afforded to Second Priority Secured Obligations in the Collateral Trust Agreement).

SECTION 4. Purpose. This Agreement has been executed and delivered by the Grantors for the purpose of recording the grants of security interests herein with the United States Patent and Trademark Office. The security interests granted hereby have been granted to the Collateral Trustee, for the benefit of the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, in connection with the Security Agreement and are expressly subject to the terms and conditions thereof. The Security Agreement (and all rights and remedies of the Collateral Trustee, for the benefit of the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 5. Acknowledgment. Each Grantor, severally and for itself alone, does hereby further acknowledge and affirm that the rights and remedies of the Collateral Trustee, for the benefit of the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, with respect to the applicable security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 7. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers on this 27th day of October, 2010.

GENERAL MOTORS LLC, as Grantor

By: _____
Name:
Title:

ONSTAR, LLC, as Grantor

By: _____
Name:
Title:

WILMINGTON TRUST COMPANY, as Collateral Trustee

By: _____
Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACKNOWLEDGMENT OF GRANTOR

STATE OF)
)ss
COUNTY OF)

On the 27th day of October, 2010, before me personally came _____, who is personally known to me to be the _____ of GENERAL MOTORS LLC, a Delaware limited liability company; who, being duly sworn, did depose and say that she/he is the _____ in such company, the company described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Managers of such company; and that she/he acknowledged said instrument to be the free act and deed of said company.

_____
Notary Public

(PLACE STAMP AND SEAL ABOVE)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACKNOWLEDGMENT OF GRANTOR

STATE OF)
)ss
COUNTY OF)

On the 27th day of October, 2010, before me personally came _____, who is personally known to me to be the _____ of ONSTAR, LLC, a Delaware limited liability company; who, being duly sworn, did depose and say that she/he is the _____ in such company, the company described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Managers of such company; and that she/he acknowledged said instrument to be the free act and deed of said company.

_____
Notary Public

(PLACE STAMP AND SEAL ABOVE)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

ACKNOWLEDGMENT OF COLLATERAL TRUSTEE

STATE OF)
)ss
COUNTY OF)

On the 27th day of October, 2010, before me personally came _____, who is personally known to me to be the _____ of WILMINGTON TRUST COMPANY, a Delaware corporation; who, being duly sworn, did depose and say that she/he is the _____ in such corporation, the corporation described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Directors of such corporation; and that she/he acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public

(PLACE STAMP AND SEAL ABOVE)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE A

U.S. Trademark Registrations and Applications

1. GENERAL MOTORS LLC

Trademark	Registration or Serial Number

2. ONSTAR, LLC

Trademark	Registration or Serial Number

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT E
to
Credit Agreement

MORTGAGE

from

[_____] (together with its successors and permitted assigns, the "**Mortgagor**"),
whose current address is 300 Renaissance Center, Detroit, Michigan 48265

to

WILMINGTON TRUST COMPANY, as Collateral Trustee (in such capacity, together with its successors and assigns in such capacity, the "**Mortgagee**")
whose current address is
1100 North Market Street, Rodney Square North, Wilmington, DE 19890

Dated as of [ ]

Drafted by and after recording
please return to:
Mardi Merjian, Attorney at Law
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017

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[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

MORTGAGE

This Mortgage is a future advance mortgage pursuant to [MCLA Section 565.901 et seq.] **[Local Counsel: Please insert appropriate statutory reference.]**

THIS MORTGAGE, dated as of [ ], is made by [_____], [_____] (together with its successors and permitted assigns, the "**Mortgagor**"), whose current address is 300 Renaissance Center, Detroit, Michigan 48265, to WILMINGTON TRUST COMPANY, a Delaware corporation (in such capacity, together with its successors and assigns in such capacity, the "**Mortgagee**"), whose current address is 1100 North Market Street, Rodney Square North, Wilmington, DE 19890. Mortgagee is the Collateral Trustee (in such capacity, the "**Collateral Trustee**") under that certain Collateral Trust Agreement, dated as of October 27, 2010 (as amended, supplemented, restated, replaced, substituted or otherwise modified from time to time, the "**Collateral Trust Agreement**"), among the Mortgagor, certain affiliates of the Mortgagor, and the Collateral Trustee, whose current address is 1100 North Market Street, Rodney Square North, Wilmington, DE 19890. References to this "**Mortgage**" shall mean this instrument and any and all renewals, modifications, amendments, supplements, extensions, consolidations, substitutions, spreaders, restatements and replacements of this instrument. Capitalized terms used but not defined herein shall have the meaning given to such terms in the Collateral Trust Agreement.

BACKGROUND

WHEREAS, pursuant to the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented, restated, replaced, substituted or otherwise modified from time to time, the "**Credit Agreement**"), among General Motors Holdings LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "**Borrower**"), the lenders party thereto (together with their respective successors and permitted assigns, the "**Credit Agreement Lenders**"), and Citibank, N.A., as administrative agent (in such capacity, together with any successor thereto in such capacity, the "**Credit Agreement Administrative Agent**"), the Credit Agreement Lenders have severally agreed to make extensions of credit to or for the account of the Borrower thereunder upon the terms and subject to the conditions set forth therein;

WHEREAS, the Borrower, various Subsidiaries of the Borrower or other Persons may, at any time and from time to time, issue or assume Additional Debt, which Additional Debt may be designated by the Borrower as either First Priority Additional Debt or Second Priority Additional Debt, and the Borrower, any Subsidiary of the Borrower or other Persons may, at any time and from time to time, incur or assume Secured Non-Loan Exposure, which Secured Non-Loan Exposure may be designated by the Borrower as either Permitted First Lien Non-Loan Exposure or Other Secured Non-Loan Exposure;

WHEREAS, the Parent and certain Subsidiaries of the Borrower (including the Mortgagor) are a party to the Credit Agreement Guarantee, pursuant to which each such Grantor has guaranteed the Guaranteed Obligations (as such term is defined in the Credit Agreement Guarantee);

WHEREAS, the Parent or any one or more of its Subsidiaries may from time to time guarantee any or all of the Secured Obligations;

WHEREAS, the Borrower is a member of an affiliated group of companies that includes the Mortgagor and various other Persons;

WHEREAS, the proceeds of the extensions of credit under the Credit Agreement will be used in part to enable the Borrower to make valuable transfers to, among others, one or more Subsidiaries of the Borrower (including the Mortgagor) in connection with the operation of their respective businesses;

WHEREAS, the Mortgagor is the owner of the fee simple estate in the parcel(s) of real property described on Schedule A attached hereto (the "**Land**") and the buildings, improvements, structures, and fixtures now or subsequently located on the Land (the "**Improvements**"; and the Land and the Improvements being collectively referred to as the "**Real Estate**");

WHEREAS, the Mortgagor has duly authorized the execution, delivery, and performance of this Mortgage;

WHEREAS, the Mortgagor will derive substantial direct and indirect benefit from the making of the extensions of credit under the Credit Agreement and the other Secured Instruments; and

WHEREAS, it is a requirement under the Credit Agreement that the Mortgagor execute and deliver this Mortgage to the Collateral Trustee for the benefit of the Secured Parties;

NOW, THEREFORE, in consideration of the premises and to induce the Credit Agreement Administrative Agent and the Credit Agreement Lenders to enter into the Credit Agreement, to induce the Credit Agreement Lenders to make their respective extensions of credit to or for the account of the Borrower thereunder, and to induce the holders thereof to provide any Additional Debt and/or Secured Non-Loan Exposure from time to time, the Mortgagor hereby agrees with the Mortgagee (i) first, for the equal and ratable benefit of the First Priority Secured Parties to secure the First Priority Secured Obligations, and (ii) second, on a junior and subordinate basis, for the equal and ratable benefit of the Second Priority Secured Parties to secure the Second Priority Secured Obligations, for the benefit of the Secured Parties, as follows:

GRANTING CLAUSES

(a) For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the Mortgagor agrees that to secure the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter of all of the Mortgagor's First Priority Secured Obligations;

THE MORTGAGOR HEREBY GRANTS TO THE MORTGAGEE A LIEN UPON AND A SECURITY INTEREST IN, AND HEREBY MORTGAGES AND WARRANTS, GRANTS, ASSIGNS, TRANSFERS AND SETS OVER TO THE MORTGAGEE, FOR THE BENEFIT OF THE FIRST PRIORITY SECURED PARTIES TO SECURE THE FIRST PRIORITY SECURED OBLIGATIONS AND WITH ALL POWERS OF SALE AND OTHER STATUTORY RIGHTS AND COVENANTS IN THE STATE (AS HEREINAFTER DEFINED):

(i) the Land;

(ii) all right, title and interest the Mortgagor now has or may hereafter acquire in and to the Improvements or any part thereof, and all the estate, right, title, claim or demand whatsoever of the Mortgagor, in possession or expectancy, in and to the Real Estate or any part thereof;

(iii) all right, title and interest of the Mortgagor in, to and under all easements (including, without limitation, the easements described on Schedule A attached hereto), rights-of-way, licenses, operating agreements, abutting strips and gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water and flowage rights, development rights, air rights, mineral and soil rights, plants, timber, and all estates, rights, titles, interests, privileges, licenses, tenements, hereditaments and appurtenances belonging, relating or appertaining to the Real Estate, and any reversions, remainders, rents, profits and revenue thereof and all land lying in the bed of any street, road or avenue, in front of or adjoining the Real Estate to the center line thereof;

(iv) all rights, title and interests of the Mortgagor in and to all of the fixtures, chattels, business machines, machinery, apparatus, equipment, furnishings, fittings, appliances and articles of personal property of every kind and nature whatsoever, and all appurtenances and additions thereto and substitutions or replacements thereof (together with, in each case, attachments, components, parts and accessories) currently owned or subsequently acquired by the Mortgagor and now or subsequently attached to, or contained in or used or usable in any way in connection with any operation or letting of the Real Estate, including but without limiting the generality of the foregoing, all screens, awnings, shades, blinds, curtains, draperies, carpets, rugs, storm doors and windows, furniture and furnishings, heating, electrical, and mechanical equipment, lighting, switchboards, plumbing, ventilating, air conditioning and air-cooling apparatus, refrigerating, and incinerating equipment, escalators, elevators, loading and unloading equipment and systems, stoves, ranges, laundry equipment, cleaning systems (including window cleaning apparatus), telephones, communication systems (including satellite dishes and antennae), televisions, computers, sprinkler systems and other fire prevention and extinguishing apparatus and materials, security systems, motors, engines, machinery, pipes, pumps, tanks, conduits, appliances, fittings and fixtures of every kind and description (all of the foregoing in this Subsection (iv) being referred to as the "**Equipment**");

(v) all right, title and interest of the Mortgagor in and to all substitutes and replacements of, and all additions and improvements to, the Real Estate and the Equipment, subsequently acquired by or released to the Mortgagor or constructed, assembled or placed by the Mortgagor on the Real Estate, immediately upon such acquisition, release, construction, assembling or placement, including, without limitation, any and all building materials stored at the Real Estate, and, in each such case, without any further deed, conveyance, assignment or other act by the Mortgagor;

(vi) all right, title and interest of the Mortgagor in, to and under all leases, subleases, underlettings, concession agreements, management agreements, licenses and other agreements relating to the use or occupancy of the Real Estate or the Equipment or any part thereof, now existing or subsequently entered into by the Mortgagor and whether written or oral and all

guarantees of any of the foregoing (collectively, as any of the foregoing may be amended, restated, extended, renewed or modified from time to time, the "**Leases**"), and all rights of the Mortgagor in respect of cash and securities deposited thereunder and the right to receive and collect the revenues, income, rents, and profits thereof, together with all other rents, royalties, profits, revenue, income and other benefits arising from the use and enjoyment of the Real Estate or the Equipment (collectively, the "**Rents**");

(vii) all unearned premiums under insurance policies now or subsequently obtained by the Mortgagor relating to the Real Estate or Equipment and the Mortgagor's interest in and to all proceeds of any such insurance policies (including title insurance policies) including the right to collect and receive such proceeds, subject to the provisions relating to insurance generally set forth below, and all awards and other compensation, including the interest payable thereon and the right to collect and receive the same, made to the present or any subsequent owner of the Real Estate or Equipment for the taking by eminent domain, condemnation or otherwise, of all or any part of the Real Estate or any easement or other right therein;

(viii) to the extent not prohibited under the applicable contract, consent, license or other item unless the appropriate consent has been obtained, all right, title and interest of the Mortgagor in and to (i) all contracts from time to time executed by the Mortgagor or any manager or agent on its behalf relating to the ownership, construction, maintenance, repair, operation, occupancy, sale or financing of the Real Estate or Equipment or any part thereof and all agreements and options relating to the purchase or lease of any portion of the Real Estate or any property which is adjacent or peripheral to the Real Estate, together with the right to exercise such options and all leases of Equipment, (ii) all consents, licenses, building permits, certificates of occupancy and other governmental approvals relating to construction, completion, occupancy, use or operation of the Real Estate or any part thereof, and (iii) all drawings, plans, specifications and similar or related items relating to the Real Estate; and

(ix) all proceeds, both cash and noncash, of the foregoing;

provided, however, that notwithstanding any of the other provisions set forth above, this Mortgage shall not constitute a mortgage or the grant of a security interest in any property that constitutes Excluded Collateral (as defined in the Credit Agreement as in effect on the date hereof).

Subject to the proviso immediately following clause (ix) above, all of the foregoing property and rights and interests now owned or held or subsequently acquired by the Mortgagor and described in the foregoing clauses (i) through (iii) are collectively referred to as the "**Premises**" and those described in the foregoing clauses (i) through (ix) are collectively referred to as the "**Mortgaged Property**". The Mortgaged Property shall also include any and all rights to make divisions pursuant to [Section 108 of the Michigan Land Division Act, MCLA 560.101 et seq.] **[Local Counsel: Please insert appropriate statutory reference.]**

TO HAVE AND TO HOLD the Mortgaged Property and the rights and privileges hereby mortgaged unto the Mortgagee, its successors and assigns for the uses and purposes set forth, until the First Priority Secured Obligations are paid in full.

(b) For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor agrees that to secure the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) and at all times thereafter of all of the Mortgagor's Second Priority Secured Obligations; it being understood and agreed that such security interest shall have the priority afforded to Second Priority Secured Obligations in the Collateral Trust Agreement.

THE MORTGAGOR HEREBY GRANTS TO THE MORTGAGEE A LIEN UPON AND A SECURITY INTEREST IN, AND HEREBY MORTGAGES AND WARRANTS, GRANTS, ASSIGNS, TRANSFERS AND SETS OVER TO THE MORTGAGEE, FOR THE BENEFIT OF THE SECOND PRIORITY SECURED PARTIES TO SECURE THE SECOND PRIORITY SECURED OBLIGATIONS, THE MORTGAGED PROPERTY AND WITH ALL POWERS OF SALE AND OTHER STATUTORY RIGHTS AND COVENANTS IN THE STATE;

provided, however, that notwithstanding any of the other provisions set forth above, this Mortgage shall not constitute a mortgage or the grant of a security interest in any property that constitutes Excluded Collateral,

TO HAVE AND TO HOLD the Mortgaged Property and the rights and privileges hereby mortgaged unto the Mortgagee, its successors and assigns for the uses and purposes set forth, until the Second Priority Secured Obligations are paid in full.

Terms and Conditions

The Mortgagor further represents, warrants, covenants and agrees with the Mortgagee and the Secured Parties as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Collateral Trust Agreement and used herein (including in the "**Background**" and "**Granting Clauses**" sections above) shall have the meanings given to them in the Collateral Trust Agreement. References in this Mortgage to the "**Default Rate**" shall mean at a rate per annum equal to the highest rate per annum at which interest would then be payable on any category of past due "**Eurodollar Loans**" under and as defined in the Credit Agreement. References in this Mortgage to the "**Transaction Documents**" shall mean the collective reference to the Secured Instruments, the Collateral Trust Agreement, and the Trust Security Documents. References in this Mortgage to the "**Enforcement Event**" shall mean the receipt by the Collateral Trustee of a Notice of Acceleration or the occurrence and continuance of an Event of Default under and as defined in the Credit Agreement with respect to an Insolvency Proceeding relating to the Borrower; provided, however, to the extent that such Notice of Acceleration is withdrawn, or cancelled in accordance with the Collateral Trust Agreement and is no longer in effect, or such Event of Default is no longer continuing (whether the same has been waived, cured, or otherwise remedied), the Enforcement Event shall be deemed no longer to be continuing. References in this Mortgage to the "**State**" shall mean the state in which the Land is located.

2. Payment and Performance of Secured Obligations. The Mortgagor shall pay and perform the Secured Obligations at the times and places and in the manner specified in the Transaction Documents. The Secured Obligations are described in the Collateral Trust Agreement and are evidenced by the Secured Instruments and the other Transaction Documents.

3. [Intentionally Deleted].

4. Due on Sale and Other Transfer Restrictions. Except as expressly permitted under the Transaction Documents, the Mortgagor shall not sell, transfer, convey or assign all or any portion of, or any interest in, the Mortgaged Property.

5. Remedies. (a) Upon the occurrence and during the continuance of any Enforcement Event, the Mortgagee may immediately take such action, without notice or demand, as it deems advisable to protect and enforce its rights against the Mortgagor and in and to the Mortgaged Property, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such manner as the Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of the Mortgagee.

(i) The Mortgagee may, to the extent permitted by applicable law, (A) institute and maintain an action of mortgage foreclosure against all or any part of the Mortgaged Property, (B) sell all or part of the Mortgaged Property (the Mortgagor expressly granting to the Mortgagee the power of sale), or (C) take such other action at law or in equity for the enforcement of this Mortgage as the law may allow. The Mortgagee may proceed in any such action to final judgment and execution thereon for all sums due hereunder, together with interest thereon at the Default Rate and all costs of suit, including, without limitation, reasonable attorneys fees and disbursements. Interest at the Default Rate shall be due on any judgment obtained by the Mortgagee from the date of judgment until actual payment is made of the full amount of the judgment.

(ii) The Mortgagee may immediately commence foreclosure proceedings against the Mortgaged Property pursuant to applicable law. The commencement by the Mortgagee of foreclosure proceedings by advertisement or in equity shall be deemed an exercise by the Mortgagee of its option set forth above to accelerate the due date of all sums secured hereby. The Mortgagor hereby grants power to the Mortgagee, in the event of the occurrence of an Enforcement Event, to grant, bargain, sell, release and convey the Mortgaged Property at public auction or venue, and upon such sale to execute and deliver to the purchaser(s) instruments of conveyance pursuant to the terms hereof and to the applicable laws. The Mortgagor acknowledges that the foregoing sentence confers a power of sale upon the Mortgagee, and that upon the occurrence of an Enforcement Event, this Mortgage may be foreclosed by advertisement as described below and in the applicable State statutes. The Mortgagor understands that upon an Enforcement Event,

the Mortgagee is hereby authorized and empowered to sell the Mortgaged Property, or cause the same to be sold and to convey the same to the purchaser in any lawful manner, including but not limited to that provided by [Chapter 32 of the Revised Judicature Act of Michigan, entitled "Foreclosure of Mortgage by Advertisement," which permits the Mortgagee to sell the Mortgaged Property without affording the Mortgagor a hearing, or giving it actual personal notice. The only notice required under such Chapter 32 is to publish notice in a local newspaper and to post a copy of the notice on the Mortgaged Property.] **[Local Counsel: Please insert appropriate statutory references.]**

WAIVER: BY CONFERRING THIS POWER OF SALE UPON THE MORTGAGEE, THE MORTGAGOR, FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, AFTER AN OPPORTUNITY FOR CONSULTATION WITH ITS LEGAL COUNSEL, HEREBY VOLUNTARILY, KNOWINGLY AND INTELLIGENTLY WAIVES ALL RIGHTS UNDER THE CONSTITUTION AND LAWS OF THE UNITED STATES AND UNDER THE CONSTITUTION AND LAWS OF THE STATE, BOTH TO A HEARING ON THE RIGHT TO EXERCISE AND THE EXERCISE OF THE POWER OF SALE.

(iv) The rights hereby conferred upon the Mortgagee have been agreed upon prior to any default by the Mortgagor and the exercise by the Mortgagee of any such rights shall not be deemed to put the Mortgagee in the status of a "mortgagee in possession".

(v) The Mortgagee or any Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Mortgaged Property so sold, free of any right or equity of redemption in the Mortgagor, which right or equity is hereby waived and released. The Mortgagee shall apply the net proceeds of any action taken by it pursuant to this Section 5, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Mortgaged Property or in any way relating to the Mortgaged Property or the rights of the Mortgagee and the Secured Parties hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Secured Obligations, in such order provided for in the Collateral Trust Agreement, and only after such application and after the payment by the Mortgagee of any other amount required by any provision of law, will the Mortgagee account for the surplus, if any, to the Mortgagor. To the extent permitted by applicable law, the Mortgagor waives all claims, damages and demands it may acquire against the Mortgagee or any Secured Party arising out of the exercise by them of any rights hereunder.

(b) In case of a foreclosure sale, the Real Estate may be sold, at the Mortgagee's election, in one parcel or in more than one parcel and the Mortgagee is specifically empowered (without being required to do so, and in its sole and absolute discretion) to cause successive sales of portions of the Mortgaged Property to be held. At the election of the Mortgagee, the Mortgaged Property may be offered first in parcels and then as a whole, the offer producing the highest price for the entire property offered to prevail. The Mortgagor hereby waives any right to require any such sale to be made.

(c) In the event of any breach of any of the covenants, agreements, terms or conditions contained in this Mortgage that results in an Enforcement Event, the Mortgagee shall be entitled to enjoin such breach and obtain specific performance of any covenant, agreement, term or condition and the Mortgagee shall have the right to invoke any equitable right or remedy as though other remedies were not provided for in this Mortgage.

6. Right of the Mortgagee to Credit Sale. Upon the occurrence of any sale made under this Mortgage, whether made under the power of sale or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the Mortgagee may bid for and acquire the Mortgaged Property or any part thereof. In lieu of paying cash therefor, the Mortgagee may make settlement for the purchase price by crediting upon the Secured Obligations or other sums secured by this Mortgage, the net sales price after deducting therefrom the expenses of sale and the cost of the action and any other sums which the Mortgagee is authorized to deduct under this Mortgage. In such event, this Mortgage, the Credit Agreement, and documents evidencing expenditures secured hereby may be presented to the person or persons conducting the sale in order that the amount so used or applied may be credited upon the Secured Obligations as having been paid.

7. [Intentionally Deleted].

8. Extension, Release, etc. (a) Without affecting the liens or charges of this Mortgage upon any portion of the Mortgaged Property not then or theretofore released as security for the full amount of the Secured Obligations, the Mortgagee may, from time to time and without notice, agree to (i) release any person liable for the indebtedness borrowed or guaranteed under the Transaction Documents, (ii) extend the maturity or alter any of the terms of the indebtedness borrowed or guaranteed under the Transaction Documents or any other guaranty thereof, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at the Mortgagee's option any parcel, portion or all of the Mortgaged Property, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto.

(b) No recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of the Mortgagor shall affect the liens of this Mortgage or any liens, rights, powers or remedies of the Mortgagee hereunder, and such liens, rights, powers and remedies shall continue unimpaired.

(c) If the Mortgagee shall have the right to foreclose this Mortgage or to direct a power of sale, the Mortgagor authorizes the Mortgagee at its option to foreclose the liens of this Mortgage (or direct the sale of the Mortgaged Property, as the case may be) subject to the rights of any tenants of the Mortgaged Property. The failure to make any such tenants parties to any such foreclosure proceeding and to foreclose their rights, or to provide notice to such tenants as required in any statutory procedure governing a sale of the Mortgaged Property, or to terminate such tenant's rights in such sale will not be asserted by the Mortgagor as a defense to any proceeding instituted by the Mortgagee to collect the Secured Obligations or to foreclose the liens of this Mortgage.

(d) Unless expressly provided otherwise, in the event that ownership of this Mortgage and title to the Mortgaged Property or any estate therein shall become vested in the same person or entity, this Mortgage shall not merge in such title but shall continue as valid liens on the Mortgaged Property for the amount secured hereby.

9. Security Agreement under Uniform Commercial Code. (a) In addition to being a real property mortgage, this Mortgage constitutes a "security agreement" within the meaning of the Uniform Commercial Code of the State (the "**Code**"). If an Enforcement Event shall occur and be continuing, then in addition to having any other right or remedy available at law or in equity, the Mortgagee shall have the option, subject to applicable law, of either (i) proceeding under the Code and exercising such rights and remedies as may be provided to a secured party by the Code with respect to all or any portion of the Mortgaged Property which is personal property (including, without limitation, taking possession of and selling such property) or (ii) treating such property as real property and proceeding with respect to both the real and personal property constituting the Mortgaged Property in accordance with the Mortgagee's rights, powers and remedies with respect to the real property (in which event the default provisions of the Code shall not apply). If the Mortgagee shall elect to proceed under the Code, then ten (10) Business Days' notice of sale of the personal property shall be deemed reasonable notice and the reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and customary legal expenses. At the Mortgagee's request, the Mortgagor shall assemble the personal property and make it available to the Mortgagee at a place designated by the Mortgagee which is reasonably convenient to both parties.

(b) Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined in the Code) on the Land, and this Mortgage, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said Code upon such portions of the Mortgaged Property that are or become fixtures. The real property to which the fixtures relate is described in Schedule A hereto. The record owner of the real property described in Schedule A hereto is the Mortgagor. For purposes of Article Nine of the Code, (i) the Mortgagor is the "debtor" and is the type of organization formed in the jurisdiction of organization as set forth in the Preamble of this Mortgage, (ii) the organization number assigned debtor by the state in which debtor is organized is [ ], (iii) the Mortgagee is the "secured party," (iv) information concerning the security interests created hereby may be obtained from the Mortgagee at its address set forth in the Preamble of this Mortgage, (v) the Mortgagor's mailing address is set forth in the Preamble of this Mortgage, and (vi) this financing statement is to be recorded in the real property records for the county in which the Mortgaged Property is located.

10. Assignment of Rents. The Mortgagor hereby assigns to the Mortgagee the Rents as further security for the payment and performance of the Secured Obligations, and the Mortgagor grants to the Mortgagee the right to enter the Mortgaged Property for the purpose of collecting the same and to let the Mortgaged Property or any part thereof, and to apply the Rents on account of the Secured Obligations. The foregoing assignment and grant is present and absolute and shall continue in effect until the Secured Obligations are fully paid, but the Mortgagee hereby waives the right to enter the Mortgaged Property for the purpose of collecting the Rents and the Mortgagor shall be entitled to collect, receive, use and retain the Rents until the occurrence and during the continuance of an Enforcement Event; such right of the Mortgagor to collect, receive, use and retain the Rent may be revoked by the Mortgagee upon the occurrence and during the continuance of any Enforcement Event, by giving not less than ten (10) days' written notice of such revocation to the Mortgagor; in the event such notice is given, the Mortgagor shall pay over to the Mortgagee, or to any receiver appointed to collect the Rents, any lease security deposits, and any Rents collected from the Premises. If the Mortgagor shall pay (or cause to be paid) the Secured Obligations on or before the date the same are required to be paid, then this assignment shall terminate and be of no further force or effect, and all right, title and interest conveyed pursuant to this assignment shall become vested in the Mortgagor without the necessity of any further act or requirement by the Mortgagor or the Mortgagee. The Mortgagor shall not accept prepayments of installments of Rent to become due for a period of more than one month in advance (except for security deposits and estimated payments of percentage rent, if any). [The Mortgagee shall be entitled to all of the rights and benefits conferred by Act No. 210 of the Michigan Public Acts of 1953 as it may be amended, including by Act No. 151 of the Michigan Public Acts of 1966 (MCLA 554,231 et seq.), and Act No. 228 of the Michigan Public Acts of 1925 as it may be amended, including by Act No. 55 of the Michigan Public Acts of L933 (MCLA 554.211 et seq.).] **[Local Counsel: Please insert appropriate statutory reference.]** The collection of rents by the Mortgagee shall in no way waive the right of the Mortgagee to foreclose this Mortgage upon the occurrence and during the continuance of an Enforcement Event.

11. Additional Rights. The holder of any subordinate lien or subordinate deed of trust on the Mortgaged Property shall have no right to terminate any Lease whether or not such Lease is subordinate to this Mortgage nor shall the Mortgagor consent to any holder of any subordinate lien or subordinate deed of trust joining any tenant under any Lease in any action to foreclose the lien or modify, interfere with, disturb or terminate the rights of any tenant under any Lease. By recordation of this Mortgage all subordinate lienholders and the mortgagees and beneficiaries under subordinate mortgages are subject to and notified of this provision, and any action taken by any such lienholder or beneficiary contrary to this provision shall be null and void. Upon the occurrence and during the continuance of any Enforcement Event, the Mortgagee may, in its sole discretion and without regard to the adequacy of its security under this Mortgage, apply all or any part of any amounts on deposit with the Mortgagee under this Mortgage against all or any part of the Secured Obligations. Any such application shall not be construed to cure or waive any Enforcement Event or invalidate any act taken by the Mortgagee on account of such Enforcement Event.

12. Notices. All notices, requests, demands and other communications hereunder shall be given in accordance with the provisions of Section 6.1 of the Collateral Trust Agreement to the Mortgagor and to the Mortgagee as specified therein.

13. No Oral Modification. This Mortgage may not be amended, supplemented or otherwise modified except in accordance with the provisions of Section 6.3 of the Collateral Trust Agreement. Any agreement made by the Mortgagor and the Mortgagee after the date of this Mortgage relating to this Mortgage shall be superior to the rights of the holder of any intervening or subordinate lien or encumbrance.

14. Partial Invalidity. In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but each shall be construed as if such invalid, illegal or unenforceable provision had never been included. Notwithstanding anything to the contrary contained in this Mortgage or in any provisions of any Transaction Document, the obligations of the Mortgagor and of any other obligor under any Transaction Documents shall be subject to the limitation that the Secured Parties shall not charge, take or receive, nor shall the Mortgagor or any other obligor be obligated to pay to the Secured Parties, any amounts constituting interest in excess of the maximum rate permitted by law to be charged by the Secured Parties.

15. The Mortgagor's Waiver of Rights. (a) The Mortgagor hereby voluntarily and knowingly releases and waives any and all rights of redemption from sale under any order or decree of foreclosure (whether full or partial), pursuant to rights, if any, therein granted, as allowed under any applicable law, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirectly) by, through or under each constituent of the Mortgagor and on behalf of each and every person acquiring any interest in the Mortgaged Property subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of each constituent of the Mortgagor and all such other persons are and shall be deemed to be hereby waived to the fullest extent permitted by applicable law or replacement statute. Each constituent of the Mortgagor shall not invoke or utilize any such law or laws or otherwise hinder, delay, or impede the execution of any right, power, or remedy herein or otherwise granted or delegated to the Mortgagee, but shall permit the execution of every such right, power, and remedy as though no such law or laws had been made or enacted.

(b) To the fullest extent permitted by applicable law, the Mortgagor waives the benefit of all laws now existing or that may subsequently be enacted providing for (i) any appraisement before sale of any portion of the Mortgaged Property, (ii) any extension of the time for the enforcement of the collection of the Secured Obligations or the creation or extension of a period of redemption from any sale made in collecting such debt, and (iii) exemption of the Mortgaged Property from attachment, levy or sale under execution or exemption from civil process. To the full extent the Mortgagor may do so, the Mortgagor agrees that the Mortgagor

will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, exemption, extension or redemption, or requiring foreclosure of this Mortgage before exercising any other remedy granted hereunder and the Mortgagor, for the Mortgagor and its successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Property, to the extent permitted by applicable law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature (except as expressly provided in the Collateral Trust Agreement) or declare due the whole of the secured indebtedness and marshalling in the event of exercise by the Mortgagee of the foreclosure rights, power of sale, or other rights hereby created.

16. Remedies Not Exclusive. The Mortgagee shall be entitled to enforce payment and performance of the Secured Obligations and to exercise all rights and powers under this Mortgage or under any of the other Transaction Documents or any laws now or hereafter in force, notwithstanding that some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by deed of trust, mortgage, security agreement, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, shall prejudice or in any manner affect the Mortgagee's rights to realize upon or enforce any other security now or hereafter held by the Mortgagee, it being agreed that the Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by the Mortgagee in such order and manner as the Mortgagee may determine in its absolute discretion. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Transaction Documents to the Mortgagee or to which the Mortgagee may otherwise be entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Mortgagee, as the case may be. In no event shall the Mortgagee, in the exercise of the remedies provided in this Mortgage (including, without limitation, in connection with the assignment of Rents to the Mortgagee, or the appointment of a receiver and the entry of such receiver on to all or any part of the Mortgaged Property), be deemed a "mortgagee in possession," and the Mortgagee shall not in any way be made liable for any act, either of commission or omission, in connection with the exercise of such remedies.

17. Multiple Security. If (a) the Premises shall consist of one or more parcels, whether or not contiguous and whether or not located in the same county, or (b) in addition to this Mortgage, the Mortgagee shall now or hereafter hold or be the beneficiary of one or more additional mortgages, liens, deeds of trust or other security (directly or indirectly) for the Secured Obligations upon other property in the State (whether or not such property is owned by the Mortgagor or by others) or (c) both the circumstances described in clauses (a) and (b) shall be true, then to the fullest extent permitted by applicable law, the Mortgagee may, at its election, commence or consolidate in a single foreclosure action all foreclosure proceedings against all such collateral securing the Secured Obligations (including the Mortgaged Property), which action may be brought or consolidated in the courts of, or sale conducted in, any county in which any of such collateral is

located. The Mortgagor acknowledges that the right to maintain a consolidated foreclosure action is a specific inducement to the Secured Parties to extend the indebtedness borrowed pursuant to or guaranteed by the Transaction Documents, and the Mortgagor expressly and irrevocably waives any objections to the commencement or consolidation of the foreclosure proceedings in a single action and any objections to the laying of venue or based on the grounds of forum non conveniens which it may now or hereafter have. The Mortgagor further agrees that if the Mortgagee shall be prosecuting one or more foreclosure or other proceedings against a portion of the Mortgaged Property or against any collateral other than the Mortgaged Property, which collateral directly or indirectly secures the Secured Obligations, or if the Mortgagee shall have obtained a judgment of foreclosure and sale or similar judgment against such collateral, then, whether or not such proceedings are being maintained or judgments were obtained in or outside the State, the Mortgagee may commence or continue any foreclosure proceedings and exercise its other remedies granted in this Mortgage against all or any part of the Mortgaged Property and the Mortgagor waives any objections to the commencement or continuation of a foreclosure of this Mortgage or exercise of any other remedies hereunder based on such other proceedings or judgments, and waives any right to seek to dismiss, stay, remove, transfer or consolidate either any action under this Mortgage or such other proceedings on such basis. Neither the commencement nor continuation of proceedings to foreclose this Mortgage, nor the exercise of any other rights hereunder nor the recovery of any judgment by the Mortgagee in any such proceedings or the occurrence of any sale in any such proceedings shall prejudice, limit or preclude the Mortgagee's right to commence or continue one or more foreclosure or other proceedings or obtain a judgment against any other collateral (either in or outside the State) which directly or indirectly secures the Secured Obligations, and the Mortgagor expressly waives any objections to the commencement of, continuation of, or entry of a judgment in such other sales or proceedings or exercise of any remedies in such sales or proceedings based upon any action or judgment connected to this Mortgage, and the Mortgagor also waives any right to seek to dismiss, stay, remove, transfer or consolidate either such other sales or proceedings or any sale or action under this Mortgage on such basis. It is expressly understood and agreed that to the fullest extent permitted by applicable law, the Mortgagee may, at its election, cause the sale of all collateral which is the subject of a single foreclosure action at either a single sale or at multiple sales conducted simultaneously and take such other measures as are appropriate in order to effect the agreement of the parties to dispose of and administer all collateral securing the Secured Obligations (directly or indirectly) in the most economical and least time-consuming manner.

18. Successors and Assigns. All covenants of the Mortgagor contained in this Mortgage are imposed solely and exclusively for the benefit of the Mortgagee, and its successors and assigns, and no other person or entity shall have standing to require compliance with such covenants or be deemed, under any circumstances, to be a beneficiary of such covenants, any or all of which may be freely waived in whole or in part by the Mortgagee at any time if in its sole discretion such a waiver is deemed advisable. All such covenants of the Mortgagor shall run with the land and bind the Mortgagor, the successors and assigns of the Mortgagor (and each of them) and all subsequent owners, encumbrancers and tenants of the Mortgaged Property, and shall inure to the benefit of the Mortgagee and its successors and assigns. The word "**Mortgagor**" shall be construed as if it read "Mortgagors" whenever the sense of this Mortgage so requires and if there shall be more than one Mortgagor, the obligations of Mortgagors shall be joint and several.

19. No Waivers, etc. Any failure by the Mortgagee to insist upon the strict performance by the Mortgagor of any of the terms and provisions of this Mortgage shall not be deemed to be a waiver of any of the terms and provisions hereof and the Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by the Mortgagor. The Mortgagee may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Mortgaged Property, any part of the security held for the obligations secured by this Mortgage without, as to the remainder of the security, in any way impairing or affecting the liens of this Mortgage or the priority of such liens over any subordinate lien or deed of trust. The Mortgagor hereby waives any defense based on impairment of the collateral.

20. Governing Law, etc. This Mortgage shall be governed by and construed and interpreted in accordance with the laws of the State.

21. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "**Mortgagor**" shall mean "the Mortgagor or any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein"; the word '**Mortgagee**" shall mean "the Mortgagee or any successor agent for the Secured Parties"; the word "**person**" shall include any individual, corporation, partnership, limited liability company, trust, unincorporated association, government, governmental authority, or other entity; and the words "**Mortgaged Property**" shall include any portion of the Mortgaged Property or interest therein, but shall not include any Excluded Collateral. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

22. Future Advance Mortgage. This Mortgage is a "**Future Advance Mortgage**" under [MCLA 565.901 et seq.] **[Local Counsel: Please insert appropriate statutory reference.]** All future advances under this Mortgage and the Transaction Documents shall have the applicable priority as if the future advance was made on the date that this Mortgage was recorded. Notice is hereby given that the Secured Obligations secured hereby may increase as a result of not only future advances, but also defaults hereunder by the Mortgagor, which may include (but are not limited to) unpaid interest or late charges, unpaid taxes, assessments or insurance premiums which the Mortgagee elects to advance, defaults under leases that the Mortgagee elects to cure, attorney fees or costs incurred in enforcing its rights, or other expenses incurred by the Mortgagee in protecting the Premises, the security of this Mortgage or the Mortgagee's rights and interests.

23. Collateral Trustee. (a) Upon the occurrence and during the continuance of an Enforcement Event, the Mortgagor appoints the Mortgagee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Mortgagor and in the name of the Mortgagor or in its own name, for the purpose of carrying out the terms of this Mortgage, upon the occurrence of and during the continuance of an Enforcement Event, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Mortgage, upon the occurrence of and during the continuance of an Enforcement Event, and, without limiting the generality of the foregoing, the Mortgagor hereby gives the Mortgagee the power and right, on behalf of the Mortgagor, with notice to the Mortgagor, to do any or all of the following, upon the occurrence of and during the continuance of an Enforcement Event:

(i) pay or discharge taxes and Liens levied or placed on or threatened against the Mortgaged Property, effect any repairs or any insurance called for by the terms of this Mortgage and pay all or any part of the premiums therefore and the costs thereof.

(ii)(1) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect amounts due with respect to the Mortgaged Property or any portion thereof and to enforce any other right in respect of any Mortgaged Property; (2) defend any suit, action or proceeding brought against the Mortgagor with respect to any Mortgaged Property; (3) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Mortgagee may deem appropriate; and (4) do, at the Mortgagee's option and the Mortgagor's expense, at any time, or from time to time, all acts and things which the Mortgagee deems necessary to protect or preserve the Mortgaged Property and the Mortgagee's and the Secured Parties' security interests therein and to effect the intent of this Mortgage, all as fully and effectively as the Mortgagor might do.

(iii) If the Mortgagor fails to perform or comply with any of its agreements contained herein, the Mortgagee, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(iv) The expenses of the Mortgagee incurred in connection with actions undertaken as provided in this Section 23, together with interest thereon at the Default Rate, from the date of payment by the Mortgagee to the date reimbursed by the Mortgagor, shall be payable by the Mortgagor to the Mortgagee on demand.

(v) The Mortgagor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Mortgage are coupled with an interest and are irrevocable until this Mortgage is terminated and the liens and security interests created hereby are released.

(b) The Mortgagee's sole duty with respect to the custody, safekeeping and physical preservation of the Mortgaged Property in its possession, shall be to deal with it in the same

manner as the Mortgagee deals with similar property for its own account. Neither the Mortgagee, any Secured Party nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Mortgaged Property or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Mortgaged Property upon the request of the Mortgagor or any other Person or to take any other action whatsoever with regard to the Mortgaged Property or any part thereof, the powers conferred on the Mortgagee and the Secured Parties hereunder are solely to protect the Mortgagee's and the Secured Parties' interests in the Mortgaged Property and shall not impose any duty upon the Mortgagee or any Secured Party to exercise any such powers. The Mortgagee and the Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to the Mortgagor for any act or failure to act hereunder, except for their own gross negligence (or simple negligence in the handling of funds), willful misconduct or material breach of any Transaction Document.

(c) Pursuant to any applicable law, the Mortgagor authorizes the Administrative Agent, on behalf of the Mortgagee, to file or record financing statements and other filing or recording documents or instruments with respect to the Mortgaged Property in such form and in such offices as the Administrative Agent determines appropriate to perfect the security interests of the Mortgagee under this Mortgage; provided, that no financing statement shall be filed with a collateral description that is more extensive than the description contained in the financing statement filed in connection with the initial closing under the Credit Agreement without the consent of the Mortgagor; and provided further, that the Mortgagor's authorization hereunder is limited to the extent provided in Section 4.7 of the Collateral Trust Agreement.

(d) The Mortgagor acknowledges that the rights and responsibilities of the Mortgagee under this Mortgage with respect to any action taken by the Mortgagee or the exercise or non-exercise by the Mortgagee of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Mortgage shall, as between the Mortgagee and the Secured Parties, be governed by the Collateral Trust Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Mortgagee and the Mortgagor, the Mortgagee shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and the Mortgagor shall not be under any obligation, or entitlement, to make any inquiry respecting such authority.

24. Releases. (a) At the time and to the extent provided in Section 6.12 of the Collateral Trust Agreement, the Mortgaged Property shall be released from the Liens created hereby, and this Mortgage and all obligations (other than those expressly stated to survive such termination) of the Mortgagee and the Mortgagor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, except as required by applicable law, and all rights to the Mortgaged Property shall revert to the Mortgagor. Notwithstanding the foregoing, at the request of the Mortgagor, the Mortgagee will execute, file, and record, or cause to be executed, filed, and recorded, such instruments as may from time to time be requested by the Mortgagor to give effect to the foregoing.

(b) At the times and to the extent provided in Section 6.12 of the Collateral Trust Agreement, the Mortgaged Property so specified shall be released from the Liens created hereby on such Mortgaged Property, in accordance with the provisions of the Collateral Trust Agreement, and at the request of the Mortgagor, the Mortgagee will execute, file and record, or cause to be executed, filed and recorded, such instruments as may from time to time be requested by the Mortgagor to give effect to the foregoing.

25. Construction of Provisions. The following rules of construction shall apply for all purposes of this Mortgage unless the context otherwise requires; (a) all references to numbered Articles or Sections or to lettered Exhibits are references to the Articles and Sections hereof and the Exhibits annexed to this Mortgage and such Exhibits are incorporated into this Mortgage as if fully set forth in the body of this Mortgage; (b) all Article, Section, and Exhibit captions are used for convenience and reference only and in no way define, limit, or in any way affect this Mortgage; (c) words of masculine, feminine, or neuter gender shall mean and include the correlative words of the other genders, and words importing the singular number shall mean and include the plural number, and vice versa; (d) no inference in favor of or against any party shall be drawn from the fact that such party has drafted any portion of this Mortgage; (e) all obligations of the Mortgagor hereunder shall be performed and satisfied by or on behalf of the Mortgagor at the Mortgagor's sole expense; (f) the terms "**include**," "**including**" and similar terms shall be construed as if followed by the phrase "**without being limited to**"; (g) the terms "**Mortgaged Property**"; "**Land**," and "**Improvements**" shall be construed as if followed by the phrase "**or any part thereof**"; (h) the term "**Secured Obligations**" shall be construed as if followed by the phrase "**or any other sums secured hereby, or any part thereof**"; (i) the term "**person**" shall include natural persons, firms, partnerships, corporations, governmental authorities or agencies, and any other public or private legal entities, as applicable, (j) references to any law, statute, treaty, rule or regulation shall (unless otherwise specified) be construed as including all statutory provisions, regulatory provisions, rulings, opinions, determinations or other provisions consolidating, amending, replacing, supplementing or interpreting such law, treaty, statute, rule or regulation; (k) the term "**provisions**" when used with respect hereto or to any other document or instrument, shall be construed as if preceded by the phrase "**terms, covenants, agreements, requirements, and/or conditions**"; (l) the term "**lease**" shall mean "**tenancy, subtenancy, lease, sublease, or rental agreement**," the term "**lessor**" shall mean "**landlord, sublandlord, lessor, and sublessor**"; and the term "**tenants**" or "**lessee**" shall mean "**tenant, subtenant, lessee, and sublessee**"; (m) the term "**owned**" shall mean "**now owned or later acquired**"; (n) the terms "**any**" and "**all**" shall mean "**any or all**"; and (o) the term "**on demand**" or "**upon demand**" shall mean "**within ten (10) Business Days after written notice**".

26. Miscellaneous. If title to the Mortgaged Property becomes vested in any person other than the Mortgagor, the Mortgagee may, without notice to the Mortgagor, deal with such person regarding this Mortgage or the Secured Obligations in the same manner as with the Mortgagor without in any way vitiating or discharging the Mortgagor's liability under this Mortgage or being deemed to have consented to the vesting. If both the lessor's and lessee's interest under any Lease ever becomes vested in any one person, this Mortgage and the liens and security

interests created hereby shall not be destroyed or terminated by the application of the doctrine of merger and the Mortgagee shall continue to have and enjoy all its rights and privileges as to each separate estate. Upon foreclosure (or transfer of title by power of sale) of this Mortgage, none of the Leases shall be destroyed or terminated as a result of such foreclosure (or sale), by application of the doctrine of merger or as a matter of law, unless the Mortgagee takes all actions required by law to terminate the Leases as a result of foreclosure (or sale). All of the Mortgagor's covenants and agreements hereunder shall run with the land and time is of the essence. The Mortgagor appoints the Mortgagee as its attorney-in-fact, which appointment is irrevocable and shall be deemed to be coupled with an interest, with respect to the execution, acknowledgment, delivery, filing or recording for and in the name of the Mortgagor of this Mortgage. The provisions of this Mortgage shall be binding upon the Mortgagor and its heirs, devisees, representatives, successors, and assigns including successors in interest to the Mortgaged Property and inure to the benefit of the Mortgagee and its heirs, successors, substitutes, substitute trustees, and assigns. Where two or more persons have executed this Mortgage, the obligations of such persons shall be joint and several, except to the extent the context clearly indicates otherwise. This Mortgage may be executed in any number of counterparts with the same effect as if all parties had executed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

27. State-Specific Provisions.

[Local Counsel: Insert state-specific provisions here.]

28. Collateral Trust Agreement. Notwithstanding anything herein to the contrary, the liens and security interests granted to the Collateral Trustee for the benefit of the Secured Parties pursuant to this Mortgage and the exercise of any right or remedy hereunder by the Collateral Trustee at any time that an Enforcement Event shall have occurred and be continuing, are subject to the provisions of the Collateral Trust Agreement, and may be exercised only as and when, and to the extent, provided therein. In the event of any conflict between the terms of the Collateral Trust Agreement and this Mortgage, the terms of the Collateral Trust Agreement will govern.

(Signature page follows)

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

[SIGNATURE PAGE OF GENERAL MOTORS LLC]

This Mortgage has been duly executed by the Mortgagor as of the date first above-written and is intended to be effective as of the date first above written.

GENERAL MOTORS LLC, a
Delaware limited liability company
(f/k/a General Motors Company)

By: _____
Name: _____
Its: [_____],
GM Worldwide Real Estate

STATE OF _____ **)**
) SS
COUNTY OF _____ **)**

I, the undersigned, a notary public in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that _____, the duly appointed [_____] of **GM Worldwide Real Estate of General Motors LLC, a Delaware limited liability company (f/k/a General Motors Company)**, personally known to me to be the same person whose name is subscribed to the foregoing instrument, in such capacity appeared before me this day in person and acknowledged that he/she signed and delivered said instrument as his/her free and voluntary act and as the free and voluntary act and deed of said entity, pursuant to authority granted by the entity, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ day of [ ].

_____
Notary Public
My commission expires _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

[SIGNATURE PAGE OF RIVERFRONT HOLDINGS INC.]

This Mortgage has been duly executed by the Mortgagor as of the date first above-written and is intended to be effective as of the date first above written.

RIVERFRONT HOLDINGS, INC., a Delaware corporation

By: _____

Name: _____

Its: _____

STATE OF _____ **)**

) SS

COUNTY OF _____ **)**

I, the undersigned, a notary public in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that _____, the duly appointed [_____] of **Riverfront Holdings, Inc., a Delaware corporation**, personally known to me to be the same person whose name is subscribed to the foregoing instrument, in such capacity appeared before me this day in person and acknowledged that he/she signed and delivered said instrument as his/her free and voluntary act and as the free and voluntary act and deed of said entity, pursuant to authority granted by the entity, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ day of [ ].

_____

Notary Public

My commission expires _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

[SIGNATURE PAGE OF RIVERFRONT HOLDINGS PHASE II, INC.]

This Mortgage has been duly executed by the Mortgagor as of the date first above-written and is intended to be effective as of the date first above written.

RIVERFRONT HOLDINGS PHASE II, INC., a Delaware corporation

By: _____

Name: _____

Its: _____

STATE OF _____ **)**

) SS

COUNTY OF _____ **)**

I, the undersigned, a notary public in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that _____, the duly appointed [_____] of **Riverfront Holdings Phase II, Inc., a Delaware corporation**, personally known to me to be the same person whose name is subscribed to the foregoing instrument, in such capacity appeared before me this day in person and acknowledged that he/she signed and delivered said instrument as his/her free and voluntary act and as the free and voluntary act and deed of said entity, pursuant to authority granted by the entity, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ day of [ ].

_____

Notary Public

My commission expires _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE A

THE LAND

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT F
to
Credit Agreement

FORM OF BORROWING BASE CERTIFICATE

_____, 20__

To: Citibank, N.A., as Administrative Agent under the Credit Agreement referred to below

Re: Credit Agreement, dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC (together with its successors and permitted assigns, the "Borrower"), the lenders from time to time party thereto, as lenders (the "Lenders"), Citibank, N.A., as administrative agent (in such capacity, together with any successor thereto in such capacity, the "Administrative Agent"), and Bank of America, N.A., as syndication agent

This Borrowing Base Certificate (this "Certificate") is furnished pursuant to Section 6.2(b) of the Credit Agreement. Unless otherwise defined herein, terms used in this Borrowing Base Certificate have the meanings assigned to such terms in the Credit Agreement. I, the undersigned, a Responsible Officer of the Borrower, do hereby certify, in the name and on behalf of the Borrower, and without assuming any personal liability, as follows:

1. I am [the] [a] duly elected [insert title of Responsible Officer] of the Borrower;

2. Schedule I to this Borrowing Base Certificate sets forth the calculation of the Borrowing Base as of the end of the most recent fiscal quarter covered by the financial statements delivered or deemed delivered pursuant to Section 6.1 of the Credit Agreement.

3. To the best of my knowledge, the Borrowing Base set forth on Schedule I to this Borrowing Base Certificate has been calculated in accordance with Schedule 1.1B of the Credit Agreement based on the accounting records of the Borrower and the Borrowing Base and the information set forth on Schedule I to this Borrowing Base Certificate is true and correct in all material respects.

4. [The Outstanding Amount of Covered Debt (calculated on a *pro forma* basis after giving effect to the incurrence, and the use of proceeds, of any Covered Debt to be incurred or repaid on the Closing Date) does not exceed the Borrowing Base.][1]

[signature page follows]

[1] Closing Date only.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

The foregoing certifications, together with the information set forth in Schedule I to this Borrowing Base Certificate, are made and delivered in my capacity described in paragraph 1 above for and on behalf of the Borrower.

GENERAL MOTORS HOLDINGS LLC

By: _____

Name:
Title:

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE I
to
Borrowing Base Certificate

BORROWING BASE:

Asset Category	Eligible Value	Advance Rate	Borrowing Base
1, Eligible Receivables		**[**]**	
2. Eligible Inventory		**[**]**	
3. Eligible Closing Date Pledged Intercompany Notes:			
Loan Agreement, dated as of December 18, 2009, by and between General Motors Holdings LLC and GM Holden Limited		**[**]**	
Revolving Loan Agreement, dated as of September 30, 2010, by and between General Motors Holdings LLC and Adam Opel GmbH		**[**]**	
Total Eligible Closing Date Pledged Intercompany Notes:			
4. Eligible Foreign Pledged Capital Stock:			
Controlodora General Motors, S.A. de C.V. (Mexico)		**[**]**	
General Motors Africa & Middle East FZE (United Arab Emirates)		**[**]**	
General Motors Colmotores S.A. (Colombia)		**[**]**	
General Motors del Ecuador S.A. (Ecuador)		**[**]**	
General Motors do Brasil Ltda. (Brazil)		**[**]**	
General Motors of Canada Limited (Canada)		**[**]**	
Omnibus BB Transportes S.A. (Ecuador)		**[**]**	
5. Total Eligible Foreign Pledged Capital Stock:			
6. Eligible Ally Pledged Capital Stock:		**[**]**	

Asset Category	Eligible Value	Advance Rate	Borrowing Base
7. Eligible Domestic Pledged Capital Stock:[2]		**[**]**	
8. Eligible P&E:		**[**]**	
9. Eligible Real Estate:		**[**]**	
10. Eligible Cash:[3]		**[**]**	
11. Eligible Technology[4]**:**	**[**]**		
12. Eligible Trademarks[5]**:**	**[**]**		
13. Eligible Post Closing Date Pledged Intercompany Notes:			
		N/A	
		N/A	
Total Eligible Post Closing Date Pledged Intercompany Notes:			
Less Intangibles Reserve (if applicable)			( )
Borrowing Base:			

[2] The Borrower does not intend to seek Borrowing Base credit for Eligible Domestic Pledged Capital Stock at the Closing Date but reserves its right to do so at any time and from time to time thereafter.

[3] The Borrower does not intend to seek Borrowing Base credit for Eligible Cash at the Closing Date but reserves its right to do so at any time and from time to time thereafter.

[4] Subject to restrictions in the proviso to Aggregate Borrowing Base Amount.

[5] Subject to restrictions in the proviso to Aggregate Borrowing Base Amount.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT G
to
Credit Agreement

FORM OF CLOSING CERTIFICATE

CERTIFICATE
of
[NAME OF LOAN PARTY]

This Certificate is furnished pursuant to Section 5.2(e) of that certain Credit Agreement, dated as of October 27, 2010 (the "Credit Agreement"), between General Motors Holdings LLC, a Delaware limited liability company [(the "Borrower")] [the "Company")], the lenders party thereto, Citibank, N.A., as administrative agent (the "Administrative Agent"), and Bank of America, N.A., as syndication agent. Unless otherwise defined herein, capitalized terms used in this Certificate have the meanings assigned to such terms in the Credit Agreement.

I, the undersigned, [Assistant] Secretary of [the Company] [[Name of Loan Party], a Delaware [corporation] [limited liability company] (the "Company")], do hereby certify, in the name and on behalf of the Company, and without assuming any personal liability, that:

1. Attached hereto as Annex I is a true and complete copy of the [Certificate of Incorporation][Certificate of Formation] of the Company as in effect of the date hereof. There have been no amendments to the [Certificate of Incorporation] [Certificate of Formation] of the Company since _____, 2010, and no action has been taken by the Company, its [Board of Directors][Managers], or officers in contemplation of liquidation or dissolution of the Company.

2. Attached hereto as Annex II is a true, correct and complete copy of the [by-laws][Limited Liability Company Agreement][Operating Agreement] of the Company as in effect on the date hereof.

3. Attached hereto as Annex III is a true, correct and complete copy of resolutions duly adopted by the Board of [Directors] [Managers] of the Company [at a meeting thereof] [by unanimous written consent] as of the __ day of _____, 2010; such resolutions have not in any way been revoked, modified, amended, or rescinded, have been in full force and effect since their adoption to and including the date hereof, and are now in full force and effect, and are the only organizational proceedings of the Company now in force relating to or affecting the matters referred to therein, and the [Credit Agreement and the other] Loan Documents to which the Company is a party are in substantially the forms of those documents submitted to and approved by the Board of Directors of the Company [at such meeting].

4. The persons named in Annex IV attached hereto have been duly elected, have duly qualified as and at all times since _____, 2010 (to and including the date hereof), have been officers of the Company holding the respective offices set forth therein opposite their names, and the signatures set forth therein opposite their names are their genuine signatures.

Witness my hand this 27th day of October, 2010.

_____

[Assistant] Secretary

I, the undersigned, [[Assistant] Secretary][Responsible Officer] of the Company, do hereby certify, in the name and on behalf of the Company, and without assuming any personal liability, that:

1. _____ is [a] [the] duly elected and qualified [Assistant] Secretary of the Company and the signature above is [his][her] genuine signature.

2. [The representations and warranties on the part of the Company contained in the Credit Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof, except to the extent that any such representation and warranty expressly relates solely to an earlier date, in which case such representation and warranty was true and correct in all material respects on and as of such earlier date.][1]

3. [No Default or Event of Default has occurred and is continuing as of the date hereof.][2]

WITNESS my hand on this 27th day of October, 2010.

_____

[[Assistant] Secretary][Responsible Officer of Company]

[1] To be included in Certificate relating to the Borrower only.

[2] To be included in Certificate relating to the Borrower only.

ANNEX I
to
Certificate

[Copy of the Certificate of [Incorporation][Formation]]
of
[NAME OF LOAN PARTY]]

ANNEX II
to
Certificate

[Copy of the [by-laws] [Limited Liability Company Agreement][Operating Agreement]
of
[NAME OF LOAN PARTY]]

ANNEX III
to
Certificate

Resolutions of the Board of [Directors] [Managers] of [Name of Loan Party]

ANNEX IV
to
Certificate

Name of Officer	Office	Signature

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT H
to
Credit Agreement

FORM OF ASSIGNMENT AND ASSUMPTION

ASSIGNMENT AND ASSUMPTION, dated as of _____, 20__ (as amended, supplemented or modified from time to time, this "Agreement"), between [NAME OF ASSIGNOR], a Lender under the Credit Agreement referred to below (the "Assignor"), and [NAME OF ASSIGNEE] (the "Assignee").

Reference is made to the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among GENERAL MOTORS HOLDINGS LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "Borrower"), the lenders from time to time party thereto (together with their respective successors and permitted assigns, collectively, the "Lenders"), Citibank, N.A., as administrative agent, and Bank of America, N.A., as syndication agent. Unless otherwise defined herein, terms used herein have the meanings assigned to such terms in the Credit Agreement.

The Assignor and the Assignee hereby agree as follows:

1. The Assignor hereby irrevocably sells and assigns to the Assignee, without recourse to, or (except as otherwise provided in Section 2 below) warranty by, the Assignor, and the Assignee hereby irrevocably purchases and assumes from the Assignor, without recourse to, or (except as otherwise provided in Section 2 below) warranty by, the Assignor, as of the Trade Date (as defined below), the interest described in Schedule 1 hereto (the "Assigned Interest") in and to the Assignor's rights and obligations under the Credit Agreement with respect to its [Commitment [and all outstanding Letters of Credit issued by an Issuing Lender other than the Assignor][1][and outstanding Loans], in a principal amount for the Assigned Interest as set forth on Schedule 1 hereto; provided, however, it is expressly understood and agreed that (i) the Assignor is not assigning to the Assignee and the Assignor shall retain (A) all of the Assignor's rights under Section 10.5 of the Credit Agreement with respect to any cost, reduction or payment incurred or made prior to the Trade Date, including, without limitation the rights to indemnification and to reimbursement for taxes, costs and expenses and (B) any and all amounts paid to the Assignor prior to the Trade Date and (ii) the Assignee shall be entitled to the benefits of Section 10.5 of the Credit Agreement from and after the Trade Date.

2. The Assignor (a) makes no representation or warranty, and assumes no responsibility, with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or with respect to the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any other instrument

[1] Insert bracketed text if the Assignor is an L/C Participant and Letters of Credit issued by another Issuing Lender are outstanding.

or document furnished pursuant thereto; provided, that the Assignor represents and warrants to the Assignee, to the Borrower, and to the Administrative Agent that the Assignor is the legal and beneficial owner of the Assigned Interest being assigned by it hereunder and that the Assigned Interest is free and clear of any adverse claim, (b) makes no representation or warranty, and assumes no responsibility, with respect to the financial condition of the Parent or any of its Subsidiaries or of the Borrower or any of its Subsidiaries or the performance or observance by the Parent or any of its Subsidiaries or the Borrower or any of its Subsidiaries of any of its obligations under the Credit Agreement or any other Loan Document or any other instrument or document furnished pursuant hereto or thereto, and (c) attaches any Note held by it evidencing the Loans made and to be made by it and (i) requests that the Administrative Agent, upon request by the Assignee, exchange the attached Note(s) for a new Note or Notes payable to the Assignee and (ii) if the Assignor has retained any interest in the Loans or its Commitment, requests that the Administrative Agent exchange the attached Note(s) for a new Note or Notes payable to the Assignor, in each case in amounts which reflect the assignment of the Assigned Interest being made hereby (and after giving effect to any other assignments which have become effective on the Trade Date).

3. The Assignee (a) represents and warrants to the Assignor, to the Borrower, and to the Administrative Agent that (i) it is not an Ineligible Assignee (unless the Borrower has specifically approved the Assignee), and (ii) it is legally authorized to enter into this Agreement; (b) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered or deemed delivered pursuant to Section 6.1 thereof (or, if none of such financial statements shall have then been delivered or deemed delivered, then copies of the financial statements referred to in Section 4.1 thereof) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Agreement; (c) agrees that it will, independently and without reliance upon the Assignor, the Administrative Agent or any Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent and the Collateral Trustee to take such action as agent on its behalf and to exercise such powers and discretion under the Loan Documents or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent or the Collateral Trustee by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; and (f) if the Assignee is organized under the laws of a jurisdiction outside the United States, attaches the forms pursuant to Section 2.14(d) of the Credit Agreement.

4. The effective date of this Agreement shall be the Trade Date of Assignment described in Schedule 1 hereto (the "Trade Date"). Following the execution of this Agreement by the Assignor, the Assignee, the Borrower and each relevant Issuing Lender (in the case of the Borrower and each such Issuing Lender, to the extent that the consent of any such Person is required or permitted by the Credit Agreement), it will be delivered to the Administrative Agent for acceptance by it and recording by the Administrative Agent pursuant to Section 10.6 of the Credit Agreement, effective as of the Trade Date (which shall not, unless otherwise agreed to by the Administrative Agent, be earlier than five Business Days after the date of acceptance and recording by the Administrative Agent) of this Agreement, executed as aforesaid.

5. Upon such acceptance and recording, from and after the Trade Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to the Trade Date and to the Assignee for amounts which have accrued subsequent to the Trade Date.

6. From and after the Trade Date, (a) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Agreement, have the rights and obligations of a Lender thereunder and under the other Loan Documents and shall be bound by the provisions thereof and (b) the Assignor shall, to the extent provided in this Agreement, relinquish its rights and be released from its obligations under the Credit Agreement.

7. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

8. This Agreement may be executed in counterparts, each of which shall be deemed to constitute an original, but all of which when taken together shall constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written by their respective duly authorized officers on Schedule 1 hereto.

_____, as Assignor

By: _____
Name:
Title:

_____, as Assignee

By: _____
Name:
Title:

Accepted and Consented to:[2]

[CITIBANK, N.A.], as Administrative Agent

By: _____
Name:
Title:

Consented to:

GENERAL MOTORS HOLDINGS LLC

By: _____
Name:
Title:

[Issuing Lender]

By: _____
Name:
Title:

[Issuing Lender]

By: _____
Name:
Title:

[2] Prior written consent of the Borrower, the Administrative Agent, each relevant Issuing Lender is required unless, (x) the Assignee is an existing Lender, or (y) in the case of the Borrower only, if an Event of Default under Section 8(a) or (f) of the Credit Agreement has occurred and is continuing.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1
to
Assignment and Assumption

This Schedule 1 is attached to and incorporated in the Assignment and Assumption, dated as of _____, 20__ (as amended, supplemented or modified from time to time, the "Assignment and Assumption"), between [NAME OF ASSIGNOR], a Lender under the Credit Agreement referred to below (the "Assignor"), and [NAME OF ASSIGNEE] (the "Assignee").

Reference is made to the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among GENERAL MOTORS HOLDINGS LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "Borrower"), the lenders from time to time party thereto (together with their respective successors and permitted assigns, collectively, the "Lenders"), Citibank, N.A., as administrative agent, and Bank of America, N.A., as syndication agent. Unless otherwise defined herein, terms used herein have the meanings assigned to such terms in the Credit Agreement.

Legal Name of the Assignor: _____

Legal Name of the Assignee: _____

(a) [The Assignee is an affiliate of: [Name of Lender]]

(b) [The Assignee is an Approved Fund administered or managed by: [Name of Lender][an affiliate of [Name of Lender]][an entity or an affiliate of an entity that administers or manages [Name of Lender]]

(c) The Assignee is [not an Ineligible Assignee] [is an Ineligible Assignee, but the Borrower has consented to the assignment by the Assignor to the Assignee.]

Principal Amount Assigned	Commitment Percentage Assigned

4. Trade Date of Assignment (the "Trade Date"): _____, 20__.[3]

The Assignee shall deliver to the Administrative Agent and the Borrower an administrative questionnaire in a form approved by the Administrative Agent in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Loan Parties and their affiliates or their respective securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable Requirements of Law, including Federal and state securities laws.

[3] To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the Register therefor.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT I
to
Credit Agreement

FORM OF OPINION OF IN-HOUSE COUNSEL TO THE LOAN PARTIES

October 27, 2010

Citibank, N.A., as Administrative Agent
under the Credit Agreement hereinafter referred to
and the Lenders listed on Schedule 1.1A thereto

Re: General Motors Holdings LLC
Credit Agreement dated as of October 27, 2010

Ladies and Gentlemen:

As attorneys on the Legal Staff of General Motors Company, a Delaware corporation (the "Parent"), we have acted in that capacity on behalf of the Parent, General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), and the subsidiaries of the Borrower listed on Schedule I hereto (collectively, the "Initial Subsidiary Guarantors", and each, an "Initial Subsidiary Guarantor"; and, together with the Parent, collectively, the "Guarantors", and each, a "Guarantor"; and, together with the Borrower and the Parent, collectively, the "Loan Parties", and each, a "Loan Party"), in connection with the preparation, execution, and delivery of (i) the Credit Agreement, dated as of October 27, 2010 (the "Credit Agreement"), among the Borrower, the lenders party thereto (collectively, the "Lenders", and each, a "Lender"), Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and Bank of America, N.A., as syndication agent (in such capacity, the "Syndication Agent"), and (ii) certain additional Loan Documents referred to below which have been executed and delivered by one or more of the Loan Parties. Unless otherwise defined herein, terms used herein have the meanings assigned to such terms in the Credit Agreement. This opinion is rendered to you pursuant to Section 5.2(f)(i) of the Credit Agreement.

In connection with this opinion, we have examined, or caused to be examined, originals or copies of the following documents:

(i) the Credit Agreement, executed by the Borrower, the Lenders, the Administrative Agent and the Syndication Agent;

(ii) the Guarantee, executed by each Guarantor;

(iii) the Security Agreement, executed by the Borrower, each Initial Subsidiary Guarantor, and the Collateral Trustee;

(iv) the Securities Account Control Agreement among the Collateral Trustee, as "Secured Party", the Borrower, as "Pledgor", and Citibank, N.A., as "Securities Intermediary";

(v) the Mortgages relating to the Mortgaged Property listed on Schedule 1.1E to the Collateral Trust Agreement, each executed by the Borrower or an Initial Subsidiary Guarantor in favor of the Collateral Trustee;

(vi) the Patent Security Agreement, executed by General Motors LLC, GM Global Technology Operations, Inc., and the Collateral Trustee;

(vii) the Trademark Security Agreement, executed by General Motors LLC, OnStar, LLC, and the Collateral Trustee;

(viii) the Note, executed by the Borrower in favor of Lloyds TS Bank Plc in the maximum principal amount of $100,000,000.00;

(ix) the Note, executed by the Borrower in favor of Banco Itaú Europa, S.A. - Sucursal Financeira Internacional in the maximum principal amount of $100,000,000.00;

(x) the Certificate of Incorporation, the Articles of Incorporation, or the Certificate of Formation, as applicable, of each Loan Party (collectively, the "Charters"); and

(xi) the By-Laws or the Limited Liability Company Operating Agreement of each Loan Party certified by an officer of such Loan Party as being complete and in full force and effect as of the date of this opinion (collectively, the "By-Laws").

The documents specified in subparagraphs (i) through (ix) above are referred to herein, collectively, as the "Loan Documents". The documents specified in subparagraphs (iii) through (vii) above are referred to herein, collectively, as the "Collateral Documents". The term "Organic Documents" means the Charters and the By-Laws of the Loan Parties.

In rendering this opinion, we have obtained, or caused to be obtained, such certificates and other information from public and government officials and from officers and employees of the Loan Parties, and have also examined, or caused to be examined, such documents and organizational and other records as we have considered necessary or appropriate for the purposes of this opinion. In such examination, we have assumed that each certificate obtained from a Governmental Authority relied on by us is accurate, complete and authentic, and that all relevant official public records to which each such certificate relates are accurate and complete. In addition, we have examined or caused to be examined, and have relied as to matters of fact upon, the documents delivered to you at the closing, and upon originals, or duplicates or certified or conformed copies, of such organizational and other records, agreements, documents and other instruments and such certificates or comparable documents of public officials and of officers and representatives of the Loan Parties, and have made such other investigations, as we have deemed relevant and necessary in connection with the opinions hereinafter set forth. In such examination, we have assumed the genuineness of all signatures (other than of those natural persons signing on behalf of the Loan Parties), the legal capacity of natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. As to questions of fact material to this opinion, we have relied upon certificates of public officials and of officers and representatives of the Loan Parties. In addition, we have relied as to certain matters of fact upon the representations made in the Loan Documents.

Based upon and subject to the foregoing, and subject to the qualifications, assumptions and limitations set forth herein, it is our opinion that:

1. No Loan Party is an "investment company" or a company "controlled" by an "investment company", registered or required to be registered as such within the meaning of the Investment Company Act of 1940, as amended.

2. The execution and delivery by each Loan Party of the Loan Documents to which it is a party, the borrowings by the Borrower in accordance with the terms of the Credit Agreement, and the payment of its obligations thereunder and the granting of the security interests to be granted by it pursuant to the Collateral Documents (a) will not result in any violation of (1) the Organic Documents of such Loan Party, (2) assuming that proceeds of borrowings will be used in accordance with the terms of the Credit Agreement, any Federal statute, the Delaware General Corporation Law (the "DGCL"), the Delaware Limited Liability Company Act (the "DLLCA") or any rule or regulation issued pursuant to any Federal statute or the DGCL or the DLLCA or any order known to us issued by any court or governmental agency or body and (b) will not breach or result in a default under (in each case material to the Parent and its Subsidiaries considered as a whole), or result in the creation of any Lien upon (in each case material to the Parent and its Subsidiaries considered as a whole) any Loan Party's properties pursuant to, the terms of any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument known to us under which any Loan Party is a debtor or guarantor, other than the Liens created by the Collateral Documents or the Collateral Trust Agreement.

3. Except as set forth in any Report on Form 8-K, 10-K, or 10-Q of the Parent filed with the SEC or the Parent's registration statement on Form S-1 (File No. 333-168919), and any amendments thereto filed with the SEC, we do not know of any legal or governmental proceeding pending or threatened to which any Loan Party is a party, or to which any property of any Loan Party is subject, that in either case questions the validity of the Loan Documents or involves a probable risk of an adverse decision that could reasonably be expected to have a Material Adverse Effect.

The opinions expressed above are subject to the following qualifications and limitations:

Whenever an opinion expressed herein is qualified by the phrase "to our knowledge," "known to us," or "nothing has come to our attention" or other phrase of similar import, such phrase is intended to mean the actual knowledge of information by the attorneys on the Legal Staff of the Parent who have been principally involved in drafting or reviewing the Loan Documents, but does not include other information that might be revealed if there were to be undertaken a canvass of all attorneys on the staff of the Parent, a general search of all files or any other type of independent investigation.

In rendering the opinions herein set forth, we have assumed with your permission and without independent verification (i) that each party to the Loan Documents is existing and in good standing in its jurisdiction of incorporation or formation, (ii) the power and authority of each party to the Loan Documents to execute, deliver and perform its obligations under the Loan Documents to which it is a party, (iii) the Loan Documents have been duly authorized, executed and delivered by each party thereto, (iv) each party to the Loan Documents has satisfied those legal requirements that are applicable to it to the extent necessary to make the Loan Documents to which it is a party enforceable against it, (v) the Loan Documents constitute legal, valid and binding obligations of each party thereto, enforceable against each such other party in accordance with its terms, (vi) that each party to the Loan Documents is in compliance with all applicable state and Federal laws regulating lenders or the conduct of their business, and (vii) that all parties to the transactions contemplated by the Loan Documents have acted and will continue to act in good faith.

For purposes of the opinions expressed herein, we have assumed, without investigation, that the constitutionality or validity of a relevant statute, rule, regulation or agency action is not in issue.

Except as expressly provided herein, the opinions expressed herein are limited to the DGCL, DLLCA and the Federal law of the United States of America, which, in our experience, are normally applicable to general business corporations or companies that are not engaged in regulated business activities and to transactions of the type contemplated by the Loan Documents (without having made any investigation as to any other laws), and we do not express any opinion herein concerning the laws of any other jurisdiction (including foreign jurisdictions) or any other laws. Furthermore, the opinions expressed herein do not cover or otherwise address any law or legal issue which is identified in Annex A hereto.

The opinions expressed herein are limited to the specific issues addressed herein and are limited in all respects to documents, laws and facts existing on the date hereof. By rendering these opinions, we do not undertake to advise you of any changes in such documents, laws or facts that may occur after the date hereof.

The opinions expressed herein are rendered solely for your benefit (and the benefit of your permitted Assignees under the Credit Agreement) in connection with the transactions described herein. Those opinions may not be used or relied upon by any other Person, nor may this letter or any copies hereof be furnished to a third party, filed with a governmental agency quoted, cited or otherwise referred to without our prior written consent.

In connection with the foregoing opinion, we wish to point out that we are members of the Bar of the State of Michigan and do not hold ourselves out as experts in the laws of states other than Michigan. However, we have made, or caused to be made, such investigation as we have deemed appropriate with respect to the DGCL and the DLLCA in connection with such opinion, and nothing has come to our attention in the course of such investigation which would lead us to question the correctness of such opinion.

Very truly yours,

GENERAL MOTORS COMPANY
LEGAL STAFF

By _____
Kimberly K. Hudolin

ANNEX A

Our opinions in this opinion do not cover or otherwise address any of the following laws, regulations or other governmental requirements or legal issues:

1. Federal securities laws and regulations (other than with respect to Investment Company Act of 1940, as amended, for purposes of our opinion paragraph numbered 1 above);

2. state “Blue Sky” laws and regulations, and laws and regulations relating to commodity (and other) futures and indices and other similar instruments;

3. Federal Reserve Board margin regulations;

4. pension and employee benefit laws and regulations (e.g., ERISA);

5. Federal and state laws and regulations concerning filing and notice requirements;

6. the statutes and ordinances, the administrative decisions and the rules and regulations and judicial decisions of counties, towns, municipalities and special political subdivisions (whether created or enabled through legislative action at the Federal, state, regional or local level) and judicial decisions;

7. the statutes and regulations, the administrative decisions and the rules and regulations of state or Federal public utilities commissions, state or Federal public service commissions and similar state or Federal agencies with jurisdiction over the provision of intrastate telecommunications, public utilities, banking, or insurance services that might be implicated by reason of the telecommunications, public utilities, banking or insurance business or other specifically regulated activities of a Loan Party or any other entity;

8. Federal and state antitrust and unfair competition laws and regulations; environmental laws and regulations; land use and subdivision laws and regulations; tax laws and regulations; racketeering laws and regulations (e.g., RICO); health and safety laws and regulations (e.g., OSHA); labor laws and regulations;

9. Federal patent, trademark and copyright, state trademark, and other Federal and state intellectual property laws and regulations;

10. Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws;

11. other Federal and state statutes of general application to the extent they provide for criminal prosecution (e.g., mail fraud and wire fraud statutes);

12. any laws, regulations, directives and executive orders that prohibit or limit the enforceability of obligations based on attributes of the party seeking enforcement (e.g., the Trading with the Enemy Act and the International Emergency Economic Powers Act); and

13. the effect of any law, regulation or order which hereafter becomes effective.

* * * *

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE I

INITIAL SUBSIDIARY GUARANTORS

	Name of Entity	Jurisdiction of Organization
1.	General Motors Asia Pacific Holdings, LLC	Delaware
2.	General Motors International Holdings, Inc.	Delaware
3.	General Motors LLC	Delaware
4.	General Motors Overseas Distribution Corporation	Delaware
5.	GM Components Holdings, LLC	Delaware
6.	GM Finance Co. Holdings LLC	Delaware
7.	GM Global Technology Operations, Inc.	Delaware
8.	GM LAAM Holdings, LLC	Delaware
9.	GM Preferred Finance Co. Holdings LLC	Delaware
10.	OnStar, LLC	Delaware
11.	Riverfront Holdings, Inc.	Delaware

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT J
to
Credit Agreement

FORM OF OPINION OF JENNER & BLOCK LLP

October 27, 2010

Citibank, N.A., as Administrative Agent
under the Credit Agreement hereinafter referred to
and the Lenders listed on Schedule 1.1A thereto

Re: General Motors Holdings LLC
Credit Agreement dated as of October 27, 2010

Ladies and Gentlemen:

We have acted as New York counsel to General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), General Motors Company, a Delaware corporation (the "Parent"), and the subsidiaries of the Borrower listed on Schedule I hereto (collectively, the "Initial Subsidiary Guarantors", and each, an "Initial Subsidiary Guarantor"; and, together with the Parent, collectively, the "Guarantors", and each, a "Guarantor"; and, together with the Borrower and the Parent, collectively, the "Loan Parties", and each, a "Loan Party"), in connection with the preparation, execution, and delivery of (i) the Credit Agreement, dated as of October 27, 2010 (the "Credit Agreement"), among the Borrower, the lenders party thereto (collectively, the "Lenders", and each, a "Lender"), Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and Bank of America, N.A., as syndication agent (in such capacity, the "Syndication Agent"), and (ii) certain additional Loan Documents referred to below which have been executed and delivered by one or more of the Loan Parties. Unless otherwise defined herein, terms used herein have the meanings assigned to such terms in the Credit Agreement, and "Secured Parties" has the meaning assigned to such term in the Collateral Trust Agreement. This opinion is rendered to you pursuant to Section 5.2(f)(ii) of the Credit Agreement.

In connection with this opinion, we have examined originals or copies of the following documents:

(i) the Credit Agreement, executed by the Borrower, the Lenders, the Administrative Agent and the Syndication Agent;

(ii) the Guarantee, executed by each Guarantor;

(iii) the Security Agreement, executed by the Borrower, each Initial Subsidiary Guarantor, and the Collateral Trustee;

(iv) the Securities Account Control Agreement executed by the Collateral Trustee, as "Secured Party", the Borrower, as "Pledgor", and Citibank, N.A., as "Securities Intermediary" (the "Control Agreement");

(v) the Mortgages relating to the Mortgaged Property listed on Schedule 1.1E to the Collateral Trust Agreement, each executed by the Borrower or an Initial Subsidiary Guarantor in favor of the Collateral Trustee;

(vi) the Patent Security Agreement, executed by General Motors LLC, GM Global Technology Operations, Inc. and the Collateral Trustee;

(vii) the Trademark Security Agreement, executed by General Motors LLC, OnStar, LLC and the Collateral Trustee;

(viii) the Note, executed by the Borrower in favor of Lloyds TS Bank Plc in the maximum principal amount of $100,000,000.00;

(ix) the Note, executed by the Borrower in favor of Banco Itaú Europa, S.A. - Sucursal Financeira Internacional in the maximum principal amount of $100,000,000.00; and

(x) unfiled copies of the financing statements (the "Delaware Financing Statements") naming the Borrower or an Initial Subsidiary Guarantor, respectively, as debtor, and the Collateral Trustee, as secured party, to be filed in the office of the Secretary of State of the State of Delaware (the "Delaware Filing Office") and attached hereto as Annex C.

The documents specified in subparagraphs (i) through (ix) above are referred to herein, collectively, as the "Loan Documents". The documents specified in subparagraphs (iii) through (vii) above are referred to herein, collectively, as the "Collateral Documents". The Collateral Documents other than the Mortgages are referred to herein, collectively, as the "Personal Property Collateral Documents". The term "Collateral Account" means account number "GM Control Account - #798510" established in the name of the Borrower at Citibank, N.A., to the extent the UCC (the "New York UCC") governs the creation and perfection of a security interest in such account.

In rendering this opinion, we have obtained such certificates and other information from public and government officials and from officers and employees of the Loan Parties, and have also examined such documents and organizational and other records as we have considered necessary or appropriate for the purposes of this opinion.

In our examination of the documents referred to in this opinion, we have assumed the genuineness of all signatures, the legal capacity and competency of all natural persons, the authenticity of all documents submitted to us as originals or copies, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such copies.

In rendering the opinions set forth in this opinion, we have, with your consent, relied only upon the examination of documents described above and have made no independent verification or investigation of the factual matters set forth therein.

Based on the foregoing and subject to the other qualifications, assumptions, exclusions, and other limitations stated herein and as limited thereby, and after examination of such matters of law as we have deemed relevant, we are of the opinion that:

1. Each Loan Party is a corporation or limited liability company existing and in good standing under the Delaware General Corporation Law ("DGCL") or the Delaware Limited Liability Company Act ("DLLCA"), as the case may be.

2. Each Loan Party has the corporate or the limited liability company power and authority, as the case may be, to enter into and perform its obligations under each of the Loan Documents to which it is a party. The Board of Directors, Board of Managers or the sole member, as the case may be, of each Loan Party has adopted by requisite vote the resolutions necessary to authorize such Loan Party's execution, delivery and performance of the Loan Documents to which it is a party. Each Loan Party has duly executed and delivered each of the Loan Documents to which it is a party.

3. Each Loan Document (other than the Mortgages as to which we express no opinion) to which a Loan Party is a party is a valid and binding obligation of each Loan Party party thereto and is enforceable against each such Loan Party in accordance with its terms.

4. The execution and delivery by each Loan Party of the Loan Documents to which such Loan Party is a party, the performance by each Loan Party of its obligations under each such Loan Document, and the borrowings by the Borrower in accordance with the terms of the Credit Agreement, will not (i) violate any order, writ, injunction, judgment, determination, award or decree of any court applicable to such Loan Party of which we are aware, or (ii) constitute a violation by such Loan Party of any applicable provision of existing statutory law or governmental regulation covered by this opinion, in each case, which in our experience, without having made any special investigation as to the applicability of any specific law, rule or regulation, are normally applicable to transactions of the type contemplated by the Loan Documents.

5. No Loan Party is presently required to obtain any consent, approval, authorization or order of, or make any filing with, any United States federal or State of New York court or governmental or regulatory agency in order to obtain the right to execute and deliver the Loan Documents to which such Loan Party is a party, or to perform its obligations under such Loan Documents, or, in the case of the Borrower, to borrow in accordance with the terms of the Credit Agreement, except, in each case, for filings and recordings required for the perfection (and continuation) of security interests granted pursuant to the Collateral Documents and actions or filings required in connection with the ordinary course of conduct by each such Loan Party of its business and ownership or operation by such Loan Party of its assets. No Loan Party is presently required to obtain any consent, approval, authorization or order of, or make any filing with, any State of Delaware court or governmental or regulatory agency, acting pursuant to the DGCL or the DLLCA, in order to obtain the right to execute and deliver the Loan Documents to which such Loan Party is a party, or to perform its obligations under such Loan Documents, or, in the case of the Borrower, to borrow in accordance with the terms of the Credit Agreement, except, in each case, for filings and recordings required for the perfection (and continuation) of security interests granted pursuant to the Collateral Documents and actions or filings required in connection with the ordinary course of conduct by each such Loan Party of its business and ownership or operation by such Loan Party of its assets.

6. Assuming that the Borrower will comply the provisions of the Credit Agreement relating to the use of proceeds, the execution and delivery of the Credit Agreement by the Borrower and the making of the Loans under the Credit Agreement will not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System.

7. The Security Agreement creates (i) in favor of the Collateral Trustee for the benefit of the First Priority Secured Parties (as defined in the Collateral Trust Agreement), and (ii) in favor of the Collateral Trustee for the benefit of the Second Priority Secured Parties (as defined in the Collateral Trust Agreement), a security interest in the Collateral described therein in which a security interest may be created under Article 9 of the New York UCC (the "Security Agreement Article 9 Collateral").

8. The Collateral Trustee will have a perfected security interest in that portion of the Capital Stock of the Domestic Subsidiaries identified on Schedule 3 to the Security Agreement (the "Pledged Securities") consisting of certificated securities for the benefit of (i) the First Priority Secured Parties (as defined in the Collateral Trust Agreement), and (ii) the Second Priority Secured Parties (as defined in the Collateral Trust Agreement), under the New York UCC upon delivery to the Collateral Trustee in the State of New York of the certificates representing the Pledged Securities in registered form, indorsed in blank by an effective indorsement or accompanied by undated stock powers with respect thereto duly indorsed in blank by an effective indorsement. Assuming that neither the Collateral Trustee nor any of the Secured Parties has notice of any adverse claim with respect to the Pledged Securities, the Collateral Trustee will acquire the security interest in the Pledged Securities free of any adverse claim.

9. Under the New York UCC, the provisions of the Control Agreement are effective to perfect the security interest of the Collateral Trustee for the benefit of (i) the First Priority Secured Parties (as defined in the Collateral Trust Agreement), and (ii) the Second Priority Secured Parties (as defined in the Collateral Trust Agreement), in the Borrower's rights in the Collateral Account.

10. The Collateral Trustee will have a perfected security interest for the benefit of (i) the First Priority Secured Parties (as defined in the Collateral Trust Agreement), and (ii) the Second Priority Secured Parties (as defined in the Collateral Trust Agreement), in the U.S. patents of the Borrower or of GM Global Technology Operations, Inc. listed on Schedule A to the Patent Security Agreement upon (a) the taking of all actions required under the laws of the State of Delaware of the Borrower or GM Global Technology Operations, Inc. with respect to the perfection of a security interest in such intangible property and (b) the timely filing and recording of the Patent Security Agreement, including Schedule A thereto, in the United States Patent and Trademark Office, in the manner specified by such office and in accordance with its rules and regulations, for each such registration that has been properly and accurately identified therein.

11. The Collateral Trustee will have a perfected security interest for the benefit of (i) the First Priority Secured Parties (as defined in the Collateral Trust Agreement), and (ii) the Second Priority Secured Parties (as defined in the Collateral Trust Agreement), in the U.S. trademarks of the Borrower or of OnStar, LLC listed on Schedule A to the Trademark Security Agreement upon (a) the taking of all actions required under the laws of the State of Delaware of the Borrower or OnStar, LLC with respect to the perfection of a security interest in such intangible property and (b) the timely filing and recording of the Trademark Security Agreement, including Schedule A thereto, in the United States Patent and Trademark Office, in the manner specified by such office and in accordance with its rules and regulations, for each such registration that has been properly and accurately identified therein.

12. Although we express no opinion as to the law of the State of Delaware, we have reviewed Article 9 of the Uniform Commercial Code in effect in the State of Delaware as set forth in the Commerce Clearing House, Inc. Secured Transactions Guide as supplemented

through September 14, 2010 (the "Delaware UCC") and, based solely on such review, we advise you that (a) the Delaware Financing Statements are in appropriate form for filing in the Delaware Filing Office and (b) upon the filing of the Delaware Financing Statements in the Delaware Filing Office, the Collateral Trustee will have a perfected security interest for the benefit of (i) the First Priority Secured Parties (as defined in the Collateral Trust Agreement), and (ii) the Second Priority Secured Parties (as defined in the Collateral Trust Agreement) in that portion of the Security Agreement Article 9 Collateral in which a security interest is perfected by filing a financing statement in the Delaware Filing Office.

Our opinions are subject to the assumptions and qualifications set forth in Annex A to this opinion and do not cover or otherwise address any law or legal issue which is identified in Annex B to this opinion. Except as set forth in the following sentences of this paragraph, our advice on every legal issue addressed in this opinion is based exclusively on the laws of the State of New York and such federal law of the United States which, in our experience, are normally applicable to general business entities not engaged in regulated business activities and to transactions of the type contemplated in the Loan Documents. In addition, for purposes of the opinion in opinion paragraph numbered 1 above, we have relied exclusively upon the Good Standing Certificates (as defined below), and such opinion is not intended to provide any conclusion or assurance beyond that conveyed by such certificates. For purposes of our opinions in opinion paragraph numbered 2, we have relied exclusively on our review of the relevant Governing Documents (as defined below), the Resolutions (as defined below) and the DGCL or the DLLCA, in each case, relating solely to corporate or limited liability company power and authorization of corporate or limited liability company actions by boards of directors, boards of managers or a sole member, as applicable. The opinion in the second sentence of opinion paragraph numbered 5 above is based exclusively on the DGCL and the DLLCA. The opinions in opinion paragraph numbered 12 above with respect to the Delaware UCC are based on our review of the Commerce Clearing House, Inc. Secured Transactions Guide as supplemented through September 14, 2010 (the "Guide") and on the assumption that such statutory provisions are given the same interpretation and application in such state as the corresponding provisions in the New York UCC are given in the State of New York. We have not reviewed any judicial decisions of courts sitting in the State of Delaware or, except for those contained in the Guide, any rules regulations, guidelines, releases or interpretations concerning the Delaware UCC. The term "Good Standing Certificates" shall mean those documents set forth on Annex D. The term "Governing Documents" shall mean the organizational documents of the Loan Parties attached to the Certificates of the Loan Parties delivered pursuant to the Credit Agreement. The term "Resolutions" shall mean those meeting minutes or actions by unanimous written consent of the board of directors, the board of managers or the sole members, as applicable, of the Loan Parties attached to the Certificates of the Loan Parties delivered pursuant to the Credit Agreement.

We have not undertaken any research for purposes of determining whether the Loan Parties or any of the transactions which may occur in connection with the Loan Documents are subject to any law or other governmental requirement otherwise within the scope of this opinion other than to those laws and requirements which in our experience would generally be recognized as applicable, and none of our opinions covers any such law or other requirement. We have relied, without any independent verification upon: (i) factual information contained in certificates obtained from governmental authorities; (ii) factual information represented to be true in the Loan Documents; (iii) factual information provided to us by the Loan Parties and their respective directors, officers and other representatives; and (iv) factual information we have obtained from such other sources as we have deemed reasonable. Except as expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of such facts and no inference as to our knowledge concerning such facts should be drawn from the fact that such representation has been undertaken by us.

Our advice on each legal issue addressed in this opinion represents our opinion as to how that issue would be resolved were it to be considered by the highest court of the jurisdiction upon whose law our opinion on that issue is based. The manner in which any particular issue would be treated in any actual court case would depend in part on facts and circumstances particular to the case, and this opinion is not intended to guarantee the outcome of any legal dispute which may arise in the future.

This opinion speaks as of the time of its delivery on the date it bears. We do not assume any obligation to provide you with any subsequent opinion or advice by reason of any fact about which we did not have actual knowledge at that time, by reason of any change subsequent to that time in any law covered by any of our opinions, or for any other reason.

You may rely upon this opinion only for the purpose served by the provision in the Credit Agreement cited in the initial paragraph of this opinion in response to which it has been delivered. Without our written consent: (i) no Person other than you (and your permitted assignees under the Credit Agreement) may rely on this opinion for any purpose; (ii) this opinion may not be cited or quoted in any financial statement, prospectus, private placement memorandum or other similar document; (iii) this opinion may not be cited or quoted in any other document or communication which might encourage reliance upon this opinion by any Person or for any purpose excluded by the restrictions in this paragraph; and (iv) copies of this opinion may not be furnished to anyone for purposes of encouraging reliance upon this opinion by any Person or for any purpose excluded by the restrictions in this paragraph.

Very truly yours,

JENNER & BLOCK LLP

ANNEX A

For purposes of this opinion, we have relied, without investigation, upon each of the following assumptions:

1. each document submitted to us for review is accurate and complete, each such document that is an original is authentic, each such document that is a copy conforms to an authentic original and all signatures on each such document are genuine;

2. with respect to each Person party to a Loan Document (a) such Person is existing and in good standing in its jurisdiction of organization or formation, (b) such Person has the requisite power (including, without limitation, under the laws of its jurisdiction of organization or formation) to execute, deliver and perform its obligations under each of the Loan Documents to which it is a party, (c) each of the Loan Documents to which it is a party has been duly authorized by all necessary action on its part and has been duly executed and delivered by it, (d) such Person has satisfied those legal requirements that are applicable to it to the extent necessary to make the Loan Documents to which it is a party enforceable against it, and (e) each of the Loan Documents to which it is a party constitute valid and binding obligations of it and are enforceable against it in accordance with its terms (subject to the qualifications, exclusions and other limitations similar to those applicable to this opinion), except, with respect to the Loan Parties, to the extent of our opinions in opinion paragraphs numbered 1 - 3 above with respect to the Loan Documents;

3. each certificate obtained from a governmental authority relied on by us is accurate, complete and authentic and all relevant official public records to which each such certificate relates are accurate and complete;

4. each person who has taken any action relevant to any of our opinions in the capacity of director, officer or similar position of any Person was duly elected or appointed to that director, officer or similar position of such Person and held that position when such action was taken; and

5. the constitutionality or validity of a relevant statute, rule, regulation or agency action is not in issue.

We understand that you are separately receiving an opinion from the legal department of one or more of the Loan Parties with respect to certain of the foregoing assumptions, and we are advised that such opinion contains qualifications. Our opinions herein stated are based on the assumptions specified in this Annex A and in this opinion and we express no opinion as to the effect on the opinions herein stated of the qualifications contained in such other opinion.

In addition, we further understand that you are separately receiving, or expect to receive, one or more opinions of counsel from local or foreign counsel to one or more of the Loan Parties covering the Mortgages and the pledges of the Capital Stock of one ore more Foreign Subsidiaries, and we are advised that such opinions of counsel contain, or may contain qualifications. As indicated above, our opinions herein stated are based on the assumptions specified in this Annex A and in this opinion and we express no opinion as to the effect on the opinions herein stated of the qualifications contained or to be contained in such other opinions of local or foreign counsel.

Whenever an opinion expressed herein is qualified by the phrase “to our knowledge,” “known to us,” or “nothing has come to our attention” or other phrase of similar import, such phrase is intended to mean the actual knowledge of information by the lawyers in our firm who have been principally involved in drafting or reviewing the Loan Documents, but does not include other information that might be revealed if there were to be undertaken a canvass of all lawyers in our firm, a general search of all files or any other type of independent investigation.

Each of our opinions in this opinion is subject to:

1. the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws, including (a) the Bankruptcy Code of 1978, as amended (including matters of turn-over, automatic stay, avoiding powers, fraudulent transfer, preference, discharge, conversion of a non-recourse obligation into a recourse claim, limitations on ipso facto and anti-assignment clauses and the coverage of pre-petition security agreements applicable to property acquired after a petition is filed); (b) all other Federal and state bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement and assignment for the benefit of creditors laws that affect the rights of creditors generally or that have reference to or affect only creditors of specific types of debtors; (c) state fraudulent transfer and conveyance laws; and (d) judicially developed doctrines in this area, such as substantive consolidation of entities, recharacterization and equitable subordination;

2. the effect of general principles of equity, whether applied by a court of law or equity, including principles (a) governing the availability of specific performance, injunctive relief or other equitable remedies, which generally place the award of such remedies, subject to certain guidelines, in the discretion of the court to which application for such relief is made; (b) affording equitable defenses (e.g., waiver, laches and estoppel) against a party seeking enforcement; (c) requiring good faith and fair dealing in the performance and enforcement of a contract by the party seeking its enforcement; (d) requiring reasonableness in the performance and enforcement of an agreement by the party seeking enforcement of the contract; (e) requiring consideration of the materiality of (i) a breach and (ii) the consequences of the breach to the party seeking enforcement; (f) requiring consideration of the impracticability or impossibility of performance at the time of attempted enforcement; and (g) affording defenses based upon the unconscionability of the enforcing party's conduct after the parties have entered into the contract;

3. the qualification that we express no opinion as to the effect on the opinions expressed herein of (i) the compliance or non-compliance of any party to any of the Loan Documents with any state, Federal or other laws or regulations applicable to it (except, with respect to the Loan Parties, to the extent of our opinion in opinion paragraphs numbered 4 and 6 above) or (ii) the legal or regulatory status or the nature of the business of any party;

4. the qualification that we express no opinion as to the validity, binding effect or enforceability of any provision of any of the Loan Documents (i) which requires further agreement by the parties or expressly or impliedly permits any party to take discretionary action which is arbitrary, unreasonable, or capricious, or would violate any implied covenant of good faith or would be commercially unreasonable, whether or not such action is permitted according to the specific terms of any of the Loan Documents, or (ii) regarding remedies available to any party for violations or breaches which are determined by a court to be nonmaterial or without substantial adverse effect upon the ability of the obligor to perform its material obligations thereunder;

5. the qualification that any requirement in any of the Loan Documents specifying that provisions thereof may only be waived or amended in writing may not be binding or enforceable to the extent that a non-executory or oral agreement has been created modifying any provision in the Loan Documents or an implied agreement by trade practice, custom or course of conduct or dealing has been created allowing a waiver or modifying any such Loan Document;

6. the qualification as to the validity, binding effect or enforceability of provisions in the Loan Documents specifying certain remedies or that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, and/or that the election of a particular remedy does not preclude recourse to one or more others;

7. the effect of rules of law that: (a) limit or affect the enforcement of provisions of a contract that purport to waive, or to require waiver of, the obligations of good faith, fair dealing, diligence and reasonableness; (b) provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected; (c) limit the availability of a remedy under certain circumstances where another remedy has been elected; (d) provide a time limitation after which a remedy may not be enforced; (e) limit the right of a creditor to use force or cause a breach of the peace in enforcing rights; (f) relate to the sale or disposition of Collateral or the requirements of a commercially reasonable sale; (g) limit the enforceability of provisions releasing, exculpating or exempting a party from, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action or inaction involves negligence, recklessness, willful misconduct, breach of an agreement, violations of securities laws, unlawful conduct, violation of public policy or litigation against another party determined adversely to such party; (h) may, where less than all of a contract may be unenforceable, limit the enforceability of the balance of the contract to circumstances in which the unenforceable portion is not an essential part of the agreed exchange; (i) govern and afford judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs; and (j) may permit a party that has materially failed to render or offer performance required by the contract to cure that failure unless (x) permitting a cure would unreasonably hinder the aggrieved party from making substitute arrangements for performance, or (y) it was important in the circumstances to the aggrieved party that performance occur by the date stated in the contract;

8. the effect of any provision of the Loan Documents which is intended to establish any standard other than a standard set forth in the New York UCC as the measure of the performance by any party thereto of such party's obligations of good faith, diligence, reasonableness or care or of the fulfillment of the duties imposed on any secured party with respect to the maintenance, disposition or redemption of Collateral, accounting for surplus proceeds of Collateral or accepting Collateral in discharge of liabilities;

9. the effect of any provision of the Loan Documents insofar as it provides that any Person purchasing a participation from a Lender or other Person may exercise set-off or similar rights with respect to such participation or that any Lender or other Person may exercise set-off or similar rights other than in accordance with applicable law;

10. the effect of any provision of the Loan Documents imposing penalties or forfeitures;

11. the enforceability of any provision of any of the Loan Documents to the extent that such provision constitutes a waiver of illegality as a defense to performance of contract obligations;

12. in connection with the provisions of the Loan Documents whereby the parties submit to the jurisdiction of the courts of the United States of America located in the Southern District of New York, we note the limitations of 28 U.S.C. §§ 1331 and 1332 on subject matter jurisdiction of the Federal courts. In connection with the provisions of the Loan Documents which relate to forum selection of the courts of the United States located in the Southern District of New

York (including, without limitation, any waiver of any objection to venue or any objection that a court is an inconvenient forum), we note such court's discretion to transfer an action from one Federal court to another under 28 U.S.C. § 1404(a);

13. the qualifications that, to the extent that any opinion relates to the enforceability of the choice of New York law and the choice of New York forum provisions of the Loan Documents, (i) our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and (ii) such enforceability may be limited by public policy considerations in a jurisdiction, other than the courts of the State of New York, in which enforcement of such provisions, or of a judgment upon an agreement containing such provisions, is sought;

14. the qualification that we express no opinion as to the enforceability of any rights to contribution or indemnification provided for the in the Loan Documents which are violative of the public policy underlying any law, rule or regulation (including any Federal or state securities law, rule or regulation);

15. the qualification that we express no opinion as to the enforceability of any section of the Loan Documents to the extent it purports to waive any objection a Person may have that a suit, action or proceeding has been brought in an inconvenient forum or a forum lacking subject matter jurisdiction; and

16. the qualification that the choice of New York law on the basis of Section 5-1401 of the New York General Obligation Law is only relevant insofar as litigation is brought to enforce the Loan Documents in the courts of the State of New York, and we have assumed that there is a basis for jurisdiction in such courts.

None of the opinions in this opinion covers or otherwise addresses any of the following types of provisions which may be contained in the Loan Documents:

1. waivers of (a) legal or equitable defenses, (b) rights to damages, (c) rights to counter claim or set off, (d) statutes of limitations, (e) rights to notice, (f) the benefits of statutory, regulatory, or constitutional rights, unless and to the extent the statute, regulation, or constitution explicitly allows waiver, (g) broadly or vaguely stated rights, and (h) other benefits to the extent they cannot be waived under applicable law;

2. provisions providing for forfeitures or the recovery of amounts deemed to constitute penalties, or for liquidated damages, acceleration of future amounts due (other than principal) without appropriate discount to present value, late charges, prepayment charges, and increased interest rates upon default;

3. time-is-of-the-essence clauses and other provisions that provide a time limitation after which a remedy may not be enforced;

4. provisions restricting access to courts; waiver of service of process requirements which would otherwise be applicable; and provisions otherwise purporting to affect the jurisdiction and venue of courts;

5. provisions purporting to limit rights of third parties who have not consented thereto or purporting to grant rights to third parties;

6. provisions or agreements regarding proxies, shareholders agreements, shareholder voting rights, voting trusts, and the like;

7. confidentiality and non-competition agreements;

8. provisions requiring any Loan Party to perform its obligations under, or to cause any other Person to perform its obligations under, or stating that any action will be taken as provided in or in accordance with, any agreement or other document that is not a Loan Document;

9. provisions purporting to prohibit, restrict or condition the assignment of rights under any Loan Document to the extent such prohibition, restriction or condition is governed by the Uniform Commercial Code;

10. provisions purporting to amend or modify an agreement without strictly complying with applicable provisions of such agreement; and

11. provisions that require a Person to cause or prohibit action by an affiliate of such Person, other than a Subsidiary of such Person.

Our opinions set forth in opinion paragraphs numbered 7-12 above are subject to the following additional qualifications:

1. we express no opinion with respect to (a) the right, title or interest of any Loan Party in or to any property, (b) except as expressly set forth in opinion paragraphs numbered 7-12 above, the creation or perfection of any such security interests or liens, (c) except for the opinion given in the last sentence of opinion paragraph numbered 8, the priority of any security interests or liens, (d) any law other than Article 9 of the New York UCC and, to the extent applicable, Article 8 of the New York UCC, the Delaware UCC (each such Uniform Commercial Code being referred to as a "Relevant UCC" and each such State being referred to as a "Relevant Jurisdiction"), (e) the effect on the opinions expressed in opinion paragraphs numbered 7-12 above of any law other than the New York UCC or any other Relevant UCC, or (f) under Article 9 of the New York UCC or any other Relevant UCC, what law governs the perfection or the effect of perfection or non-perfection of the security interest of the Collateral Trustee in any particular item or items of the Collateral;

2. we have assumed (a) that the Personal Property Collateral Documents and each of the Delaware Financing Statements reasonably identifies the Collateral purported to be covered thereby and (b) the accuracy of all information set forth in the Delaware Financing Statements;

3. we have assumed that (a) the Borrower and each of the Initial Subsidiary Guarantors has rights in the Collateral existing on the date hereof and will have rights in property which becomes Collateral after the date hereof, or the power to transfer rights in the Collateral (within the meaning of Section 9-203 of the New York UCC and other Relevant UCC) in which it has granted security interests pursuant to the Personal Property Collateral Documents and (b) "value" (as defined in Section 1-201(44) of the New York UCC) has been given by the Lenders to the Loan Parties for the security interests and other rights in the Collateral (within the meaning of Section 9-203 of the New York UCC and each other Relevant UCC);

4. we advise you that with respect to that portion of the UCC Collateral in which the Secured Party has been granted a security interest by more than one agreement, a court may limit the Secured Party's right to choose among the rights and remedies to which it may be entitled;

5. we express no opinion with respect to the security interest of the Collateral Trustee for the benefit of the Secured Parties except to the extent that the Collateral Trustee has been or will be duly appointed as agent for such persons;

6. we have assumed that the Collateral Account is either (i) a "deposit account" (as defined in the New York UCC) and that Citibank, N.A. is an organization that is engaged in the business of banking, or (ii) a "securities account" (as defined in the New York UCC) and that Citibank, N.A., in the ordinary course of its business maintains securities accounts for customers and is acting in that capacity;

7. we express no opinion with respect to any property or assets now or hereafter credited to a securities account except to the extent that (i) a "securities entitlement" (as such term is defined in Section 8-102(a)(17) of the NY UCC) has been created and (ii) such asset is a "financial asset" (as such term is defined in Section 8-102(a)(9) of the New York UCC). Furthermore, we express no opinion with respect to the nature or extent of the securities intermediary's rights in, or title to, the securities or other financial assets underlying any "security entitlement" now or hereafter credited to a securities account. We note that to the extent the securities intermediary maintains any financial asset in a "clearing corporation" (as defined in Section 8-102(5) of the New York UCC), pursuant to Section 8-111 of the New York UCC, the rules of such clearing corporation may affect the rights of the securities intermediary;

8. to the extent our opinion in opinion paragraph numbered 8 above relates to securities purportedly represented by a certificate and issued by an issuer not organized under the laws of one of the States of the United States, such securities are "certificated securities" within the meaning of Section 8-102(4) of the New York UCC;

9. in addition to expressing no opinion with respect to the Mortgages, we have assumed that none of the Collateral consists of or will consist of consumer goods, farm products, commercial tort claims, timber to be cut or as-extracted collateral;

10. we express no opinion as to any part of the Collateral not subject to Article 9 or, to the extent applicable, Article 8 of the New York UCC or the Relevant UCC;

11. we express no opinion as to any interest in or claim in or under policies of insurance, except as provided in Section 9-315 of the New York UCC or, if applicable, another Relevant UCC with respect to insurance proceeds payable by the reason of loss or damage to Collateral;

12. we express no opinion and render no advice with respect to the perfection of any security interest in (x) any Collateral of a type represented by a certificate of title and (y) any Collateral consisting of money;

13. we express no opinion and render no advice with respect to the effect of Section 9-315(a)(2) of the New York UCC with respect to any proceeds of Collateral that are not identifiable;

14. we express no opinion and render no advice with respect to the perfection of any security interest whose priority is subject to Section 9-334 of the New York UCC;

15. we express no opinion with respect to the nature or extent of the obligations secured by the security interest;

16. in the case of property which becomes Collateral after the date hereof, Section 552 of the Bankruptcy Code of 1978, as amended (the "Bankruptcy Code"), limits the extent to which property acquired by a debtor after the commencement of a case under the Bankruptcy Code may be subject to a security interest arising from a security agreement entered into by the debtor before the commencement of such case;

17. we express no opinion and render no advice with respect to Section 506(c) of the Bankruptcy Code (relating to certain costs and expenses of a trustee in preserving or disposing of collateral);

18. we call to your attention that pursuant to Section 9-340 of the New York UCC, a bank with which a deposit account is maintained may continue to exercise any right of recoupment or set-off against a secured party that holds a security interest in the deposit account; and

19. we call to your attention that under the New York UCC and each other Relevant UCC, events occurring subsequent to the date hereof or the passage of time may affect any security interest subject to such UCC including, but not limited to, factors of the type identified in: Section 9-315 with respect to proceeds; Section 9-507 with respect to changes in name; Section 9-316 with respect to changes in the location of the Collateral and changes in the location of a Loan Party, in each case, to the extent the same was relevant to the initial perfecting of the applicable security interest; Section 9-508 with respect to new debtors becoming bound as a debtor by a security agreement entered into by another Person; Section 9-339 with respect to subordination agreements; Section 9-515 with respect to continuation statements; Sections 9-320, 9-321, 9-331 and 9-332 with respect to subsequent purchasers or transferees of the Collateral; and Sections 9-335 and 9-336 with respect to goods which are, or may become, accessions or commingled goods. In addition, actions taken by the Collateral Trustee or any Secured Party (e.g., releasing or assigning the security interest, delivering possession of the Collateral to a debtor or another Person or voluntarily subordinating a security interest) may affect any security interest subject to the New York UCC or another Relevant UCC.

* * * *

ANNEX B

Our opinions in this opinion do not cover or otherwise address any of the following laws, regulations or other governmental requirements or legal issues:

1. Federal securities laws and regulations;

2. state "Blue Sky" laws and regulations, and laws and regulations relating to commodity (and other) futures and indices and other similar instruments;

3. Federal Reserve Board margin regulations (other than with respect to Regulations T, U and X of the Board of Governors of the Federal Reserve System, as amended, for purposes of our opinion paragraph numbered 6 above);

4. pension and employee benefit laws and regulations (e.g., ERISA);

5. except as set forth in our opinion paragraph numbered 5 above, Federal and state laws and regulations concerning filing and notice requirements;

6. compliance with fiduciary duty requirements;

7. the statutes and ordinances, the administrative decisions and the rules and regulations and judicial decisions of counties, towns, municipalities and special political subdivisions (whether created or enabled through legislative action at the Federal, state, regional or local level) and judicial decisions;

8. the statutes and regulations, the administrative decisions and the rules and regulations of state or Federal public utilities commissions, state or Federal public service commissions and similar state or Federal agencies with jurisdiction over the provision of intrastate telecommunications, public utilities, banking, or insurance services that might be implicated by reason of the telecommunications, public utilities, banking or insurance business or other specifically regulated activities of a Loan Party or any other entity;

9. fraudulent transfer and fraudulent conveyance laws;

10. Federal and state antitrust and unfair competition laws and regulations; environmental laws and regulations; land use and subdivision laws and regulations; tax laws and regulations; racketeering laws and regulations (e.g., RICO); health and safety laws and regulations (e.g., OSHA); labor laws and regulations;

11. except as set forth in our opinion paragraphs numbered 10 and 11 above, Federal patent, trademark and copyright, state trademark, and other Federal and state intellectual property laws and regulations;

12. Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws;

13. other Federal and state statutes of general application to the extent they provide for criminal prosecution (e.g., mail fraud and wire fraud statutes);

14. any laws, regulations, directives and executive orders that prohibit or limit the enforceability of obligations based on attributes of the party seeking enforcement (e.g., the Trading with the Enemy Act and the International Emergency Economic Powers Act); and

15. the effect of any law, regulation or order which hereafter becomes effective.

As noted in Annex A above, we understand that you are separately receiving an opinion from the legal department of one or more of the Loan Parties with respect to matters not opined on by us.

* * * *

ANNEX C

DELAWARE FINANCING STATAMENTS

[attached]

ANNEX D

GOOD STANDING CERTIFICATES

1. Good Standing Certificate for General Motors Holdings LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
2. Good Standing Certificate for General Motors Company, issued by the Delaware Secretary of State on October 8, 2010, and bring down thereof, dated October 27, 2010.
3. Good Standing Certificate for General Motors Asia Pacific Holdings, LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
4. Good Standing Certificate for General Motors International Holdings, Inc., issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
5. Good Standing Certificate for General Motors LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
6. Good Standing Certificate for General Motors Overseas Distribution Corporation, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
7. Good Standing Certificate for GM Components Holdings, LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
8. Good Standing Certificate for GM Finance Co. Holdings LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
9. Good Standing Certificate for GM Global Technology Operations, Inc., issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
10. Good Standing Certificate for GM LAAM Holdings, LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
11. Good Standing Certificate for GM Preferred Finance Co. Holdings LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
12. Good Standing Certificate for OnStar, LLC, issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.
13. Good Standing Certificate for Riverfront Holdings, Inc., issued by the Delaware Secretary of State on October 4, 2010, and bring down thereof, dated October 27, 2010.

SCHEDULE I

INITIAL SUBSIDIARY GUARANTORS

	Name of Entity	Jurisdiction of Organization
1.	General Motors Asia Pacific Holdings, LLC	Delaware
2.	General Motors International Holdings, Inc.	Delaware
3.	General Motors LLC	Delaware
4.	General Motors Overseas Distribution Corporation	Delaware
5.	GM Components Holdings, LLC	Delaware
6.	GM Finance Co. Holdings LLC	Delaware
7.	GM Global Technology Operations, Inc.	Delaware
8.	GM LAAM Holdings, LLC	Delaware
9.	GM Preferred Finance Co. Holdings LLC	Delaware
10.	OnStar, LLC	Delaware
11.	Riverfront Holdings, Inc.	Delaware

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT K-1
to
Credit Agreement

[FORM OF]

U.S. TAX CERTIFICATE

(For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the Lenders from time to time party thereto, Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and Bank of America, N.A., as syndication agent.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Commitment, the Loan(s) (as well as any Note(s) evidencing such Loan(s)), and the L/C Obligations in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (v) the interest payments in question are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished, or concurrently herewith furnishes, the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8BEN changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Document is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20__

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT K-2
to
Credit Agreement

[FORM OF]

U.S. TAX CERTIFICATE

(For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the Lenders from time to time party thereto,, Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent") , and Bank of America, N.A., as syndication agent.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Commitment, the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), and the L/C Obligations (iii) with respect to the extension of credit pursuant to the Credit Agreement, neither the undersigned nor any of its partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (vi) the interest payments in question are not effectively connected with the undersigned's or its partners/members' conduct of a U.S. trade or business.

The undersigned has furnished, or concurrently herewith furnishes, the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of its partners/members claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8IMY or such Form W-8BEN changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Document is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

[NAME OF LENDER]

By: _____

Name:
Title:

Date: _____, 20__

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT K-3
to
Credit Agreement

[FORM OF]

U.S. TAX CERTIFICATE

(For Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the Lenders from time to time party thereto, Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and Bank of America, N.A., as syndication agent.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (v) the interest payments in question are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8BEN changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Document is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20__

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT K-4
to
Credit Agreement

[FORM OF]

U.S. TAX CERTIFICATE

(For Non-U.S. Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the Lenders from time to time party thereto, Citibank, N.A., as administrative agent (in such capacity, the "Administrative Agent") and Bank of America, N.A., as syndication agent.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (vi) the interest payments in question are not effectively connected with the undersigned's or its partners/members' conduct of a U.S. trade or business.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of its partners/members claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8IMY or such Form W-8BEN changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Document is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20__

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT L
to
Credit Agreement

FORM OF COMPLIANCE CERTIFICATE

_____, 20__

To: Citibank, N.A., as Administrative Agent under the Credit Agreement referred to below

Re: Credit Agreement, dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among General Motors Holdings LLC (together with its successors and permitted assigns, the "Borrower"), the lenders from time to time party thereto (the "Lenders"), Citibank, N.A., as administrative agent (in such capacity, together with any successor thereto in such capacity, the "Administrative Agent"), and Bank of America, N.A., as syndication agent

This Compliance Certificate (this "Certificate") is furnished pursuant to Section 6.2(a) of the Credit Agreement. Unless otherwise defined herein, terms used in this Borrowing Base Certificate have the meanings assigned to such terms in the Credit Agreement. I, the undersigned, a Responsible Officer of the Borrower, do hereby certify, in the name and on behalf of the Borrower, and without assuming any personal liability, as follows:

1. I am [the] [a] duly elected [insert title of Responsible Officer] of the Borrower;

2. To the best of my knowledge, no Default or Event of Default has occurred and is continuing as of the date hereof [, except as set forth in Annex 1 hereto];

3. Attached hereto as Schedule I is the calculation of Consolidated Domestic Liquidity as of the last day of the fiscal period covered by the financial statements of the Parent delivered or deemed delivered pursuant to Section 6.1 of the Credit Agreement; and

4. Attached hereto as Schedule II is the calculation of Consolidated Global Liquidity as of the last day of the fiscal period covered by the financial statements of the Parent delivered or deemed delivered pursuant to Section 6.1 of the Credit Agreement.

[signature page follows]

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

The foregoing certifications, together with the calculations set forth in Schedules I and II hereto, are made and delivered in my capacity described in paragraph 1 above for and on behalf of the Borrower.

GENERAL MOTORS HOLDINGS LLC

By: _____
Name: _____
Title: _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE I
to
Compliance Certificate

Consolidated Domestic Liquidity as of _____, 20__ (the "Calculation Date")[1]

(A) The lesser of:

(i) the Total Available Commitments as of the Calculation Date

and

(ii) the excess, if any, of (A) the Borrowing Base as of the Calculation Date, over (B) the Covered Debt at the Calculation Date (it being understood and agreed that after the Collateral Release Date, this clause (A) shall be equal to the Total Available Commitments as of the Calculation Date)

PLUS

(B) The total available commitments (after giving effect to any applicable borrowing base limitations) under other then-effective committed credit facilities of any Loan Party as of the Calculation Date

PLUS

(C) Total cash (other than restricted cash), cash equivalents, and Marketable Securities of the Parent and its Domestic Subsidiaries (other than Domestic Subsidiaries of the Parent that constitute Finance Subsidiaries, if any), as determined by the Borrower based on adjustments to the amount of total cash (other than restricted cash), cash equivalents, and Marketable Securities, as reported in the Parent's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as applicable, filed with the SEC

Sum of (A) plus (B) plus (C): Consolidated Domestic Liquidity: $_____

[1] The last day of the fiscal period covered by the financial statements of the Parent delivered or deemed delivered pursuant to Section 6.1 of the Credit Agreement.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE II
to
Compliance Certificate

Consolidated Global Liquidity as of _____, 20__ (the "Calculation Date")[1]

(A) The lesser of:

(i) the Total Available Commitments as of the Calculation Date

and

(ii) the excess, if any, of (A) the Borrowing Base as of the Calculation Date, over (B) the Covered Debt at the Calculation Date (it being understood and agreed that after the Collateral Release Date, this clause (A) shall be equal to the Total Available Commitments as of the Calculation Date)

PLUS

(B) The total available commitments (after giving effect to any applicable borrowing base limitations) under other then-effective committed credit facilities of the Parent or any of its Subsidiaries as of the Calculation Date

PLUS

(C) The total cash (other than restricted cash), cash equivalents, and Marketable Securities of the Parent and its Subsidiaries (other than Subsidiaries of the Parent that constitute Finance Subsidiaries, if any), as reported in the Parent's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as applicable, filed with the SEC

Sum of (A) plus (B) plus (C): Consolidated Global Liquidity: $_____

[1] The last day of the fiscal period covered by the financial statements of the Parent delivered or deemed delivered pursuant to Section 6.1 of the Credit Agreement.

ANNEX 1
to
Compliance Certificate

[Defaults/Events of Default that have occurred and are continuing]

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

EXHIBIT M
to
Credit Agreement

FORM OF NOTE

THIS NOTE AND THE OBLIGATIONS REPRESENTED HEREBY MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE TERMS AND PROVISIONS OF THE CREDIT AGREEMENT REFERRED TO BELOW. TRANSFERS OF THIS NOTE AND THE OBLIGATIONS REPRESENTED HEREBY MUST BE RECORDED IN THE REGISTER MAINTAINED BY THE ADMINISTRATIVE AGENT PURSUANT TO THE TERMS OF SUCH CREDIT AGREEMENT.

New York, New York
$_____ _____, 20__

FOR VALUE RECEIVED, the undersigned, GENERAL MOTORS HOLDINGS LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "Borrower"), hereby unconditionally promises to pay to _____ (the "Lender") or its registered assigns, on the Lender's Termination Date specified in the Credit Agreement (as hereinafter defined) at the Funding Office specified in such Credit Agreement, in lawful money of the United States and in immediately available funds, the principal amount of (a) _____ DOLLARS ($_____), or, if less, (b) the unpaid principal amount of the Loans of the Lender outstanding under the Credit Agreement. The Borrower further agrees to pay interest in like money at such Funding Office on the unpaid principal amount hereof from time to time outstanding at the rates and on the dates specified in Section 2.9 of the Credit Agreement.

The holder of this Note is authorized to endorse on the schedules annexed hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof the date, Type and amount of each Loan evidenced hereby, and the date and amount of each payment or prepayment of principal with respect thereto, each conversion of all or a portion thereof to another Type, each continuation of all or a portion thereof as the same Type and, in the case of Eurodollar Loans, the length of each Interest Period with respect thereto. Subject to the provisions of Section 10.6(b) of the Credit Agreement, each such endorsement shall constitute prima facie evidence of the accuracy of the information endorsed. The failure to make any such endorsement or any error in any such endorsement shall not affect the obligations of the Borrower in respect of the Loans.

This Note (a) is one of the Notes referred to in the Credit Agreement, dated as of October 27, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the Lender, the other lenders from time to time party thereto, Citibank, N.A., as Administrative Agent, and Bank of America, N.A., as syndication agent, (b) is subject to the provisions of the Credit Agreement and (c) is subject to optional and mandatory prepayment in whole or in part as provided in the Credit Agreement. This Note is secured and

guaranteed as provided in the Loan Documents. Reference is hereby made to the Loan Documents for a description of the properties and assets in which a security interest or mortgage has been granted, the nature and extent of the security and the guarantees, the terms and conditions upon which the security interests and mortgages and each guarantee were granted and the rights of the holder of this Note in respect thereof.

All parties now and hereafter liable with respect to this Note, whether as maker, principal, surety, guarantor, endorser or otherwise, hereby waive presentment, demand, protest and all other notices of any kind.

Unless otherwise defined herein, terms used herein have the meanings assigned to such terms in the Credit Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE CREDIT AGREEMENT, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE REGISTRATION AND OTHER PROVISIONS OF SECTION 10.6 OF THE CREDIT AGREEMENT.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

GENERAL MOTORS HOLDINGS LLC.

By: _____
Name: _____
Title: _____

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE A
to
Note

LOANS, CONVERSIONS AND REPAYMENTS OF ABR LOANS

Date	Amount of ABR Loans	Amount Converted to ABR Loans	Amount of Principal of ABR Loans Repaid	Amount of ABR Loans Converted to Eurodollar Loans	Unpaid Principal Balance of ABR Loans	Made By

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE B
to
Note

LOANS, CONVERSIONS AND REPAYMENTS OF EURODOLLAR LOANS

Date	Amount of Eurodollar Loans	Amount Converted to Eurodollar Loans	Amount of Principal of Eurodollar Loans Repaid	Amount of Eurodollar Loans Converted to ABR Loans	Unpaid Principal Balance of Eurodollar Loans	Made By

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1A
to
Credit Agreement

COMMITMENTS

LENDER	COMMITMENT	L/C COMMITMENT
Citibank, N.A.	[**]	[**]
Bank of America, N.A.	[**]	[**]
Barclays Bank PLC	[**]	[**]
Credit Suisse AG, Cayman Islands Branch	[**]	[**]
Deutsche Bank AG New York Branch	[**]	[**]
Goldman Sachs Bank USA	[**]	[**]
JPMorgan Chase Bank, N.A.	[**]	[**]
Morgan Stanley Bank, N.A.	[**]	[**]
Morgan Stanley Senior Funding, Inc.	[**]	[**]
Royal Bank of Canada	[**]	[**]
UBS Loan Finance LLC	[**]	[**]
Banco Bradesco S.A., New York Branch	[**]	[**]
CIBC Inc.	[**]	[**]
Commerzbank AG New York and Grand Cayman Branches	[**]	[**]
Banco do Brasil S.A., New York Branch	[**]	[**]
Banco Itaú Europa, S.A. – Sucursal Financeira Internacional	[**]	[**]
The Bank of New York Mellon	[**]	[**]
Industrial and Commercial Bank of China Limited, New York Branch	[**]	[**]
Lloyds TSB Bank Plc	[**]	[**]
Bangkok Bank Public Company Limited New York Branch	[**]	[**]
The Bank of Nova Scotia	[**]	[**]
Sumitomo Mitsui Banking Corporation	[**]	[**]
U.S. Bank National Association	[**]	[**]
Caixa d'Estalvis i Pensions de Barcelona, "la Caixa"	[**]	[**]
Total	**$5,000,000,000.00**	**$ 500,000,000.00**

SCHEDULE 1.1B
to
Credit Agreement

BORROWING BASE[1]

"Additional Intangible Temporary Permitted Lien" means, as of any date of determination, in relation to any Intangible Collateral, a Permitted Lien, other than a Customary Permitted Lien, that (i) ranks prior to the Lien on such Intangible Collateral in favor of the Collateral Trustee under the Collateral Trust Agreement securing Covered Debt, the value of which Intangible Collateral is at such time included in the calculation of the Borrowing Base Amount and (ii) does not secure (in the aggregate at any one time for all such Permitted Liens) obligations or liabilities in excess of $250,000,000; provided, that (x) at the time of such determination, a Financial Officer of the Borrower has not had actual knowledge, or has not received notice from the Administrative Agent, of the existence of such Permitted Lien for a period of more than 60 days (such 60-day period, the "Interim Period") and (y) in respect of such Permitted Lien a reserve has been established within 5 Business Days following the first day of the relevant Interim Period in an amount equal to the obligations secured by such Permitted Lien (each such reserve, an "Intangibles Reserve"). For the avoidance of doubt, (i) upon the expiration of the relevant Interim Period or, if earlier, upon the removal of the value of the related Intangible Collateral from the calculation of the Borrowing Base Amount, any related Permitted Lien shall cease to be an Additional Intangible Temporary Permitted Lien, (ii) upon the removal of the value of the related Intangible Collateral from the calculation of the Borrowing Base Amount, any related Intangibles Reserve shall be cancelled, and (iii) any Permitted Lien that secures an amount in excess of the amount specified in clause (ii) of the preceding sentence (or which when added to the amount already secured by such Permitted Liens would cause the amount set forth in such clause (ii) to be exceeded) is not an "Additional Intangible Temporary Permitted Lien" (it being understood that the Borrower may allocate such amount to Intangible Collateral from time to time as it sees fit).

"Advance Percentage" means, with respect to:

(a) Eligible Receivables, [**];

(b) Eligible Inventory, [**];

(c) Eligible Closing Date Pledged Intercompany Notes, [**];

(d) Eligible Foreign Pledged Capital Stock, [**];

(e) Eligible Ally Pledged Capital Stock, [**];

(f) Eligible Domestic Pledged Capital Stock, [**];

(g) Eligible P&E, [**];

(h) Eligible Real Estate, [**]; and

(i) Eligible Cash, [**].

[1] Unless otherwise defined herein, capitalized terms used herein that are defined in the Credit Agreement to which this Schedule is attached shall have the meanings assigned to such terms in such Credit Agreement.

"Aggregate Borrowing Base Amount" means, as of any date of determination, the sum of the Borrowing Base Amounts for each category of Eligible Collateral; provided, that the amount contributed to the Aggregate Borrowing Base Amount by Eligible Technology and Eligible Trademarks shall at all times (i) be greater than or equal to the Technology & IP Floor Amount, and (ii) if greater than the Technology & IP Floor Amount, be less than or equal to [**] of the Aggregate Borrowing Base Amount at such time; provided, further, that the Aggregate Borrowing Base Amount shall be reduced by the aggregate amount of all Intangible Reserves at such date.

"Ally" means Ally Financial Inc., a Delaware corporation.

"Borrowing Base Amount" means, as of any date of determination, with respect to:

(a) Eligible Cash, Eligible Receivables, Eligible Inventory, Eligible P&E, Eligible Real Estate, Eligible Foreign Pledged Capital Stock, Eligible Ally Pledged Capital Stock, Eligible Domestic Pledged Capital Stock, and Eligible Closing Date Pledged Intercompany Notes, (i) the Eligible Value for such category of Eligible Collateral multiplied by (ii) the Advance Percentage for such category;

(b) Eligible Post Closing Date Pledged Intercompany Notes, as reasonably agreed by the Administrative Agent and the Borrower from time to time and as adjusted from time to time to reflect acquisitions, dispositions or changes in value of Eligible Post Closing Date Pledged Intercompany Notes;

(c) Eligible Technology, [**]; and

(d) Eligible Trademarks, [**];

provided, that until the end of the applicable Perfection Period in respect of the particular category of Collateral, the Borrowing Base Amounts and the Borrowing Base shall be calculated as if all filings and recordings that are not required to have been made prior to the end of such Perfection Period have been made and that any applicable Post-Closing Deliverables to be delivered have been delivered, and each of the definitions comprising Eligible Collateral shall be construed accordingly.

"Borrowing Base Collateral Account" means any deposit or securities account of a Loan Party designated by the Borrower as a "Borrowing Base Collateral Account" in which the Collateral Trustee has a valid, perfected and enforceable security interest and over which the Collateral Trustee has "control" (as defined in the UCC) pursuant to an account control agreement reasonably satisfactory in form and substance to the Borrower and the Administrative Agent, and in respect of which such Loan Party or any of its Subsidiaries may deposit or cause to be deposited cash and Permitted Investments.

"Customary Permitted Liens" means (i) with respect to Intangible Collateral consisting of notes, loan agreements, or other evidences of indebtedness, the Permitted Liens described in clauses (a), (p) and (q) of "Permitted Liens" or that are Immaterial Nonconsensual Basket Liens; and (ii) with respect to any other Intangible Collateral, the Permitted Liens described in clauses (a), (b), (o), (p) and (q) of "Permitted Liens" or the Permitted Liens that are Immaterial Nonconsensual Basket Liens; and, in addition, but solely with respect to Eligible Technology and Eligible Trademarks, the Permitted Liens described in clauses (p), or (q), (y), and (z) of "Permitted Liens".

"Domestic Pledged Issuer" means each affiliate of the Parent (other than Ally) organized under the laws of any jurisdiction within the United States (i) which is not a Loan Party and (ii) any Capital Stock of which is subject to the Lien of the Collateral Trust Agreement.

"EBITDA" means, with respect to any Foreign Pledged Issuer (i) for any period prior to the delivery to the Administrative Agent by the Borrower of the first borrowing base certificate to be delivered following the delivery to the Administrative Agent by the Borrower of the financial statements of such Foreign Pledged Issuer for its fiscal year ending December 31, 2010, which financial statements shall be so delivered on or prior to July 15, 2011, an amount for each such Foreign Pledged Issuer to be set forth on Schedule 4.13 to the Credit Agreement, and (ii) for any subsequent fiscal year of such Foreign Pledged Issuer, the consolidated operating income of such Foreign Pledged Issuer for the immediately preceding fiscal year increased (to the extent deducted in determining consolidated operating income) by the sum (without duplication) of (a) the consolidated depreciation expense of such Person for such period and (b) the consolidated amortization expense of such Person for such period, in each case, as reflected on the most recent annual financial statements of such Foreign Pledged Issuer (which for the avoidance of doubt (i) will not be audited, (ii) need not have been prepared in accordance with GAAP, and (iii) need not be translated into the English language); provided, however, that if consolidated operating income, consolidated depreciation expense and/or consolidated amortization expense are not reflected in such financial statements, then "EBITDA" shall be determined as mutually agreed between the Administrative Agent and the Borrower in good faith based on such financial statements to reflect the equivalents of consolidated operating income, consolidated depreciation expense and/or consolidated amortization expense.

"Eligible Ally Pledged Capital Stock" means, as of any date of determination, the Capital Stock of Ally that constitutes Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than to Customary Permitted Liens and Additional Intangible Temporary Permitted Liens.

"Eligible Cash" means at any date of determination, the cash and Permitted Investments that constitute Collateral held at such date in a Borrowing Base Collateral Account.

"Eligible Closing Date Pledged Intercompany Notes" means, as of any date of determination, each of the promissory notes, loan agreements or other evidences of indebtedness listed on Schedule 2 to the Security Agreement, in each case that constitute Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens, as each such promissory note, loan agreement or other evidence of indebtedness may be amended, supplemented, extended, renewed, refinanced, replaced, restated, refunded or otherwise modified from time to time.

"Eligible Collateral" means Eligible Cash, Eligible Receivables, Eligible Inventory, Eligible P&E, Eligible Real Estate, Eligible Ally Pledged Capital Stock, Eligible Domestic Pledged Capital Stock, Eligible Foreign Pledged Capital Stock, Eligible Closing Date Pledged Intercompany Notes, Eligible Post Closing Date Pledged Intercompany Notes, Eligible Technology and Eligible Trademarks.

"Eligible Domestic Pledged Capital Stock" means, as of any date of determination, the Capital Stock of each Domestic Pledged Issuer that constitutes Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens.

"Eligible Foreign Pledged Capital Stock" means, as of any date of determination, the Capital Stock of each Foreign Pledged Issuer that constitutes Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens; provided, however, that (a) the Capital Stock of Foreign Pledged Issuers that are Material Foreign Pledged Issuers described in clause (i) of the definition thereof shall not constitute "Eligible Foreign Pledged Capital Stock" if, and for so long

as, commencing with the date that is 180 days from the Closing Date, the Post-Closing Deliverables for such Capital Stock have not been delivered (it being understood that such Capital Stock will become "Eligible Foreign Pledged Capital Stock" at such time as such Post-Closing Deliverables with respect to such Foreign Pledged Issuer have been delivered), (b) the Capital Stock of Foreign Pledged Issuers that are Material Foreign Pledged Issuers described in clause (ii) of the definition thereof shall not constitute "Eligible Foreign Pledged Capital Stock" if, and for so long as, commencing with the date that is 180 days from the Applicable Pledge Deadline, the Post-Closing Deliverables for such Capital Stock have not been delivered (it being understood that such Capital Stock will become "Eligible Foreign Pledged Capital Stock" at such time as such Post-Closing Deliverables with respect to such Foreign Pledged Issuer have been delivered), and (c) the Capital Stock of such Foreign Pledged Issuer shall not constitute "Eligible Foreign Pledged Capital Stock" with respect to any borrowing base certificate delivered or deliverable after July 15, 2011 if, on or before July 15 of any year, the financial statements for such Foreign Pledged Issuer have not been delivered to the Administrative Agent by the Borrower as contemplated by the definition of EBITDA (it being understood that such Capital Stock will become "Eligible Foreign Pledged Capital Stock" at such time as such financial statements have been so delivered, it being understood and agreed that such financial statements (i) will not be audited, (ii) need not have been prepared in accordance with GAAP, and (iii) need not be translated into the English language).

"Eligible Inventory" means, as of any date of determination, the items classified by the Loan Parties as "inventory" in accordance with GAAP, including raw materials, work-in-process, finished goods, parts and supplies, that constitute Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Permitted Liens; provided, however, that "Eligible Inventory" shall exclude any inventory to the extent, but only to the extent, necessary in order that, after giving effect to such exclusion (and any similar exclusion made pursuant to (x) the first proviso to the definition of "Eligible P&E" and (y) the first proviso to the definition of "Eligible Real Estate"), the aggregate Net Book Value of all Tangible Collateral secured by any Material Permitted Consensual Lien is less than or equal to $50,000,000.

"Eligible P&E" means, as of any date of determination, the items classified by the Loan Parties as "property, plant and equipment" (other than "real property") in accordance with GAAP that constitute Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Permitted Liens; provided, however, that "Eligible P&E" shall exclude any such property, plant and equipment to the extent, but only to the extent, necessary in order that, after giving effect to such exclusion (and any similar exclusion made pursuant to (x) the proviso to the definition of "Eligible Inventory" and (y) the first proviso to the definition of "Eligible Real Estate"), the aggregate Net Book Value of all Tangible Collateral secured by any Material Permitted Consensual Lien is less than or equal to $50,000,000; provided, further, that "property, plant and equipment" (other than "real property") that is located on a parcel of Material Real Estate shall not constitute "Eligible P&E" if, and for so long as, commencing with the date that is 180 days from the Closing Date, the Real Estate Deliverables for the applicable Material Real Estate on which such "property, plant and equipment" (other than "real property") are located have not been delivered (it being understood that such "property, plant and equipment" (other than "real property") will become "Eligible P&E" (subject to the first proviso of this definition) at such time as such Real Estate Deliverables have been delivered).

"Eligible Post Closing Date Pledged Intercompany Notes" means, as of any date of determination, each of the promissory notes, loan agreements or other evidences of indebtedness designated as such following the Closing Date by the Borrower with the consent of the Administrative Agent, in each case that constitute Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens.

"Eligible Real Estate" means, as of any date of determination, real property in respect of which the Collateral Trustee has a valid, perfected and enforceable mortgage that ranks prior to all Liens other than Permitted Liens; provided, however, that "Eligible Real Estate" shall exclude any such real property to the extent, but only to the extent, necessary in order that, after giving effect to such exclusion (and any similar exclusion made pursuant to (x) the proviso to the definition of "Eligible Inventory" and (y) the first proviso to the definition of "Eligible P&E"), the aggregate Net Book Value of all Tangible Collateral secured by any Material Permitted Consensual Lien is less than or equal to $50,000,000; provided, further, such real property shall not constitute "Eligible Real Estate" until the Borrower has delivered to the Administrative Agent (i) appraisals that comply with the requirements of the Federal Institutions Reform, Recovery and Enforcement Act ("FIRREA") with respect to a sampling of parcels of real estate included in the Mortgaged Property (with the sample to be agreed between the Borrower and the Administrative Agent) and valuations obtained by the Loan Parties in connection with the "fresh start" accounting adjustments that have been made by any Loan Party of the parcels not included in the appraised parcels of real estate included in the Mortgaged Property, and (ii) the Real Estate Deliverables for the applicable real estate (it being understood that such real estate will become "Eligible Real Estate" (subject to the first proviso of this definition) at such time as such appraisals or valuations and Real Estate Deliverables have been delivered).

"Eligible Receivables" means, as of any date of determination, the items classified by the Loan Parties as "accounts receivable" in accordance with GAAP (a) that are owing by a Person that is not a consolidated Subsidiary of the Parent, (b) that are owing by a Person that is organized under the laws of a jurisdiction within the United States and (c) that constitute Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens.

"Eligible Technology" means, as of any date of determination, the technology that has been identified as "Eligible Technology" by the Borrower and the Administrative Agent and that constitutes Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens. For the avoidance of doubt, the Borrower and the Administrative Agent have identified the technology listed or otherwise described in the Security Agreement, the Patent Security Agreement, and the Trademark Security Agreement, as "Eligible Technology" for purposes of the foregoing.

"Eligible Trademarks" means, as of any date of determination, the trademarks that have been identified as "Eligible Trademarks" by the Borrower and the Administrative Agent and that constitute Collateral and in which the Collateral Trustee has a valid, perfected and enforceable security interest that ranks prior to all Liens other than Customary Permitted Liens and Additional Intangible Temporary Permitted Liens. For the avoidance of doubt, the Borrower and the Administrative Agent have identified the trademarks listed or otherwise described in the Security Agreement and the Trademark Security Agreement, as "Eligible Trademarks" for purposes of the foregoing.

"Eligible Value" means, as of any date of determination:

(a) with respect to Eligible Receivables, the Net Book Value of Eligible Receivables as derived from the general ledger or other financial records of the Loan Parties that is the basis for the most recent borrowing base certificate delivered to the Administrative Agent in accordance with the Credit Agreement;

(b) with respect to Eligible Inventory, the gross book value of such Eligible Inventory as derived from the general ledger or other financial records of the Loan Parties that is the basis for the most recent borrowing base certificate delivered to the Administrative Agent in accordance with the Credit Agreement;

(c) with respect to Eligible Closing Date Pledged Intercompany Notes, the lesser of (i) the outstanding principal amount thereof on such date of determination (net of any amounts then due to the maker thereof or other obligor thereunder from the party to whom the amounts under such Eligible Closing Date Pledged Intercompany Note is then owing that can be offset against such principal amount, as reasonably determined by the Borrower) and (ii) (x) if the obligor on such Eligible Closing Date Pledged Intercompany Note is also an issuer of Eligible Pledged Foreign Capital Stock or Eligible Domestic Pledged Capital Stock which has been assigned a Borrowing Base Amount, the Eligible Value of the Eligible Foreign Pledged Capital Stock or Eligible Domestic Pledged Capital Stock issued by the obligor of such Eligible Closing Date Pledged Intercompany Note (but prior, however, to subtracting the outstanding principal amount of such Eligible Closing Date Pledged Intercompany Note and before taking into account any advance percentage) or (y) in any other case, the value of the Capital Stock issued by the obligor on such Eligible Closing Date Pledged Intercompany Note (but prior, however, to subtracting the outstanding principal amount of such Eligible Closing Date Pledged Intercompany Note) as reasonably determined by the Administrative Agent in consultation with the Borrower;

(d) with respect to Eligible Foreign Pledged Capital Stock an amount equal to (A) the applicable Pledged Percentage of such Foreign Pledged Issuer multiplied by (B) (x) the EBITDA of such Foreign Pledged Issuer for the relevant period (determined in accordance with the definition of "EBITDA"), multiplied by [**], minus (y) the greater of (i) the outstanding amount of debt for borrowed money owed by such Foreign Pledged Issuer and its Subsidiaries, other than intercompany debt owing between such Foreign Pledged Issuer and its Subsidiaries (*i.e.*, debt that would be eliminated in preparing a consolidated financial statement for such Foreign Pledged Issuer) minus the Excess Cash held by such Foreign Pledged Issuer and (ii) zero;

(e) with respect to Eligible Ally Pledged Capital Stock, the carrying value thereof as derived from the general ledger or other financial records of the Loan Parties that is the basis for the most recent borrowing base certificate delivered to the Administrative Agent in accordance with the Credit Agreement;

(f) with respect to Eligible Domestic Pledged Capital Stock, the amount reasonably determined by the Administrative Agent in consultation with the Borrower in connection with the pledge of such Capital Stock pursuant to the Collateral Trust Agreement (which amount may be determined by a formula or another method as reasonably agreed by the Administrative Agent and the Borrower);

(g) with respect to Eligible P&E, the Net Book Value of the Eligible P&E as derived from the general ledger or other financial records of the Loan Parties that is the basis for the most recent borrowing base certificate delivered to the Administrative Agent in accordance with the Credit Agreement;

(h) with respect to Eligible Real Estate, the Net Book Value of the Eligible Real Estate as derived from the general ledger or other financial records of the Loan Parties that is the basis for the most recent borrowing base certificate delivered to the Administrative Agent in accordance with the Credit Agreement; and

(i) with respect to Eligible Cash, the amount thereof credited to a Borrowing Base Collateral Account as of the date of determination;

provided, however, that the Eligible Value for Eligible Collateral (other than Eligible Cash and Eligible Closing Date Pledged Intercompany Notes) shall be adjusted on a *pro forma* basis (in each case using the values derived from the financial records that were the basis for the then most recent borrowing base certificate delivered to the Administrative Agent in accordance with the Credit Agreement) from time to time as provided in the Credit Agreement, the Eligible Value for Eligible Cash shall be adjusted on a daily basis, and the Eligible Value for Eligible Closing Date Pledged Intercompany Notes shall be adjusted on any date on which there is a change in the outstanding principal amount thereof.

"Excess Cash" means, with respect to a Foreign Pledged Issuer as of any date of determination, (A) cash, cash equivalents, and Marketable Securities then held by such Foreign Pledged Issuer and deposits made to GM Europe Treasury Company AB minus (B) the product of (x) net sales of such Foreign Pledged Issuer for the fiscal year of such Foreign Pledged Issuer ending prior to such date of determination multiplied by (y) [**].

"Foreign Pledged Issuer" means each "first-tier" Foreign Subsidiary of each Loan Party, other than Excluded Subsidiaries.

"Immaterial Nonconsensual Basket Liens" means Permitted Liens described in clause (bb) of the definition thereof that do not secure liabilities or other obligations exceeding, in the aggregate at any time outstanding, for all such liabilities or obligations, $50,000,000 and, in any case, that are not consensual Liens of the types described in clause (c), (g), (i), (j), (k), (l) or (m) (to the extent securing the renewal, refinancing, replacing, refunding, amendment, extension or modification, as a whole or in part, of any obligations or indebtedness secured by a Lien permitted by clause (i), (j), (k), (l), or (m)) of the definition of Permitted Lien.

"Intangible Collateral" means the following classes or types of Collateral: accounts receivable, promissory notes, loan agreements or other evidences of indebtedness, Capital Stock, technology, and trademarks.

"Material Permitted Consensual Lien" means any Lien on Tangible Collateral which is included in the determination of the Borrowing Base Amount that ranks prior to the Lien in favor of the Collateral Trustee under the Collateral Trust Agreement securing Covered Debt of the kind described in clause (c), (g), (i), (j), (k), (l), (m) (to the extent securing the renewal, refinancing, replacing, refunding, amendment, extension or modification, as a whole or in part, of any obligations or indebtedness secured by a Lien permitted by clause (i), (j), (k), (l), or (m)) or (n) of the definition of Permitted Liens to secure obligations or indebtedness incurred (in a single transaction or a series of related transactions); provided, that at the time of delivery of a quarterly borrowing base certificate by the Borrower (x) a Financial Officer of the Borrower has actual knowledge of such Lien or (y) the Borrower has received written notice of the existence of such Lien from the Administrative Agent.

"Material Real Estate" means the parcels of real estate listed on Schedule 1.1E to the Credit Agreement.

"Permitted Investments" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of twelve months or less from the date of acquisition issued by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000 and having a short-term indebtedness or certificate of deposit rating of at least A-1 by

S&P or P-1 by Moody's or F1 by Fitch, or carrying an equivalent rating by a nationally recognized statistical rating organization; (c) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody's or F1 by Fitch, or carrying an equivalent rating by a nationally recognized statistical rating organization, if all of the named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within thirteen months from the date of acquisition; (d) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 30 days, with respect to securities described in clause (a) of this definition; (e) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's or A by Fitch or carry an equivalent rating by any other nationally recognized statistical rating organization; (f) securities with maturities of twelve months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (b) of this definition; (g) money market mutual or similar funds at least 95% of the investments of which are in assets satisfying the requirements of clauses (a) through (f) of this definition; (h) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA by S&P or Aaa by Moody's or AAA by Fitch or carry an equivalent rating by any other nationally recognized statistical rating organization and (iii) have portfolio assets of at least $5,000,000,000; (i) asset-backed securities rated AAA by S&P or Aaa by Moody's or AAA by Fitch or carry an equivalent rating by any other nationally recognized statistical rating organization maturing within one year from the date of acquisition; or (j) corporate notes and other debt instruments with maturities of one year or less from the date of acquisition that are rated at least A by S&P or A2 by Moody's or A by Fitch or that carry an equivalent rating by any other nationally recognized statistical rating organization.

"Pledged Percentage" means, with respect to any Eligible Foreign Pledged Capital Stock at any time, the percentage of the aggregate underlying economic value of the related Foreign Pledged Issuer that is represented by the Capital Stock of a Foreign Pledged Issuer that satisfies the definition of Eligible Foreign Pledged Capital Stock at such time.

"Post-Closing Deliverables" means, with respect to each Material Foreign Pledged Issuer, (a) a pledge agreement in favor of the Collateral Trustee with respect to the Capital Stock of such Material Foreign Pledged Issuer that is governed by the law of the jurisdiction where such Foreign Pledged Issuer is domiciled and (b) an opinion of local counsel (which may be internal counsel to any Loan Party or to such Material Foreign Pledged Issuer) as to perfection and enforceability thereof under such law, in each case reasonably satisfactory to the Administrative Agent.

"Real Estate Deliverables"" means, (i) with respect to Section 6.6(e) of the Credit Agreement, the Post-Closing Deliverables described in clauses (i)-(iii) thereof, and (ii) with respect to Section 6.8(b) of the Credit Agreement, the items described in clauses (i)-(iii) thereof.

"Tangible Collateral" means the following classes or types of Collateral: real estate, inventory, machinery, and equipment.

"Technology & IP Floor Amount" means [**]; provided that if the provisions of Section 6.6(b) of the Credit Agreement have not been complied with by the end of the Perfection Period, such amount shall thereafter be deemed to be zero until such provisions have been complied with.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1C
to
Credit Agreement

RESTRICTED COLLATERAL

Domestic Entities

	Name of Entity	Jurisdiction of Organization
1.	DMAX, Ltd.	Ohio
2.	General Motors Asia, Inc.	Delaware
3.	General Motors Asia Pacific Holdings, LLC	Delaware
4.	General Motors International Holdings, Inc.	Delaware
5.	General Motors LLC	Delaware
6.	General Motors Overseas Corporation	Delaware
7.	Metal Casting Technology, Inc.	Delaware
8.	OnStar, LLC	Delaware

Foreign Entities

	Name of Entity	Jurisdiction of Organization
1.	General International Limited (GIL)	Bermuda
2.	General Motors Automotive Holdings, S.L.	Spain
3.	General Motors East Africa Limited	United Arab Emirates
4.	General Motors Egypt, S.A.E.	Egypt
5.	General Motors Powertrain (Thailand) Limited	Thailand
6.	General Motors Powertrain Uzbekistan CJSC	Uzbekistan
7.	GM Daewoo Auto & Technology Company	Korea
8.	Hicom-Chevrolet, Sdn Bhd	Malaysia

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1D-1
to
Credit Agreement

INITIAL EXCLUDED SUBSIDIARIES

Domestic Entities

	Name of Entity	Jurisdiction of Organization
1.	General Motors China, Inc.	Delaware
2.	General Motors Foundation, Inc.	Michigan
3.	General Motors Product Services, Inc.	Delaware
4.	General Motors Ventures LLC	Delaware
5.	GM Car Company LLC	Delaware
6.	GM GEFS L.P.	Nevada
7.	GM Global Steering Holdings, LLC	Delaware
8.	GM Technologies, LLC	Delaware
9.	Koneyren, Inc.	Michigan

Foreign Entities

	Name of Entity	Jurisdiction of Organization
1.	Buttonpaper Limited	United Kingdom
2.	General Motors Asia Pacific (Pte) Limited	Singapore
3.	General Motors Automobiles Philippines, Inc.	Philippines
4.	General Motors Chile Industria Automotriz Limitada	Chile
5.	General Motors Coordination Center BVBA	Belgium
6.	General Motors International Services Company SAS	Colombia
7.	General Motors Nova Scotia Investments Ltd.	Canada
8.	General Motors Peru S.A.	Peru
9.	GM GEFS HOLDINGS (CHC4) ULC	Canada
10.	GM Purchasing Vauxhall UK Limited	United Kingdom
11.	Saab Danmark A/S	Denmark

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1D-2
to
Credit Agreement

INITIAL SUBSIDIARY GUARANTORS

	Name of Entity	Jurisdiction of Organization
1.	General Motors Asia Pacific Holdings, LLC	Delaware
2.	General Motors International Holdings, Inc.	Delaware
3.	General Motors LLC	Delaware
4.	General Motors Overseas Distribution Corporation	Delaware
5.	GM Components Holdings, LLC	Delaware
6.	GM Finance Co. Holdings LLC	Delaware
7.	GM Global Technology Operations, Inc.	Delaware
8.	GM LAAM Holdings, LLC	Delaware
9.	GM Preferred Finance Co. Holdings LLC	Delaware
10.	OnStar, LLC	Delaware
11.	Riverfront Holdings, Inc.	Delaware

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1D-3
to
Credit Agreement

INITIAL MATERIAL FOREIGN PLEDGED ISSUERS

	Name of Entity	Jurisdiction of Organization
1.	Controladora General Motors S.A. de C.V.	Mexico
2.	General Motors Africa and Middle East FZE	United Arab Emirates
3.	General Motors - Colmotores S.A.	Columbia
4.	General Motors del Ecuador S.A.	Ecuador
5.	General Motors do Brasil Ltda.	Brazil
6.	General Motors of Canada Limited	Canada
7.	Omnibus BB Transportes, S.A.	Ecuador

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1E
to
Credit Agreement

MORTGAGED PROPERTY

	Property	Address	City	State	Recording Office
Manufacturing & Proving Grounds					
1.	GMPT - Bedford	105 GM Drive	Bedford	Indiana	Lawrence County Recorder- 916 15th St., Room 21, Bedford, IN 47421
2.	Stamping - Marion	2400 W Second Street	Marion	Indiana	Grant County Recorder - 401 South Adams Street Suite 334 Marion, IN 46953
3.	GMVM - Fort Wayne Assembly	12200 Lafayette Center Road	Roanoke	Indiana	Allen County Recorder - 1 East Main Street City County Building Room 100, Fort Wayne, IN 46802-1890
4.	GMVM - Fairfax Assembly	3201 Fairfax Trafficway	Kansas City	Kansas	Wyandotte County Register of Deeds - 710 N. 7th St., Suite 100 Kansas City, KS 66101-3084
5.	Stamping - Fairfax	3201 Fairfax Trafficway	Kansas City	Kansas	Wyandotte County Register of Deeds - 710 N. 7th St., Suite 100 Kansas City, KS 66101-3084
6.	GMVM - Bowling Green Assembly	600 Corvette Drive	Bowling Green	Kentucky	Warren County Clerk - P.O. Box 478 - Bowling Green, KY 42102-0478
7.	GMPT - Bay City	1001 Woodside Avenue	Bay City	Michigan	Bay County Register of Deeds - 515 Center Avenue Bay City, MI 48708-5994
8.	GMVM - Hamtramck Assembly	2500 East Grand Boulevard	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
9.	GMVM - Flint Assembly	G-3100 Van Slyke Road	Flint	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
10.	Stamping - Flint	G-2238 West Bristol Road	Flint	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
11.	Stamping - Flint Tool & Die	425 S Stevenson Street	Flint	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
12.	GMPT Flint L6 Engine Plant	2100 Bristol Road	Flint	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
13.	Weld Tool Center - Grand Blanc	10800 South Saginaw Street	Grand Blanc	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
14.	GMVM - Orion Assembly	4555 Giddings Road	Lake Orion	Michigan	Yuma, AZ 85364-2311
15.	GMVM - Lansing Delta Township Assembly	8175 Millett Hwy	Lansing	Michigan	Eaton County Register of Deeds - 1045 Independence Blvd.Room 104 Charlotte, MI 48813-1095
16.	GMVM - Lansing Grand River Assembly	920 Townsend Avenue	Lansing	Michigan	Ingham County Register of Deeds - P.O. Box 195 Mason, MI 48854-0195

	Property	Address	City	State	Recording Office
17.	Lansing Regional Stamping	8175 Millet Hwy	Lansing	Michigan	Eaton County Register of Deeds - 1045 Independence Blvd.Room 104 Charlotte, MI 48813-1095
18.	Stamping - Pontiac Plant #14	220 East Columbia	Pontiac	Michigan	Oakland County Register of Deeds - 1200 North Telegraph Road Dept 480 Pontiac, MI 48341-0480
19.	GMPT - Romulus	36880 Ecorse Road	Romulus	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
20.	GMPT - Saginaw Metal Casting	1629 N Washington Avenue	Saginaw	Michigan	Saginaw County Register of Deeds - 111 South Michigan Avenue Saginaw, MI 48602
21.	SPO - Flint	6060 W Bristol Road	Swartz Creek	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
22.	GMPT - Warren	23500 Mound Road	Warren	Michigan	Macomb County Register of Deeds - 10 North Main Mt. Clemens, MI 48043
23.	GMVM - Wentzville Assembly	1500 - 1 E Route A	Wentzville	Missouri	St. Charles County Recorder of Deeds - 201 North 2nd, Room 338St. Charles, MO 63301
24.	Stamping - Wentzville	1501 - 1 E Route A	Wentzville	Missouri	St. Charles County Recorder of Deeds - 201 North 2nd, Room 338St. Charles, MO 63301
25.	GMPT - Tonawanda	2995 River Road	Buffalo	New York	Erie County Clerk’s Office - 92 Franklin St Buffalo, NY 14202
26.	GMPT - Defiance	26427 State Road, Route 281E	Defiance	Ohio	Defiance County Recorder - 221 Clinton Street Defiance, OH 43512
27.	GMVM - Lordstown Assembly	2300 Hallock Young Road	Lordstown	Ohio	Trumbull County Recorder - 160 High Street N.W. Warren, OH 44481
28.	Stamping - Lordstown	2369 Ellsworth-Bailey Road	Lordstown	Ohio	Trumbull County Recorder - 160 High Street N.W. Warren, OH 44481
29.	GMPT - Morain (DMAX)	2601 West Stroop Road	Moraine	Ohio	Montgomery County Recorder - P.O. Box 972 Dayton, OH 45422
30.	GMPT - Parma Stamping	5400 Chevrolet Boulevard	Parma	Ohio	Cuyahoga County Recorder - 1219 Ontario Street Cleveland, OH 44113
31.	GMPT - Toledo	1455 West Alexis Road	Toledo	Ohio	Lucas County Recorder - 1 Government Center #700 Jackson Street Toledo, OH 43604
32.	GMVM - Spring Hill Assembly	100 Saturn Parkway, Spring Hill Campus	Spring Hill	Tennessee	Maury County Register of Deeds - P.O. Box 769 Columbia, TN 38402-0769
33.	Stamping - Spring Hill	100 Saturn Parkway, Spring Hill Campus	Spring Hill	Tennessee	Maury County Register of Deeds - P.O. Box 769 Columbia, TN 38402-0769

	Property	Address	City	State	Recording Office
34.	GMPT - Spring Hill	100 Saturn Parkway, Spring Hill Campus	Spring Hill	Tennessee	Maury County Register of Deeds - P.O. Box 769 Columbia, TN 38402-0769
35.	GMVM - Arlington Assembly	2525 East Abram Street	Arlington	Texas	Tarrant County Clerk - 100 West Weatherford Courthouse, Room 130 Ft. Worth, TX 76196
36.	Southwest Proving Grounds	1500 General Motors Road	Yuma	Arizona	Yuma County Recorder - 410 S. Maiden Lane Yuma, AZ 85364-2311
37.	Milford Proving Grounds	3300 General Motors Road	Milford	Michigan	Oakland County Register of Deeds - 1200 North Telegraph Road Dept 480 Pontiac, MI 48341-0480 and Livingston County Register of Deeds - 200 E. Grand River Howell, MI 48843
38.	Delphi Powertrain Systems - Grand Rapids	2100 Burlingame	Wyoming	Michigan	Kent County Register of Deeds - 300 Monroe Avenue NW Grand Rapids, MI 49503-2286
39.	Delphi Electronics & Safety	1800 E. Lincoln	Kokomo	Indiana	Howard County Recorder - 220 North Main St., Room 330 Kokomo, IN 46901
40.	Delphi Thermal Systems	200 Upper Mountain	Lockport	New York	Niagara County Clerk - P.O. Box 461 Lockport, NY 14095
41.	Delphi Powertrain Systems - Rochester	1000 Lexington Avenue	Rochester	New York	Monroe County Clerk - 39 West Main Street Rochester, NY 14614
Warehouses					
42.	SPO - Memphis	5115 Pleasant Hill Road	Memphis	Tennessee	Shelby County Register of Deeds - 1075 Mullins Station Suite W165 Memphis, TN 38134
43.	SPO - Willow Run w/excess land	50000 Ecorse Road	Belleville	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
44.	SPO - Lansing	4400 West Mount Hope Road	Lansing	Michigan	Eaton County Register of Deeds - 1045 Independence Blvd.Room 104 Charlotte, MI 48813-1095
45.	SPO - Pontiac	1251 Joslyn Road	Pontiac	Michigan	Oakland County Register of Deeds - 1200 North Telegraph Road Dept 480 Pontiac, MI 48341-0480
46.	SPO - Drayton Plains	5260 Williams Lake Road	Waterford	Michigan	Oakland County Register of Deeds - 1200 North Telegraph Road Dept 480 Pontiac, MI 48341-0480
47.	Spring Hill SPO	Spring Hill Campus	Spring Hill	Tennessee	Maury County Register of Deeds - P.O. Box 769 Columbia, TN 38402-0769
Other					
48.	COB - Thousand Oaks	515 Marin Street	Thousand Oaks	California	Ventura County Recorder - 800 South Victoria Avenue Ventura, CA 93009-1260

	Property	Address	City	State	Recording Office
49.	Training Center SE - Alpharetta GA	6395 Shiloh Road	Alpharetta	Georgia	Forsyth County Clerk of the Superior Court - 100 Courthouse Square, Room 010 Cumming, GA 30040
50.	Renaissance Center Land - West	RenCen Campus	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
51.	Renaissance Center Land - East	RenCen Campus	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
52.	GM Renaissance Center	100 Renaissance Center	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
53.	River East Deck	RenCen Campus	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
54.	Franklin Deck	RenCen Campus	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
55.	Millender Center	333 East Jefferson Avenue	Detroit	Michigan	Wayne County Register of Deeds - 400 Monroe St.; 7th Floor Detroit, MI 48226-2925
56.	SPO - Grand Blanc	6200 Grand Pointe Drive	Grand Blanc	Michigan	Genesee County Register of Deeds - 1101 Beach Street Administration Building Flint, MI 48502
57.	Pontiac North Powertrain Campus	895 Joslyn Road	Pontiac	Michigan	Oakland County Register of Deeds - 1200 North Telegraph Road Dept 480 Pontiac, MI 48341-0480
58.	Warren Technical Center Campus	30800 Mound Road	Warren	Michigan	Macomb County Register of Deeds - 10 North Main Mt. Clemens, MI 48043
59.	Vacant Land Maury County	Vacant Land Maury County, Spring Hill Campus	Spring Hill	Tennessee	Maury County Register of Deeds - P.O. Box 769 Columbia, TN 38402-0769
60.	Office Building on MFG site	Spring Hill Campus	Spring Hill	Tennessee	Maury County Register of Deeds - P.O. Box 769 Columbia, TN 38402-0769
61.	Training Center S - Garland TX	3635 South Shiloh Drive	Garland	Texas	Dallas County Clerk’s Office Records Bldg, 2nd Floor - 509 Main St Dallas, TX 75202-3502

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 1.1G
to
Credit Agreement

PRICING GRID

S&P / Moody's / Fitch Ratings of the facility evidenced by this Agreement	Commitment Fee Rate	Applicable Margin for Eurodollar Loans / Letter of Credit Fee	Applicable Margin for ABR Loans
> BBB- / Baa3 / BBB-	[**]	[**]	[**]
BB+ / Ba1 / BB+	[**]	[**]	[**]
BB / Ba2 / BB	[**]	[**]	[**]
BB- / Ba3 / BB-	[**]	[**]	[**]
B+ / B1 / B+	[**]	[**]	[**]
B / B2 / B	[**]	[**]	[**]
B- / B3 / B-	[**]	[**]	[**]
< B- / B3 / B-	[**]	[**]	[**]

Changes in the Applicable Margin and Commitment Fee Rate shall become effective on the date on which S&P, Moody's and/or Fitch changes the rating it has issued with respect to the facility evidenced by this Agreement. Each such change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of S&P, Moody's and/or Fitch shall change, or if any such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Administrative Agent (in consultation with the Lenders) shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin and the Commitment Fee Rate shall be determined by reference to the rating most recently in effect prior to such change or cessation. [**]

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 4.6
to
Credit Agreement

LITIGATION

None.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 4.13
to
Credit Agreement

PLEDGED EQUITY

Domestic Subsidiaries

	Name of Entity	Jurisdiction of Organization	Direct Owner	Percentage Owned	Percentage Pledged of Issued and Outstanding Shares	Number and Class of Shares Issued and Outstanding[2]	Number and Class of Shares Pledged	Number of Certificate Delivered
1.	Ally Financial Inc.[3]	Delaware	GM Finance Co. Holdings LLC	6.69%	6.69%	Common Shares[4]	53,452	3
			GM Preferred Finance Co. Holdings LLC	100%	100%	Series A Preferred Shares	1,021,764	A-1
2.	Annunciata Corporation	Delaware	General Motors Holdings LLC	100%	100%	10 Shares	10 Shares	03
3.	Argonaut Holdings, Inc.	Delaware	General Motors LLC	100%	100%	1,000 Shares	1,000 Shares	4
4.	Dealership Liquidations, Inc.	Delaware	General Motors LLC	100%	100%	1 Common Share	1 Common Share	3
						999 Preferred Shares	999 Preferred Shares	3
5.	General Motors Global Service Operations, Inc.	Delaware	General Motors Holdings LLC	100%	100%	100 Shares	100 Shares	03
6.	General Motors Korea, Inc.	Delaware	General Motors Holdings LLC	100%	100%	1,000 Common Shares	1,000 Common Shares	04
7.	General Motors Overseas Distribution Corporation	Delaware	General Motors Holdings LLC	100%	100%	5,000 Shares	5,000 Shares	3

[2] Only relating to classes of Capital Stock owned by the respective direct owner.

[3] Ally Financial Inc. is not a "Subsidiary" of a Loan Party, however, pursuant to the parenthetical in clause (e) of the definition of "Excluded Collateral", the Capital Stock of Ally Financial Inc. will still be pledged.

[4] The amount of total issued and outstanding shares of Ally Financial Inc. common and preferred stock is not available.

	Name of Entity	Jurisdiction of Organization	Direct Owner	Percentage Owned	Percentage Pledged of Issued and Outstanding Shares	Number and Class of Shares Issued and Outstanding[2]	Number and Class of Shares Pledged	Number of Certificate Delivered
8.	General Motors Research Corporation	Delaware	General Motors Holdings LLC	100%	100%	100 Shares	100 Shares	3
9.	General Motors Thailand Investments, LLC	Delaware	General Motors Asia Pacific Holdings LLC	42%	42%	N/A	N/A	N/A (uncertificated)
10.	GM APO Holdings, LLC	Delaware	General Motors Asia Pacific Holdings LLC	100%	100%	N/A	N/A	N/A (uncertificated)
11.	GM Components Holdings, LLC	Delaware	General Motors LLC	100%	100%	N/A	N/A	N/A (uncertificated)
12.	GM Eurometals, Inc.	Delaware	General Motors LLC	100%	100%	10 Shares	10 Shares	3
13.	GM Finance Co. Holdings LLC	Delaware	General Motors Holdings LLC	100%	100%	1 Unit	1 Unit	3
14.	GM Global Technology Operations, Inc.	Delaware	General Motors Holdings LLC	100% of Preferred Shares	100% of Preferred Shares	1,000 Preferred (voting) Shares	1,000 Preferred (voting) Shares	P-7
15.	GM Global Tooling Company, Inc.	Delaware	General Motors Holdings LLC	100%	100%	101 Shares	101 Shares	4
16.	GM LAAM Holdings, LLC	Delaware	General Motors Asia Pacific Holdings LLC	100%	100%	N/A	N/A	N/A (uncertificated)
17.	GM Personnel Services, Inc.	Delaware	General Motors LLC	100%	100%	100 Shares	100 Shares	3
18.	GM Preferred Finance Co. Holdings LLC	Delaware	General Motors Holdings LLC	100%	100%	N/A	N/A	N/A (uncertificated)
19.	GM Subsystems Manufacturing, LLC	Delaware	General Motors LLC	100%	100%	N/A	N/A	N/A (uncertificated)
20.	GM-DI Leasing Corporation	Delaware	General Motors LLC	100%	100%	1,000 Shares	1,000 Shares	8
						54,000 Preferred Shares	54,000 Preferred Shares	9
21.	GMEH Holding, LLC	Delaware	General Motors International Holdings, Inc.	100%	100%	N/A	N/A	N/A (uncertificated)

	Name of Entity	Jurisdiction of Organization	Direct Owner	Percentage Owned	Percentage Pledged of Issued and Outstanding Shares	Number and Class of Shares Issued and Outstanding[2]	Number and Class of Shares Pledged	Number of Certificate Delivered
22.	Grand Pointe Park Condominium Association	Michigan	General Motors LLC	62.13%	62.13%	N/A	N/A	N/A (uncertificated)
23.	Motors Holding LLC	Delaware	General Motors LLC	100%	100%	N/A	N/A	N/A (uncertificated)
24.	OnStar Global Services Corporation	Delaware	OnStar, LLC	100%	100%	1 Share	1 Share	1
25.	PIMS Co.	Delaware	General Motors Holdings LLC	100%	100%	10 Shares	10 Shares	03
26.	Riverfront Holdings III, Inc.	Delaware	Riverfront Holdings, Inc.	100%	100%	10 Common Shares	10 Common Shares	01
27.	Riverfront Holdings Phase II, Inc.	Delaware	Riverfront Holdings, Inc.	100%	100%	1,000 Common Shares	1,000 Common Shares	1
28.	Riverfront Holdings, Inc.	Delaware	General Motors LLC	100%	100%	30,001 Shares	30,001 Shares	05
29.	WRE, Inc.	Michigan	General Motors LLC	100%	100%	20,000 Shares	20,000 Shares	4

Foreign Subsidiaries

	Name of Entity	Jurisdiction of Organization	Direct Owner	Percentage Owned	Percentage Pledged of Issued and Outstanding Shares	Number and Class of Shares Issued and Outstanding[5]	Number and Class of Shares Pledged	Number of Certificate Delivered	EBITDA (in millions)
1.	Adam Opel GmbH	Germany	General Motors Holdings LLC	33.69%	33.69%	N/A	N/A	N/A	N/A
2.	BOCO Proprietary Limited	South Africa	GM LAAM Holdings, LLC	100%	65%	Number of Ordinary Shares to come*	Number of Ordinary Shares to come*	To come*	N/A

[5] Only relating to classes of Capital Stock owned by the respective direct owner.

	Name of Entity	Jurisdiction of Organization	Direct Owner	Percentage Owned	Percentage Pledged of Issued and Outstanding Shares	Number and Class of Shares Issued and Outstanding[5]	Number and Class of Shares Pledged	Number of Certificate Delivered	EBITDA (in millions)
3.	Controladora General Motors S.A. de C.V.	Mexico	General Motors Overseas Distribution Corporation	99.9999%	65%	49,999 Class I, Series B Shares	Number of Class I, Series B Shares to come**	To come**	[**]
						371,371,972 Class II, Series B	Number of Class II, Series B Shares to come**	To come**	
4.	General Motors – Colmotores S.A.	Colombia	GM LAAM Holdings, LLC	97.18% (Combined Common and Preferred Shares)	65%	Number of Common Shares to come*	Number of Common Shares to come*	To come*	[**]
						7,607,047 Preferred 1a Shares	4,946,375 Preferred 1a Shares	1808	
						Number of Preferred 2a Shares to come*	Number of Preferred 2a Shares to come*	To come*	
5.	General Motors Africa and Middle East FZE	United Arab Emirates	General Motors Overseas Distribution Corporation	100%	100%	Number of shares to come*	Number of shares to come*	To come*	[**]
6.	General Motors Asia Pacific (Japan) Limited	Japan	General Motors Holdings LLC	100%	65%	N/A	N/A	N/A (uncertificated)	N/A
7.	General Motors de Argentina S.r.l.	Argentina	GM LAAM Holdings, LLC	4.62%	4.62%	N/A	N/A	N/A	N/A
8.	General Motors del Ecuador S.A.	Ecuador	GM LAAM Holdings, LLC	99.90%	65%	94,603,122 Ordinary Shares	61,492,029 Ordinary Shares	22	[**]
9.	General Motors do Brasil Ltda.	Brazil	GM LAAM Holdings, LLC	99.999%	65%	N/A	N/A	N/A (uncertificated)	[**]
10.	General Motors Israel Ltd.	Israel	GM LAAM Holdings, LLC	100%	65%	100 Ordinary Shares	65 Shares	2	N/A

	Name of Entity	Jurisdiction of Organization	Direct Owner	Percentage Owned	Percentage Pledged of Issued and Outstanding Shares	Number and Class of Shares Issued and Outstanding[5]	Number and Class of Shares Pledged	Number of Certificate Delivered	EBITDA (in millions)
11.	General Motors Limited	United Kingdom	General Motors Asia Pacific Holdings, LLC	74.89%	65%	127,000 Ordinary Shares	Number of Ordinary Shares to come*	To come*	N/A
12.	General Motors of Canada Limited	Canada	General Motors Holdings LLC	100%	65%	Number of Common Shares to come	Number of Common Shares to come*	To come*	[**]
13.	General Motors Uruguay, S.A.	Uruguay	GM LAAM Holdings, LLC	100%	65%	159,967,000 Shares	103,978,550 Shares	1	N/A
14.	Global Tooling Service Company Europe Limited	United Kingdom	General Motors Holdings LLC	100%	65%	100 Shares	Number of Shares to come*	To come*	N/A
15.	GM Auslandsprojekte GmbH	Germany	General Motors Holdings LLC	100%	65%	25,000 Shares	16,250 Shares	N/A (Uncertificated)	N/A
16.	GM International Sales Ltd.	Cayman Islands	General Motors Overseas Distribution Corporation	100%	65%	56,950 Ordinary Shares	Number of Ordinary Shares to come*	To come*	N/A
						1,000 Class A Redeemable Shares	1,000 Class A Redeemable Shares	5	
17.	GM Inversiones Santiago Limitada	Chile	GM LAAM Holdings, LLC	100%	65%	N/A	N/A	N/A (Uncertificated)	N/A
18.	GM Plats (Proprietary) Limited	South Africa	General Motors Asia Pacific Holdings, LLC	100%	65%	100 Shares	Number of Shares to come*	To come*	N/A
19.	Holden New Zealand Limited	New Zealand	General Motors Holdings LLC	100%	65%	250,000 Shares	162,500 Shares	N/A (Uncertificated)	N/A
20.	Omnibus BB Transportes, S.A.	Ecuador	GM LAAM Holdings, LLC	40.09%	40.09%	Number of Shares to come	Number of Shares to come*	To come*	[**]
21.	PT General Motors Indonesia	Indonesia	General Motors Asia Pacific Holdings, LLC	99.99%	65%	484,098 Series A Shares	317,309 Series A Shares	To come*	N/A
						4,070 Series B Shares	0 Series B Shares	N/A	

* Information to be provided within 180 days after the Closing Date.
** Information to be provided within 270 days after the Closing Date.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 5.2(g)
to
Credit Agreement

UCC FILINGS

	Secured Party	Debtor	Jurisdiction
1.	Wilmington Trust Company, as Collateral Trustee	General Motors Asia Pacific Holdings, LLC	Delaware
2.	Wilmington Trust Company, as Collateral Trustee	General Motors Holdings LLC	Delaware
3.	Wilmington Trust Company, as Collateral Trustee	General Motors International Holdings, Inc.	Delaware
4.	Wilmington Trust Company, as Collateral Trustee	General Motors LLC	Delaware
5.	Wilmington Trust Company, as Collateral Trustee	General Motors Overseas Distribution Corporation	Delaware
6.	Wilmington Trust Company, as Collateral Truste	GM Components Holdings, LLC	Delaware
7.	Wilmington Trust Company, as Collateral Trustee	GM Finance Co. Holdings LLC	Delaware
8.	Wilmington Trust Company, as Collateral Trustee	GM Global Technology Operations, Inc.	Delaware
9.	Wilmington Trust Company, as Collateral Trustee	GM LAAM Holdings, LLC	Delaware
10.	Wilmington Trust Company, as Collateral Trustee	GM Preferred Finance Co. Holdings LLC	Delaware
11.	Wilmington Trust Company, as Collateral Trustee	OnStar, LLC	Delaware
12.	Wilmington Trust Company, as Collateral Trustee	Riverfront Holdings, Inc.	Delaware

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

SCHEDULE 7.3
to
Credit Agreement

EXISTING LIENS

1. With respect to Intellectual Property, (i) the Liens granted to The United States Department of the Treasury (the "UST"), including any such Liens granted in connection with the Second Amended and Restated Guaranty and Collateral Agreement, dated as of October 19, 2009, as amended, modified or supplemented (as so amended, modified, or supplemented, the "UST Collateral Agreement"), among the Borrower and the guarantors party thereto in favor of UST, and (ii) the Liens granted to the UAW Retire Medical Benefits Trust ("VEBA"), including any such Liens granted in connection with the Amended and Restated Guaranty and Collateral Agreement, dated as of October 19, 2009, as amended, modified or supplemented (as so amended, modified, or supplemented, the "VEBA Collateral Agreement"), among the Borrower and the guarantors party thereto in favor of VEBA.

2. With respect to the Capital Stock of any Foreign Subsidiary, (i) the Liens granted to UST, including any such Liens granted in connection with the UST Collateral Agreement, and (ii) the Liens granted to VEBA, including any such Liens granted in connection with the VEBA Collateral Agreement.

3. With respect to any real property interests, (i) the Liens granted to UST, including any such Liens granted in connection with the UST Collateral Agreement, and all other Liens, exceptions, or other encumbrances identified in any title commitment or policy with respect to any of the real property interests mortgaged to UST, (ii) the Liens granted to VEBA, including any such Liens granted in connection with the VEBA Collateral Agreement, and all other Liens, exceptions, or other encumbrances identified in any title commitment or policy with respect to any of the real property interests mortgaged to VEBA, and (iii) all other Liens, exceptions, or other encumbrances identified in any title commitment or policy with respect to any of the Mortgaged Property.

4. The following additional Liens which exist as of the Effective Date:[6]

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
1.	Deutsche Bank Trust Company as Collateral Agent GMODC Trade Receivables LLC Caribex Receivables Finance Co.	General Motors Overseas Distribution Corporation	Delaware	4/28/06	61432483

[6] The financing statements on this Schedule 7.3 also include precautionary filings made by a lessor pursuant to a true lease, which does not constitute a perfected Lien on the Collateral.

[CONFIDENTIAL TREATMENT REQUESTED PURSUANT TO THE FREEDOM OF INFORMATION ACT]

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
2.	Arab Banking Corporation (B.S.C.), as Collateral Agent GMODC Receivables Funding LLC	General Motors Overseas Distribution Corporation	Delaware	3/5/07	2007 0820448
3.	Dane Systems, LLC	GM Components Holdings, LLC	Delaware	3/2/10	2010 0690135*
4.	BNP Paribas Leasing Corporation	Riverfront Holdings, Inc.	Delaware	5/5/03	31153306**
5.	Cicso Systems Capital Corporation	General Motors Holdings LLC	Delaware	03/24/06	61008192
6.	Dougherty Equipment Finance, L.L.C.	General Motors Holdings LLC	Delaware	09/25/09	2009 3079925
7.	CIT Technology Financing Services, Inc.	General Motors Holdings LLC	Delaware	04/30/10	2010 1510738
8.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	08/23/10	2010 2934952
9.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	08/23/10	2010 2935256
10.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	08/30/10	2010 3031857
11.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	09/17/10	2010 3241340
12.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	09/20/10	2010 3258559
13.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	09/20/10	2010 3258575

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
14.	Federal Broach & Machine Company, LLC	General Motors Holdings LLC	Delaware	09/28/10	2010 3376237
15.	Wells Fargo Bank Northwest, National Association State Street Bank and Trust Company of Connecticut	General Motors LLC	Delaware	12/19/01	11746135**
16.	Park National Bank	General Motors LLC	Delaware	10/01/03	32553983**
17.	Park National Bank	General Motors LLC	Delaware	11/11/03	32962499**
18.	Park National Bank	General Motors LLC	Delaware	11/11/03	32962556**
19.	Park National Bank	General Motors LLC	Delaware	11/11/03	32962697**
20.	Park National Bank	General Motors LLC	Delaware	02/25/04	40519589**
21.	Wells Fargo Bank Northwest, National Association U.S. Bank Trust National Association	General Motors LLC	Delaware	09/17/04	42624320**
22.	Wells Fargo Bank Northwest, National Association U.S. Bank Trust National Association	General Motors LLC	Delaware	09/17/04	42624536**
23.	Park National Bank	General Motors LLC	Delaware	02/08/08	2008 0476711**
24.	Park National Bank	General Motors LLC	Delaware	02/11/08	2008 0502722**
25.	MacQuaire Equipment Finance	General Motors LLC	Delaware	01/12/10	11703292**

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
26.					
27.	Cameron Tool Corporation	General Motors LLC	Delaware	2/18/2010	2010 0539142
28.	Wells Fargo Bank Northwest	General Motors LLC	Delaware	02/25/10	2010 0641716**
29.	U.S. Bank Trust National Association Wells Fargo Bank Northwest	General Motors LLC	Delaware	02/25/10	2010 0641070**
30.	U.S. Bank Trust National Association, U.S. Bank Trust National Association	General Motors LLC	Delaware	04/01/10	2010 1119233**
31.	U.S. Bank Trust National Association	General Motors LLC	Delaware	04/01/10	2010 1119381**
32.	Manufacturers and Traders Trust Company, as successor to Wilmington Trust Company Wells Fargo Bank Northwest, National Association	General Motors LLC	Delaware	04/01/10	2010 1119449**
33.	U.S. Bank Trust National Association Wells Fargo Bank Northwest, National Association	General Motors LLC	Delaware	04/01/10	2009 1119860**
34.	U.S. Bank Trust National Association U.S. Bank Trust National Association	General Motors LLC	Delaware	04/01/10	2010 1119902**
35.	U.S. Bank Trust National Association	General Motors LLC	Delaware	04/01/10	2010 1119928**
36.	Competition Engineering, Inc.	General Motors LLC	Delaware	04/02/10	2010 1133812*

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
37.	Aggressive Tooling, Inc.	General Motors LLC	Delaware	04/08/10	2010 1209901*
38.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	05/03/10	2010 1531064*
39.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	05/04/10	2010 1551526*
40.	Plastic Mold Technology	General Motors LLC	Delaware	05/04/10	2010 1555634*
41.	CSA Financial Corp.	General Motors LLC	Delaware	05/10/10	2010 1618721
42.	Computer Systems of America, Inc.	General Motors LLC	Delaware	05/10/10	2010 1618978
43.	Utica Enterprises, Inc.	General Motors LLC	Delaware	05/11/10	2010 1631419*
44.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	05/14/10	2010 1701477*
45.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	05/18/10	2010 1730815*
46.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	05/26/10	2010 1842180*
	Competition Engineering				
47.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	05/27/10	2010 1874381*
48.	Dietool Engineering Company Inc.	General Motors LLC	Delaware	06/01/10	2010 1898570*
49.	Cinetic Landis Corp.	General Motors LLC	Delaware	06/03/10	2010 1938087
50.	Cinetic Landis Corp.	General Motors LLC	Delaware	06/03/10	2010 1938236
51.	Cinetic Landis Corp.	General Motors LLC	Delaware	06/03/10	2010 1938350
52.	Cinetic Landis Corp.	General Motors LLC	Delaware	06/03/10	2010 1938418

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
53.	Wells Fargo Bank Northwest, National Association U.S. Bank Trust National Association	General Motors LLC	Delaware	06/24/10	2010 2217150**
54.	U.S. Bank Trust National Association	General Motors LLC	Delaware	07/06/10	2010 2341406
55.	Advanced Tooling Systems, Inc.	General Motors LLC	Delaware	07/09/10	2010 2388712*
56.	International Tooling Solutions, LLC	General Motors LLC	Delaware	07/15/10	2010 2460487
57.	Advanced Tooling Systems, Inc.	General Motors LLC	Delaware	07/15/10	2010 2466724*
58.	Plastic Mold Technology, Inc	General Motors LLC	Delaware	07/20/10	2010 2509879*
59.	Engineering Tooling Systems, Inc.	General Motors LLC	Delaware	07/23/2010	2010 2565129
60.	EMC Corporation	General Motors LLC	Delaware	07/26/10	2010 2581662
61.	EMC Corporation	General Motors LLC	Delaware	07/26/10	2010 2587875
62.	EMC Corporation	General Motors LLC	Delaware	07/27/10	2010 2595936
63.	EMC Corporation	General Motors LLC	Delaware	07/27/10	2010 2598021
64.	EMC Corporation	General Motors LLC	Delaware	07/27/10	2010 2605677
65.	EMC Corporation	General Motors LLC	Delaware	07/27/10	2010 2607244
66.	EMC Corporation	General Motors LLC	Delaware	07/29/10	2010 2631921
67.	EMC Corporation	General Motors LLC	Delaware	07/29/10	2010 2634768
68.	Plastic Mold Technology, Inc.	General Motors LLC	Delaware	07/30/10	2010 2658098*
69.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	08/04/10	2010 2709594*

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
70.	Standard Tool & Die, Inc.	General Motors LLC	Delaware	08/12/10	2010 2814931
71.	U.S. Bank Trust National Association	General Motors LLC	Delaware	12/10/03	33252387
72.	EMC Corporation	General Motors Company[7]	Delaware	4/15/08	2008 1314424
73.	EMC Corporation	General Motors Company	Delaware	9/30/2008	2008 3309638
74.	EMC Corporation	General Motors Company	Delaware	9/30/2008	2008 3310107
75.	EMC Corporation	General Motors Company	Delaware	9/30/2008	2008 3310172
76.	EMC Corporation	General Motors Company	Delaware	10/10/2008	2008 3437157
77.	EMC Corporation	General Motors Company	Delaware	10/20/2008	2008 3531124
78.	EMC Corporation	General Motors Company	Delaware	11/07/2008	2008 3739867
79.	EMC Corporation	General Motors Company	Delaware	11/07/2008	2008 3747506
80.	Eclipse Tool & Die, Inc.	General Motors Corporation	Delaware	12/08/2008	2008 4063754*
81.	EMC Corporation	General Motors Company	Delaware	12/11/2008	2008 4106249
82.	EMC Corporation	General Motors Company	Delaware	12/11/2008	2008 4106272
83.	EMC Corporation	General Motors Company	Delaware	12/19/2008	2008 4228845
84.	EMC Corporation	General Motors Company	Delaware	12/30/2008	2008 4306781

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	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
85.	EMC Corporation	General Motors Company	Delaware	12/30/2008	2008 4306807
86.	EMC Corporation	General Motors Company	Delaware	12/31/2008	2008 4323711
87.	EMC Corporation	General Motors Company	Delaware	12/31/2008	2008 4323737
88.	EMC Corporation	General Motors Company	Delaware	3/16/2009	2009 0826427
89.	EMC Corporation	General Motors Company	Delaware	3/16/2009	2009 0827375
90.	EMC Corporation	General Motors Company	Delaware	3/17/2009	2009 0838240
91.	EMC Corporation	General Motors Company	Delaware	3/17/2009	2009 0838794
92.	EMC Corporation	General Motors Company	Delaware	3/17/2009	2009 0840253
93.	EMC Corporation	General Motors Company	Delaware	4/16/2009	2009 1208120
94.	EMC Corporation	General Motors Company	Delaware	4/16/2009	2009 1209193
95.	EMC Corporation	General Motors Company	Delaware	4/16/2009	2009 1210266
96.	EMC Corporation	General Motors Company	Delaware	4/27/2009	2009 1317780
97.	EMC Corporation	General Motors Company	Delaware	4/27/2009	2009 1318606
98.	EMC Corporation	General Motors Company	Delaware	4/28/2009	2009 1336467
99.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1365631
100.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1365730
101.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1365805
102.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1365888

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
103.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1366019
104.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1366134
105.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1366217
106.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1366332
107.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1366514
108.	EMC Corporation	General Motors Company	Delaware	4/30/2009	2009 1366639
109.	EMC Corporation	General Motors Company	Delaware	5/27/2009	2009 1664348
110.	EMC Corporation	General Motors Corporation	Delaware	6/17/2009	2009 1939344
111.	EMC Corporation	General Motors Corporation	Delaware	6/18/2009	2009 1941787
112.	EMC Corporation	General Motors Corporation	Delaware	6/22/2009	2009 1989273
113.	EMC Corporation	General Motors Corporation	Delaware	6/22/2009	2009 1989711
114.	EMC Corporation	General Motors Corporation	Delaware	6/22/2009	2009 1989612
115.	EMC Corporation	General Motors Corporation	Delaware	6/23/2009	2009 1992699
116.	EMC Corporation	General Motors Corporation	Delaware	6/25/2009	2009 2047121
117.	EMC Corporation	General Motors Corporation	Delaware	6/25/2009	2009 2049168
118.	EMC Corporation	General Motors Corporation	Delaware	6/25/2009	2009 2050588
119.	Cana-datum Moulds LTD	General Motors Corporation	Delaware	7/08/2009	2009 2197736*
120.	DIE-TECH and Engineering, Inc.	General Motors Company	Delaware	07/17/09	2009 2304183*

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
121.	EMC Corporation	General Motors Corporation	Delaware	07/23/09	2009 2368667
122.	Hanson International, Inc.	General Motors Company	Delaware	08/04/09	2009 2495379*
123.	International Tooling Solutions, LLC	General Motors Company	Delaware	08/05/09	2009 2505847
124.	Tool Ventures Inc.	General Motors Company	Delaware	08/05/09	2009 2511191*
125.	International Tooling Solutions, LLC	General Motors Company	Delaware	08/06/09	2009 2515853
126.	J.R. Automation Technologies, LLC	General Motors Company	Delaware	08/06/09	2009 2531116*
127.	Xerox Corporation	General Motors Company	Delaware	08/07/09	2009 2543913**
128.	Aggressive Tooling, Inc.	General Motors Company	Delaware	08/10/09	2009 2548102*
129.	Aggressive Tooling, Inc.	General Motors Company	Delaware	08/10/09	2009 2562640*
130.	Aggressive Tooling, Inc.	General Motors Company	Delaware	08/11/09	2009 2566047*
131.	Lansing Tool & Engineering, Inc.	General Motors Company	Delaware	08/14/09	2009 2612619*
132.	Fanuc Robotics America, Inc. (Bailee-Bailor designation)	General Motors Company	Delaware	08/17/09	2009 2633458
133.	Tool Ventures Inc.	General Motors Company	Delaware	08/26/09	2009 2747654*
134.	U.S. Gauge & Fixture, Inc.	General Motors Company	Delaware	08/27/09	2009 2765987
135.	Richard Tool & Die Corp. (Seller-Buyer designation)	General Motors Company	Delaware	08/28/09	2009 2782719
136.	Richard Tool & Die Corp. (Seller-Buyer designation)	General Motors Company	Delaware	08/28/09	2009 2782925

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
137.	Richard Tool & Die Corp. (Seller-Buyer designation)	General Motors Company	Delaware	08/28/09	2009 2782784
138.	EMC Corporation	General Motors Company	Delaware	09/03/09	2009 2847652
139.	International Tooling Solutions, LLC	General Motors Company	Delaware	9/09/09	2009 2884226
140.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	9/11/09	2009 2916200*
141.	EMC Corporation	General Motors Company	Delaware	9/14/09	2009 2936323
142.	EMC Corporation	General Motors Company	Delaware	9/14/09	2009 2941307
143.	EMC Corporation	General Motors Company	Delaware	9/14/09	2009 2941331
144.	CAD CAM Services, Inc.	General Motors Company	Delaware	9/16/09	2009 2960943*
145.	EMC Corporation	General Motors Company	Delaware	9/24/2009	2009 3064281
146.	Sun Microsystems, Inc.	General Motors Company	Delaware	9/25/09	2009 3079925
147.	Detail Technologies, LLC	General Motors Company	Delaware	10/20/2009	2009 3364137*
148.	EMC Corporation	General Motors Company	Delaware	10/22/09	2009 3394381
149.	EMC Corporation	General Motors Company	Delaware	10/22/09	2009 3394399
150.	EMC Corporation	General Motors Company	Delaware	10/22/09	2009 3395065
151.	EMC Corporation	General Motors Company	Delaware	10/22/09	2009 3396196
152.	EMC Corporation	General Motors Company	Delaware	10/22/09	2009 3405781
153.	Rivera Tool, LLC	General Motors Company	Delaware	10/29/09	2009 3472278*

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
154.	Cinetic Landis Grinding Corp.	General Motors Company	Delaware	11/03/09	2009 3517353
155.	Cinetic Landis Grinding Corp.	General Motors Company	Delaware	11/03/09	2009 3517536
156.	Cinetic Landis Grinding Corp.	General Motors Company	Delaware	11/03/09	2009 3517619
157.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	11/04/09	2009 3533962*
158.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	11/05/09	2009 3550396*
159.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	11/09/09	2009 3589154*
160.	Detail Technologies, LLC	General Motors Company	Delaware	11/19/09	2009 3716815*
161.	ICX Corporation	General Motors Company	Delaware	11/19/09	2009 3728091
162.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	12/03/09	2009 3857700*
163.	Competition Engineering, Inc.	General Motors Company	Delaware	12/03/09	2009 3873475*
164.	EMC Corporation	General Motors Company	Delaware	12/08/09	2009 3920748
165.	EMC Corporation	General Motors Company	Delaware	12/08/09	2009 3920862
166.	EMC Corporation	General Motors Company	Delaware	12/08/09	2009 3923882
167.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	12/09/09	2009 3942320*
168.	Summit Polymers, Inc.	General Motors Company	Delaware	12/17/09	2009 4039621
169.	Summit Polymers, Inc.	General Motors Company	Delaware	12/17/09	2009 4040132
170.	EMC Corporation	General Motors Company	Delaware	12/21/09	2009 4079718
171.	EMC Corporation	General Motors Company	Delaware	12/21/09	2009 4080641

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
172.	EMC Corporation	General Motors Company	Delaware	12/21/09	2009 4080740
173.	Aggressive Tooling, Inc.	General Motors Company	Delaware	12/22/09	2009 4106693*
174.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	12/24/09	2009 4130958*
175.	EMC Corporation	General Motors Company	Delaware	12/28/09	2009 4147093
176.	EMC Corporation	General Motors Company	Delaware	12/29/09	2009 4152077
177.	EMC Corporation	General Motors Company	Delaware	12/29/09	2009 4150667
178.	EMC Corporation	General Motors Company	Delaware	12/29/09	2009 4152697
179.	EMC Corporation	General Motors Company	Delaware	12/29/09	2009 4165640
180.	EMC Corporation	General Motors Company	Delaware	12/29/09	2009 4165764
181.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	12/30/09	2009 4175300*
182.	CSA Financial Corp.	General Motors, LLC	Delaware	12/31/09	2009 4183809
183.	EMC Corporation	General Motors Company	Delaware	12/31/09	2009 4186034
184.	EMC Corporation	General Motors Company	Delaware	12/31/09	2009 4192560
185.	EMC Corporation	General Motors Company	Delaware	01/04/10	2010 0001846
186.	EMC Corporation	General Motors Company	Delaware	01/04/10	2010 0002349
187.	EMC Corporation	General Motors Company	Delaware	01/04/10	2010 0002547
188.	EMC Corporation	General Motors Company	Delaware	01/04/10	2010 0007884
189.	EMC Corporation	General Motors Company	Delaware	01/04/10	2010 0008148

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
190.	EMC Corporation	General Motors Company	Delaware	01/05/10	2010 0014294
191.	EMC Corporation	General Motors Company	Delaware	01/05/10	2010 0021174
192.	EMC Corporation	General Motors Company	Delaware	01/05/10	2010 0021950
193.	EMC Corporation	General Motors Company	Delaware	01/05/10	2010 0023808
194.	EMC Corporation	General Motors Company	Delaware	01/05/10	2010 0028880
195.	Eclipse Tool & Die, inc.	General Motors Company	Delaware	01/06/10	2010 0040844*
196.	Die-Tech and Engineering, Inc.	General Motors Company	Delaware	01/07/10	2010 0055669*
197.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	01/08/10	2010 0071708*
198.	EMC Corporation	General Motors Company	Delaware	01/11/10	2010 0082192
199.	EMC Corporation	General Motors Company	Delaware	01/11/10	2010 0083349
200.	H.S. Technologies, Inc.	General Motors Corporation	Delaware	01/11/10	2010 0084305
201.	EMC Corporation	General Motors Company	Delaware	01/12/10	2010 0095897
202.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	01/12/10	2009 0099113*
203.	EMC Corporation	General Motors Company	Delaware	01/12/10	2010 0100978
204.	EMC Corporation	General Motors Company	Delaware	01/12/10	2010 0102016
205.	EMC Corporation	General Motors Company	Delaware	01/12/10	2010 0102362
206.	Park National Bank	General Motors LLC	Delaware	01/12/10	2010 0102925
207.	EMC Corporation	General Motors Company	Delaware	01/12/10	2010 0103006

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
208.	International Tooling Solutions, LLC	General Motors Company	Delaware	01/12/10	2010 0110555
209.	Die-Tech and Engineering, Inc.	General Motors Company	Delaware	01/14/10	2010 0149017*
210.	Standard Tool & Die, Inc.	General Motors Company	Delaware	01/18/10	2010 0167696*
211.	Die-Tech and Engineering, Inc.	General Motors Company	Delaware	01/20/10	2010 0201297*
212.	International Tooling Solutions, LLC	General Motors LLC	Delaware	01/27/10	2010 0283386
213.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/02/10	2009 0354369*
214.	EMC Corporation	General Motors Company	Delaware	02/08/10	2010 0419592
215.	EMC Corporation	General Motors Company	Delaware	02/08/10	2010 0419774
216.	H.S. Die & Engineering Inc.	General Motors LLC	Delaware	02/09/10	2010 0431274
217.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/09/10	2009 0444483*
218.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/10/10	2009 0453609*
219.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/10/10	2009 0453690*
220.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/11/10	2009 0456859*
221.	FANUC Robotics America, Inc.	General Motors Company	Delaware	02/15/10	2010 0490387**
222.	Die-Tech and Engineering, Inc.	General Motors Company	Delaware	02/17/10	2010 0523344*
223.	EMC Corporation	General Motors Company	Delaware	02/18/10	2010 0544233
224.	Commercial Tool & Die, Inc.	General Motors Company	Delaware	02/19/10	2010 0553325*
225.	Commercial Tool & Die, Inc.	General Motors Company	Delaware	02/19/10	2010 0553804*

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
226.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/23/10	2010 0600134*
227.	J. R. Automation Technologies, LLC	General Motors Company	Delaware	02/24/10	2010 0622617*
228.	Datum Industries, LLC	General Motors Company	Delaware	03/04/10	2010 0731897*
229.	Lansing Tool and Engineering Inc.	General Motors Company	Delaware	03/07/10	2010 0756480*
230.	Summit Polymers Inc.	General Motors Company	Delaware	03/10/10	2010 0805196
231.	Summit Polymers Inc.	General Motors Company	Delaware	03/10/10	2010 0805873
232.	EMC Corporation	General Motors Company	Delaware	03/11/10	2010 0826135
233.	Standard Tool & Die, Inc.	General Motors Company	Delaware	03/14/10	2010 0862064*
234.	Active Mould & Design, Ltd.	General Motors Company	Delaware	03/15/10	2010 0864763
235.	Active Mould & Design, Ltd.	General Motors Company	Delaware	03/15/10	2010 0866891
236.	Die-Tech and Engineering, Inc.	General Motors Company	Delaware	03/19/10	2010 0955314*
237.	J. R. Automation Technologies, LLC	General Motors LLC	Delaware	03/25/10	2010 1035587*
238.	Richard Tool & Die Corp. (Seller-Buyer designation)	General Motors Company	Delaware	03/26/10	2010 1053176
239.	EMC Corporation	General Motors Company	Delaware	04/13/10	2010 1277296
240.	EMC Corporation	General Motors Company	Delaware	04/13/10	2010 1278021
241.	EMC Corporation	General Motors Company	Delaware	04/15/10	2010 1301393
242.	EMC Corporation	General Motors Company	Delaware	04/15/10	2010 1302326
243.	EMC Corporation	General Motors Company	Delaware	04/15/10	2010 1303662

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
244.	EMC Corporation	General Motors Company	Delaware	04/15/10	2010 1304371
245.	EMC Corporation	General Motors Company	Delaware	04/15/10	2010 1304835
246.	EMC Corporation	General Motors Company	Delaware	04/26/10	2010 1429160
	Hopkinton, MA 01748				
247.	Commercial Tool & Die, Inc.	General Motors Company	Delaware	04/28/10	2010 1476278*
248.	EMC Corporation	General Motors Company	Delaware	05/03/10	2010 1539109
249.	EMC Corporation	General Motors Company	Delaware	05/03/10	2010 1539133
250.	Omega Tool Corp.	General Motors Company	Delaware	06/03/10	2010 1938616
251.	American Tooling Center, Inc.	General Motors Company	Delaware	06/23/10	2010 2196909
252.	American Tooling Center, Inc.	General Motors Company	Delaware	06/23/10	2010 2197113
253.	International Tooling Solutions, LLC	General Motors Company	Delaware	07/16/10	2010 2474561
254.	EMC Corporation	General Motors Company	Delaware	03/11/10	2010 0826028

* This filing was made pursuant to the Michigan Special Tools Lien Act and/or the Michigan Mold Lien Act.

** This filing was made in connection with a lease transaction.

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
255.	Dane Systems, LLC	GM Components Holdings, LLC	Michigan[8]	3/2/10	2010028469-7
256.	Ameritech Credit Corp	General Motors Corporation	Michigan	07/20/2000	D676271
257.	B N Y Capital Funding LLC	General Motors Corporation	Michigan	11/21/2000	19266C
258.	Wilmington Trust Co indenture TTEE	General Motors Corporation	Michigan	12/27/2000	20293C
259.	B N Y Capital Funding LLC	General Motors Corporation	Michigan	03/26/2001	22922C
260.	B N Y Capital Funding LLC	General Motors Corporation	Michigan	06/26/2001	26029C
261.	I C X Corporation	General Motors Corporation	Michigan	8/22/2001	28143C
262.	General Electric Capital Corporation	General Motors Corporation	Michigan	10/31/2003	2003208498-1
263.	General Electric Capital Corporation	General Motors Corporation	Michigan	11/21/2003	2003223543-7
264.	Atlas Tool, Inc.	General Motors Corporation	Michigan	11/07/2005	2005193146-2
265.	Atlas Tool, Inc.	General Motors Corporation	Michigan	11/07/2005	2005193147-4
266.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	12/16/2005	2005215615-4
267.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	12/16/2005	2005215619-2
268.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	12/16/2005	2005215620-5
269.	Cavalier Tool & Manufacturing Ltd.	General Motors Corporation	Michigan	12/19/2005	2005217408-7
270.	Andersen & Associates, Inc.	General Motors Corporation	Michigan	12/27/2005	2005221806-7

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	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
271.	Andersen & Associates, Inc.	General Motors Corporation	Michigan	12/27/2005	2005221808-1
272.	Valiant Tool & Mold Inc.	General Motors Corporation	Michigan	01/04/2006	2006000981-2
273.	Valiant Tool & Mold Inc.	General Motors Corporation	Michigan	01/09/2006	2006004939-7
274.	Gonzales Production Systems, Inc.	General Motors Corporation	Michigan	01/09/2006	2006005454-0
275.	Concours Mold Inc.	General Motors Corporation	Michigan	02/02/2006	2006021779-8
276.	Atlas Tool, Inc.	General Motors Corporation	Michigan	02/10/2006	2006026241-4
277.	Atlas Tool, Inc.	General Motors Corporation	Michigan	02/10/2006	2006026242-6
278.	Atlas Tool, Inc.	General Motors Corporation	Michigan	02/10/2006	2006026243-8
279.	Atlas Tool, Inc.	General Motors Corporation	Michigan	02/10/2006	2006026244-0
280.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	02/16/2006	2006030181-2
281.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	02/16/2006	2006030182-4
282.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	02/25/2006	2006034390-9
283.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	03/02/2006	2006038797-5
284.	Oakwood Energy Management, Inc. The Oakwood Group	General Motors Corporation	Michigan	03/03/2006	2006039612-6
285.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	03/06/2006	2006039888-9
286.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	03/07/2006	2006041273-0
287.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	03/10/2006	2006043460-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
288.	Michalski Enterprises D/B/A Tool Craft Corporation	General Motors Corporation	Michigan	03/10/2006	2006044076-5
289.	Concours Mold Inc.	General Motors Corporation	Michigan	03/16/2006	2006046808-0
290.	American Tooling Center, Inc.	General Motors Corporation	Michigan	03/23/2006	2006052382-4
291.	American Tooling Center, Inc.	General Motors Corporation	Michigan	03/23/2006	2006052383-6
292.	American Tooling Center, Inc.	General Motors Corporation	Michigan	03/23/2006	2006052384-8
293.	American Tooling Center, Inc.	General Motors Corporation	Michigan	03/23/2006	2006052398-7
294.	Denken Tooling Centre Inc.	General Motors Corporation	Michigan	03/31/2006	2006057987-1
295.	Valiant Tool & Mold Inc. - Division Global I.E.M	General Motors Corporation	Michigan	04/10/2006	2006063514-8
296.	Valiant Tool & Mold Inc. - Division Global I.E.M.	General Motors Corporation	Michigan	04/10/2006	2006063816-8
297.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	04/12/2006	2006065743-5
298.	Atlas Tool, Inc.	General Motors Corporation	Michigan	04/13/2006	2006066525-4
299.	Atlas Tool, Inc.	General Motors Corporation	Michigan	04/13/2006	2006066526-6
300.	Atlas Tool, Inc.	General Motors Corporation	Michigan	04/13/2006	2006066528-0
301.	Atlas Tool, Inc.	General Motors Corporation	Michigan	04/13/2006	2006066530-5
302.	Atlas Tool, Inc.	General Motors Corporation	Michigan	04/13/2006	2006066536-7
303.	Nova Tool & Mold Inc.	General Motors Corporation	Michigan	04/19/2006	2006070441-2
304.	CogniTens, Inc.	General Motors Corporation	Michigan	04/25/2006	2006073643-3

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
305.	Fra-Wod Company, Inc.	General Motors Corporation	Michigan	05/10/2006	2006084848-0
306.	Fra-Wod Company, Inc.	General Motors Corporation	Michigan	05/10/2006	2006084849-2
307.	Fra-Wod Company, Inc.	General Motors Corporation	Michigan	05/10/2006	2006084874-5
308.	Fra-Wod Company, Inc.	General Motors Corporation	Michigan	05/10/2006	2006084875-7
309.	Fra-Wod Company, Inc.	General Motors Corporation	Michigan	05/10/2006	2006084915-3
310.	Fra-Wod Company, Inc.	General Motors Corporation	Michigan	05/10/2006	2006084916-5
311.	Bernard Mould, Ltd.	General Motors Corporation	Michigan	05/12/2006	2006087243-1
312.	Bernard Mould, Ltd.	General Motors Corporation	Michigan	05/15/2006	2006088325-6
313.	Bernard Mould, Ltd.	General Motors Corporation	Michigan	05/16/2006	2006089354-8
314.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	06/07/2006	2006101995-3
315.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	06/14/2006	2006106128-1
316.	Cinetic Automation Corporation	General Motors Corporation	Michigan	06/19/2006	2006109143-6
317.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	07/11/2006	2006122170-0
318.	Valiant Tool & Mold, Inc.	General Motors Corporation	Michigan	07/14/2006	2006123938-9
319.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	07/20/2006	2006126847-9
320.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	07/28/2006	2006131549-4
321.	Atlas Tool, Inc.	General Motors Corporation	Michigan	08/09/2006	2006137580-6
322.	Hi-Tech Tool Industries, Inc.	General Motors Corporation	Michigan	08/18/2006	2006143686-8

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
323.	L & L Machine Tool, Inc.	General Motors Corporation	Michigan	08/23/2006	2006145635-3
324.	American Tooling Center, Inc.	General Motors Corporation	Michigan	08/31/2006	2006150928-1
325.	LS Mold Inc.	General Motors Corporation	Michigan	09/28/2006	2006164709-3
326.	LS Mold Inc.	General Motors Corporation	Michigan	09/28/2006	2006164712-0
327.	Manor Tool and Die Ltd	General Motors Corporation	Michigan	9/29/2006	2006165423-8
328.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/12/2006	2006172935-2
329.	Hi-Tech Tool Industries, Inc.	General Motors Corporation	Michigan	10/23/2006	2006177927-0
330.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	10/24/2006	2006178927-1
331.	LS Mold Inc.	General Motors Corporation	Michigan	10/24/2006	2006179172-1
332.	LS Mold Inc.	General Motors Corporation	Michigan	10/24/2006	2006179173-3
333.	LS Mold Inc.	General Motors Corporation	Michigan	10/24/2006	2006179174-5
334.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/26/2006	2006179873-7
335.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/26/2006	2006179874-9
336.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/26/06	2006179875-1
337.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/26/06	2006179880-2
338.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/26/06	2006179881-4
339.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	10/26/06	2006179882-6

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
340.	Bernard Mould Ltd.	General Motors Corporation	Michigan	11/10/06	2006188996-8
341.	Atlas Tool Inc.	General Motors Corporation	Michigan	11/29/06	2006198118-0
342.	Sekely Industries, Inc.	General Motors Corporation	Michigan	1/3/07	2007001273-4
343.	Tool-Plas Systems, Inc.	General Motors Corporation	Michigan	1/26/07	2007014845-2
344.	U.S. Gauge & Fixture, Inc.	General Motors Corporation	Michigan	2/2/07	2007019219-0
345.	Active Mould & Design, Ltd.	General Motors Corporation	Michigan	2/9/07	2007023081-3
346.	International Tooling Solutions, LLC	General Motors Corporation	Michigan	2/20/07	2007027547-5
347.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	2/27/07	2007032167-6
348.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	2/27/07	2007032204-6
349.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	2/27/07	2007032207-2
350.	Atlas Tool, Inc.	General Motors Corporation	Michigan	3/19/07	2007043085-5
351.	Atlas Tool, Inc.	General Motors Corporation	Michigan	3/19/07	2007043087-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
352.	Hi-Tech Tool Industries, Inc.	General Motors Corporation	Michigan	3/27/07	2007048087-4
353.	Burton Industries Inc.	General Motors Corporation	Michigan	4/4/07	2007052831-9
354.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	5/3/07	2007070630-5
355.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	5/3/07	2007070631-7
356.	PME Companies, Inc.	General Motors Corporation	Michigan	5/9/07	2007074947-0
357.	PME Companies, Inc.	General Motors Corporation	Michigan	5/9/07	2007074948-2
358.	Miller Tool & Die Co.	General Motors Corporation	Michigan	6/1/07	2007087566-7
359.	Datum Industries, LLC	General Motors Corporation	Michigan	6/4/07	2007088025-2
360.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	6/15/07	2007095347-3
361.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	6/15/07	2007095352-4
362.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	6/15/07	2007095358-6
363.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	6/29/07	2007103242-2

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
364.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	7/5/07	2007106863-1
365.	Datum Industries, LLC	General Motors Corporation	Michigan	7/12/07	2007110376-4
366.	Arlen Tool Company Limited	General Motors Corporation	Michigan	7/25/07	2007117498-9
367.	Mattson Tool & Die Corp	General Motors Corporation	Michigan	8/3/07	2007121962-0
368.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	8/9/07	2007125702-4
369.	Mattson Tool & Die Corporation	General Motors Corporation	Michigan	8/13/07	2007126717-6
370.	Mattson Tool & Die Corporation	General Motors Corporation	Michigan	8/14/07	2007127677-1
371.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	8/17/07	2007129798-9
372.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	8/17/07	2007129806-8
373.	Eagle Aluminum Cast Products	General Motors Corporation	Michigan	8/23/07	2007132848-1
374.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	8/23/07	2007132996-4
375.	Mattson Tool & Die, Inc.	General Motors Corporation	Michigan	8/31/07	2007137381-6

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
376.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	9/11/07	2007142070-4
377.	Mattson Tool & Die Corp.	General Motors Corporation	Michigan	9/14/07	2007144762-3
378.	Radiance Mold & Engineering	General Motors	Michigan	9/20/07	2007147479-5
379.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	9/25/07	2007150764-5
380.	Concours Mold Inc.	General Motors Corporation	Michigan	9/27/07	2007152043-9
381.	International Tooling Solutions, LLC	General Motors Corporation	Michigan	10/13/07	2007160722-9
382.	Highland Community Bank	General Motors Corporation	Michigan	10/23/07	2007166033-4
383.	Highland Community Bank	General Motors Corporation	Michigan	10/23/07	2007166034-6
384.	Sloma Holdings, Inc.	General Motors Corporation	Michigan	12/10/07	2007192079-2
385.	Mattson Tool & Die Corporation	General Motors Corporation	Michigan	12/16/07	2007196468-1
386.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	1/14/08	2008007105-7
387.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	1/14/08	2008007106-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
388.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	1/14/08	2008007107-1
389.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	01/14/08	2008007108-3
390.	American Tooling Center, Inc.	General Motors Corporation	Michigan	01/17/08	2008009666-7
391.	American Tooling Center, Inc.	General Motors Corporation	Michigan	01/17/08	2008009715-2
392.	Mattson Tool & Die, Corporation	General Motors Corporation	Michigan	01/21/08	2008010481-8
393.	Competition Engineering, Inc.	General Motors Corporation	Michigan	02/06/08	2008020147-2
394.	Datum Industries, LLC Quality Inspections	General Motors Corporation	Michigan	03/03/08	2008034148-0
395.	Oakwood Metal Fabricating Company Detail Technologies, LLC	General Motors Corporation	Michigan	03/03/08	2008034158-1
396.	Detail Technologies, LLC	General Motors Corporation	Michigan	03/03/08	2008034185-8
397.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	04/23/08	2008062808-4
398.	Richard Tool & Die Corp.	General Motors Corporation	Michigan	04/29/08	2008066598-1
399.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	04/29/08	2008066614-7
400.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	04/29/08	2008066780-8
401.	Richard Tool & Die Corp.	General Motors Corporation	Michigan	05/02/2008	2008068856-1
402.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	05/02/2008	2008068879-9
403.	Richard Tool & Die Corp.	General Motors Corporation	Michigan	05/02/2008	2008068887-6
404.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	05/07/2008	2008071350-4

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
405.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	05/07/2008	2008071351-6
406.	U.S. Gauge & Fixture	General Motors Corporation	Michigan	06/12/2008	2008093395-4
407.	U.S. Gauge & Fixture	General Motors Corporation	Michigan	06/12/2008	2008093535-2
408.	Michalski Enterpirses [sic] d/b/a Tool Craft Corporation	General Motors Corporation	Michigan	06/17/2008	2008095933-8
409.	U.S. Gauge & Fixture	General Motors Corporation	Michigan	06/25/2008	2008100719-2
410.	Michalski Enterprises d/b/a Tool Craft Corporation	General Motors Corporation	Michigan	07/09/2008	2008108913-2
411.	Proper Group International, Inc.	General Motors Corporation	Michigan	07/11/2008	2008110366-5
412.	Belton, Michael Angelo EL	General Motors Corporation	Michigan	07/18/2008	2008113700-8
413.	Modineer Co.	General Motors Corporation	Michigan	07/23/2008	2008116530-0
414.	Modineer Co.	General Motors Corporation	Michigan	07/23/2008	2008116538-6
415.	Modineer Co.	General Motors Corporation	Michigan	07/23/2008	2008116578-0
416.	Modineer Co.	General Motors Corporation	Michigan	07/23/2008	2008117071-7
417.	Modineer Co.	General Motors Corporation	Michigan	07/24/2008	2008117268-4
418.	Modineer Co.	General Motors Corporation	Michigan	07/24/2008	2008117285-0
419.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	08/01/2008	2008121402-6
420.	Detail Technologies, LLC	General Motors Corporation	Michigan	08/04/2008	2008121910-3
421.	LS Mold Inc.	General Motors Corporation	Michigan	08/18/2008	2008129711-9
422.	Standard Tool & Die, Inc.	General Motors Corporation	Michigan	08/21/2008	2008131610-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
423.	LS Mold Inc.	General Motors Corporation	Michigan	08/21/2008	2008131865-8
424.	Radiance Mold & Engineering	General Motors Corporation	Michigan	08/26/2008	2008133435-9
425.	Gosiger Michigan	General Motors Corporation	Michigan	09/11/2008	2008141403-2
426.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	09/17/2008	2008144204-3
427.	Michalski Enterprises d/b/a Tool Craft Corporation	General Motors Corporation	Michigan	09/17/2008	2008144336-2
428.	Michalski Enterprises d/b/a Tool Craft Corporation	General Motors Corporation	Michigan	09/17/2008	2008144337-4
429.	Quality Inspections Inc Oakwood Metal Fabricating Company Sigma Tool Mfg. Co.	General Motors Corporation	Michigan	09/26/2008	2008149977-5
430.	Standard Tool & Die, Inc.	General Motors Corporation	Michigan	09/30/2008	2008151420-0
431.	Aggressive Tooling, Inc.	General Motors Corporation	Michigan	10/02/2008	2008152793-0
432.	Detail Technologies, LLC	General Motors Corporation	Michigan	10/02/2008	2008153125-6
433.	Aggressive Tooling, Inc.	General Motors Corporation	Michigan	10/10/2008	2008156722-5
434.	Aggressive Tooling, Inc.	General Motors Corporation	Michigan	10/10/2008	2008156749-1
435.	Gosiger Michigan	General Motors Corporation	Michigan	10/14/2008	2008159135-3
436.	3D Systems, Inc.	General Motors Corporation	Michigan	10/15/2008	2008160267-5
437.	Detail Technologies, LLC	General Motors Corporation	Michigan	10/21/08	2008162804-7
438.	International Tooling Solutions LLC	General Motors Corporation	Michigan	10/22/08	2008163472-3
439.	NARMCO Prince Metal Stampings USA, Inc	General Motors Corporation	Michigan	10/24/08	2008165250-5

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
440.	Detail Technologies, LLC	General Motors Corporation	Michigan	10/29/08	2008167159-3
441.	Paragon Molds Corporation	General Motors Corporation	Michigan	10/29/08	2008167169-4
442.	Paragon Molds Corporation	General Motors Corporation	Michigan	10/29/08	2008167217-7
443.	Paragon Molds Corporation	General Motors Corporation	Michigan	10/29/08	2008167304-2
444.	Paragon Pattern & MFG. Co.	General Motors Corporation	Michigan	10/29/08	2008167178-3
445.	NARMCO Nartech Metal Products Limited	General Motors Corporation	Michigan	10/30/08	2008168484-3
446.	NARMCO National Auto Radiator Manufacturing Co. LTD	General Motors Corporation	Michigan	10/30/08	2008168485-5
447.	NARMCO Prince Metal Stampings USA, Inc.	General Motors Corporation	Michigan	10/30/08	2008168486-7
448.	Gosiger Michigan	General Motors Corporation	Michigan	10/31/08	2008168714-2
449.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	11/4/08	2008169768-6
450.	Wolverine Tool & Engineering, Co.	General Motors Corporation	Michigan	11/4/08	2008169771-3
451.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	11/6/08	2008170899-6
452.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	11/6/08	2008170900-1
453.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	11/6/08	2008171135-9
454.	Oscar W Larson NMA Company	General Motors Company	Michigan	11/12/08	2008173701-2
455.	Pyper Tool & Engineering, Inc.	General Motors Corporation	Michigan	11/12/08	2008173789-6
456.	BRP Acquisition Group, Inc., d/b/a Black River Plastics	General Motors Corporation	Michigan	11/13/08	2008175118-7
457.	Richard Tool & Die Corp.	General Motors Corporation	Michigan	11/14/08	2008175288-6

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
458.	National Auto Radiator Manufacturing Co. LTD	General Motors Corporation	Michigan	11/17/08	2008176254-6
459.	Eclipse Tool & Die, Inc.	General Motors Corporation	Michigan	11/20/08	2008178120-5
460.	Eclipse Tool & Die, Inc.	General Motors Corporation	Michigan	11/20/08	2008178121-7
461.	Pelican Metal Products, LLC	General Motors Corporation	Michigan	11/21/08	2008178720-7
462.	Modineer Co.	General Motors Corporation	Michigan	11/21/08	2008178998-4
463.	BRP Acquisition Group, Inc.	General Motors Corporation	Michigan	11/24/08	2008180432-0
464.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	11/25/08	2008181173-1
465.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/25/08	2008181272-1
466.	NARMOC Prime Metal Stampings USA Inc.	General Motors Corporation	Michigan	11/25/08	2008181276-9
467.	NARMCO Nartech Metal Products Limited	General Motors Corporation	Michigan	11/25/08	2008181275-7
468.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/25/08	2008181277-1
469.	Valley Enterprises, Inc.	General Motors Corporation	Michigan	11/26/08	2008181525-8
470.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181528-4
471.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181532-3
472.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181543-6
473.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181556-3
474.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181567-6
475.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181573-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
476.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181592-9
477.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181603-4
478.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181614-7
479.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181636-3
480.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	11/26/08	2008181645-2
481.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181655-3
482.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181690-7
483.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181845-6
484.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	11/26/08	2008181847-0
485.	NARMCO Prince Metal Stampings USA, Inc.	General Motors Corporation	Michigan	11/26/08	2008181974-9
486.	NARMCO Nartech Metal Products Limited	General Motors Corporation	Michigan	11/26/08	2008181975-1
487.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	12/1/08	2008182840-7
488.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	12/2/08	2008183276-1
489.	CS Tool Engineering, Inc.	General Motors Corporation	Michigan	12/2/08	20081832824
490.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	12/3/08	2008184323-3
491.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	12/3/08	2008184332-2
492.	Eclipse Tool & Die, Inc.	General Motors Corporation	Michigan	12/5/08	2008185293-9
493.	Eclipse Tool & Die, Inc.	General Motors Corporation	Michigan	12/8/08	2008186123-1

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
494.	Cinetic Landis Grinding Corp.	General Motors Corporation	Michigan	12/10/08	2008187073-5
495.	Champion Plastics, Inc.	General Motors Corporation	Michigan	12/11/08	2008188068-5
496.	Champion Plastics, Inc.	General Motors Corporation	Michigan	12/11/08	2008188069-7
497.	Champion Plastics, Inc.	General Motors Corporation	Michigan	12/11/08	2008188070-0
498.	Rivas, Inc.	General Motors Corporation	Michigan	12/12/08	2008188534-4
499.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	12/12/08	2008188828-7
500.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	12/12/08	2008188881-9
501.	Valley Enterprises, Inc.	General Motors Corporation	Michigan	12/15/08	2008189209-6
502.	Lansing Tool & Engineering, Inc.	General Motors Corporation	Michigan	12/15/08	2008189261-6
503.	Oce Financial Services, Inc. Oce North America, Inc.	General Motors Corporation	Michigan	12/16/08	2008190822-9
504.	Lakeside Plastics Limited	General Motors Corporation	Michigan	12/22/08	2008193968-0
505.	Lansing Tool & Engineering, Inc.	General Motors Corporation	Michigan	1/2/09	2009000114-1
506.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	1/2/09	2009000578-3
507.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	1/5/09	2009000810-7
508.	Oce Financial Services, Inc.	General Motors Corporation	Michigan	1/15/09	2009007726-5
509.	Preferred Tool & Die Co., Inc.	General Motors Corporation	Michigan	1/19/09	2009008494-3
510.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	1/19/09	2009008512-3
511.	Accu Die & Mold, Inc.	General Motors Corporation	Michigan	1/23/09	2009011702-1

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
512.	Richard Tool & Die Corp.	General Motors Corporation	Michigan	1/28/09	2009013382-3
513.	Richard Tool & Die Corp.	General Motors Corporation	Michigan	1/28/09	2009013389-7
514.	Metal Processors Inc.	General Motors Corporation	Michigan	1/29/09	2009014029-6
515.	Wolverine Tool & Engineering Co.	General Motors Corporation	Michigan	2/5/09	2009019417-4
516.	Hanson International, Inc.	General Motors Corporation	Michigan	2/9/09	2009021197-0
517.	Quantity Inspections	General Motors Corporation	Michigan	2/12/09	2009023357-2
	Oakwood Energy Management, Inc.				
518.	Quantity Inspections	General Motors Corporation	Michigan	2/12/09	2009023360-9
	Oakwood Energy Management, Inc.				
519.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	2/13/09	2009023582-9
520.	Hanson International, Inc.	General Motors Corporation	Michigan	2/13/09	2009023890-2
521.	NARMCO	General Motors Corporation	Michigan	2/13/09	2009023975-2
	Prince Metal Stampings USA Inc.				
522.	International Tooling Solutions, LLC	General Motors Corporation	Michigan	2/17/09	2009024445-0
523.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	2/17/09	2009024475-3
524.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	2/17/09	2009024806-6
525.	Hanson International, Inc.	General Motors Corporation	Michigan	2/18/09	2009025464-1
526.	Hanson International, Inc.	General Motors Corporation	Michigan	2/19/09	2009026379-1
527.	Datum Industries, LLC	General Motors Corporation	Michigan	2/23/09	2009028168-6
528.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	2/27/09	2009030250-5
529.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	2/27/09	2009030251-7

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
530.	Richard Tool & Die Corporation	General Motors Corporation	Michigan	2/27/09	2009030253-1
531.	Radiance Mold & Engineering Inc.	General Motors Corporation	Michigan	3/2/09	2009031929-5
532.	Radiance Mold & Engineering Inc.	General Motors Corporation	Michigan	3/2/09	2009031930-8
533.	Hanson International, Inc.	General Motors Corporation	Michigan	3/3/09	2009032672-1
534.	Roberts Tool Company	General Motors Corporation	Michigan	3/5/09	2009033787-5
535.	Unique Model, Inc.	General Motors	Michigan	3/6/09	2009034242-2
536.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	3/9/09	2009034841-2
537.	Active Mould & Design, Ltd	General Motors Corporation	Michigan	3/10/09	2009036646-0
538.	NARMCO National Auto Radiator Manufacturing Co. Ltd.	General Motors Corporation	Michigan	3/13/09	2009038547-2
539.	NARMCO Prince Metal Stampings USA, Inc.	General Motors Corporation	Michigan	3/13/09	2009038553-5
540.	Signa Group, Inc. D/B/A Whitehall Industries, Inc.	General Motors Corporation	Michigan	3/23/09	2009042522-6
541.	PTI International, Inc; Plastic Trim International, Inc.	General Motors Corporation	Michigan	3/23/09	2009043029-1
542.	Engineered Tooling Systems Inc; Tooling Systems Group, Inc.	General Motors Corporation	Michigan	03/23/2009	2009043064-5
543.	Hanson International, Inc.	General Motors Corporation	Michigan	03/23/2009	2009043301-9
544.	Shelving & Rack Supply Inc.	General Motors Corporation	Michigan	03/26/2009	2009044987-2
545.	Gill Industries, Inc.	General Motors Corporation	Michigan	03/26/2009	2009045297-0
546.	Oakwood Energy Management, Inc.; Quality Inspections	General Motors Corporation	Michigan	03/27/2009	2009045367-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
547.	Oakwood Energy Management, Inc.	General Motors Corporation	Michigan	03/27/2009	2009045368-1
	Quality Inspections				
548.	Direct Tooling Group, Inc.	General Motors Corporation	Michigan	03/27/2009	2009045703-3
549.	Eclipse Tool & Die, Inc.	General Motors Corporation	Michigan	03/27/2009	2009045902-5
550.	Pryer Tool & Engineering, Inc.	General Motors Corporation	Michigan	03/30/2009	2009046317-5
551.	Direct Tooling Group, Inc.	General Motors Corporation	Michigan	03/30/2009	2009046500-4
552.	Proper Group International, Inc.	General Motors Corporation	Michigan	04/01/2009	2009047478-6
553.	MPD Welding, Inc.	General Motors Corporation	Michigan	04/01/2009	200947793-4
554.	Easom Automation Systems, Inc.	General Motors Corporation	Michigan	04/02/2009	2009048225-2
555.	Easom Automation Systems, Inc.	General Motors Corporation	Michigan	04/02/2009	2009048226-4
556.	D Heinzman Tool & Die, Inc.	General Motors Corporation	Michigan	04/07/2009	2009051451-6
557.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	04/09/2009	2009052690-3
558.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	04/09/2009	2009052691-5
559.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	04/09/2009	2009052692-7
560.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	04/09/2009	2009052751-3
561.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	04/09/2009	2009058863-0
562.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	04/16/2009	2009056210-1
563.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	04/16/2009	2009056231-5
564.	HTI Cybernetics	General Motors Corporation	Michigan	04/17/2009	2009057118-6

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
565.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	04/22/2009	2009060193-9
566.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	04/22/2009	2009060198-9
567.	HTI Cybernetics	General Motors Corporation	Michigan	04/23/2009	2009060876-7
568.	Cinetic Automation Corporation	General Motors Corporation	Michigan	04/23/2009	2009060789-2
569.	Cinetic Automation Corporation	General Motors Corporation	Michigan	04/23/2009	2009060790-5
570.	Cinetic Automation Corporation	General Motors Corporation	Michigan	04/23/2009	2009060792-9
571.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	04/24/2009	2009061117-0
572.	American Tooling Center, Inc.	General Motors Corporation	Michigan	04/24/2009	2009061228-5
573.	Windsor Mold Inc.	General Motors Corporation	Michigan	04/24/2009	2009061433-0
574.	Windsor Mold Inc.	General Motors Corporation	Michigan	04/24/2009	2009061434-2
575.	Windsor Mold Inc.	General Motors Corporation	Michigan	04/24/2009	2009061465-7
576.	Windsor Mold Inc.	General Motors Corporation	Michigan	04/24/2009	2009061466-9
577.	Tarpon Automation & Design Co.	General Motors Corporation	Michigan	04/29/2009	2009065090-6
578.	Radiance Mold & Engineering Inc.	General Motors Corporation	Michigan	04/30/2009	2009065600-9
579.	Hirotec Corporation, Inc.	General Motors Corporation	Michigan	04/30/2009	2009065361-1
580.	Sharp Model Company	General Motors Corporation	Michigan	04/30/2009	2009065600-9
581.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	5/1/09	2009066116-3
582.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	05/01/2009	2009066129-0

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
583.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	05/01/2009	2009066136-5
584.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	05/01/2009	2009066158-1
585.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	5/1/09	2009066158-1
586.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	5/1/09	2009066180-8
587.	Inergy Automotive Systems (USA) LLC	General Motors Corporation	Michigan	5/1/09	2009066240-6
588.	Johnson Controls, Inc. (Automotive Experience-NA)	General Motors Corporation	Michigan	5/1/09	2009066251-9
589.	Sharp Model Company	General Motors Corporation	Michigan	5/1/09	2009066339-5
590.	Integrity Tool & Mold Inc.	General Motors Corporation	Michigan	5/1/09	2009066398-9
591.	JCIM, LLC	General Motors Corporation	Michigan	5/1/09	2009066537-5
592.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	5/1/09	2009066545-2
593.	Standard Tool & Die, Inc.	General Motors Corporation	Michigan	5/4/09	2009066696-1
594.	Detail Technologies, LLC	General Motors Corporation	Michigan	5/5/09	2009068006-2
595.	Creative Machine Company	General Motors Corporation	Michigan	5/5/09	2009068126-6
596.	Sharp Model Company	General Motors Corporation	Michigan	5/6/09	2009068449-0
597.	Montaplast of North America	General Motors Corporation	Michigan	5/6/09	2009068698-7
598.	Montaplast of North America	General Motors	Michigan	5/6/09	2009068699-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
599.	Montaplast of North America	General Motors	Michigan	5/6/09	2009068700-4
600.	Montaplast of North America	General Motors	Michigan	5/6/09	2009068701-6
601.	Montaplast of North America	General Motors	Michigan	5/6/09	2009068702-8
602.	Atlas Technologies, Inc.	General Motors Corporation	Michigan	5/9/09	2009070009-2
603.	Atlas Technologies, Inc.	General Motors Corporation	Michigan	5/9/09	2009070010-5
604.	Pyper Tool & Engineering, Inc.	General Motors Corporation	Michigan	5/12/09	2009071273-2
605.	Mahar Tool Supply Co., Inc.	General Motors Corporation	Michigan	5/13/09	2009072565-2
606.	Cinetic Automation Corporation	General Motors Corporation	Michigan	5/14/09	2009073385-1
607.	Facility Matrix Group Inc.	General Motors Corporation	Michigan	5/14/09	2009073266-9
608.	Cinetic Automation Corporation	General Motors Corporation	Michigan	5/14/09	2009073386-3
609.	Cinetic Automation Corporation	General Motors Corporation	Michigan	5/14/09	2009073387-5
610.	NARMCO	General Motors Corporation	Michigan	5/14/09	2009073392-6
	Prince Metal Stampings USA Inc.				
611.	NARMCO	General Motors Corporation	Michigan	5/14/09	2009073398-8
	National Auto Radiator Manufacturing Co. Ltd.				
612.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	5/14/09	2009073521-1

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
613.	Sharp Model Company	General Motors Corporation	Michigan	5/15/09	2009073868-5
614.	Windsor Mold Inc.	General Motors Corporation	Michigan	5/15/09	2009074114-9
615.	Windsor Mold Inc.	General Motors Corporation	Michigan	5/15/09	2009074115-1
616.	Gill Industries, Inc.	General Motors Corporation	Michigan	5/16/09	2009074250-7
617.	Ridgeview Industries, Inc.	General Motors Corporation	Michigan	5/18/09	2009074440-0
618.	Integrity Tool & Mold Inc.	General Motors Corporation	Michigan	5/21/09	2009076664-6
619.	Mando America Corporation	General Motors Corporation	Michigan	5/22/09	2009076920-0
620.	J.R. Automation Technologies, LLC	General Motors Corporation	Michigan	5/22/09	2009076984-4
621.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077218-2
622.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077219-4
623.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077220-7
624.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077221-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
625.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077222-1
626.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077225-7
627.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077226-9
628.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077227-1
629.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077228-3
630.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077229-5
631.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077230-8
632.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077231-0
633.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077232-2
634.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077233-4
635.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077234-6
636.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077237-2

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
637.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077238-4
638.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077239-6
639.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077240-9
640.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077241-1
641.	Pyeong HWA Automotive Co. LTD	General Motors Corporation	Michigan	5/22/09	2009077242-3
642.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	5/22/09	2009077344-9
643.	Tenibac-Graphion, Inc.	General Motors Corporation	Michigan	5/26/09	2009077919-8
644.	Betz Industries, Inc.	General Motors Corporation	Michigan	5/26/09	2009077936-4
645.	Tenibac-Graphion, Inc.	General Motors Corporation	Michigan	5/26/09	2009078112-9
646.	Espar Products, Inc.	General Motors Corporation	Michigan	5/27/09	2009078511-5
647.	Cinetic Automation Corp.	General Motors Corporation	Michigan	5/27/09	2009078541-8
648.	NARMCO	General Motors Corporation	Michigan	5/27/09	2009078640-8
	Prince Metal Stampings USA Inc.				

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
649.	Clayton Engineered Tools, Inc.	General Motors Corporation	Michigan	5/28/09	2009079585-1
650.	Continental Chesterfield, Inc.	General Motors Corporation	Michigan	5/28/09	2009079610-6
	Continental Coatings, LLC				
	Continental Industries, LLC				
	Continental Plastics Company				
651.	Auto Craft Tool and Die Co., Inc.	General Motors Corporation	Michigan	5/29/09	2009080152-7
652.	Cobasys LLC	General Motors Corporation	Michigan	5/29/09	2009080611-1
653.	Hayes Cooling Technologies, LLC	General Motors Corporation	Michigan	5/31/09	2009081073-0
654.	Hayes Cooling Technologies, LLC	General Motors Corporation	Michigan	5/31/09	2009081074-2
655.	Hayes Cooling Technologies, LLC	General Motors Corporation	Michigan	5/31/09	2009081075-4
656.	Hayes Cooling Technologies, LLC	General Motors Corporation	Michigan	5/31/09	2009081076-6
657.	Hayes Cooling Technologies, LLC	General Motors Corporation	Michigan	5/31/09	2009081077-8
658.	Mico Industries, Inc.	General Motors Corporation	Michigan	6/1/09	2009081088-1

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
659.	Advanced Tooling Systems, Inc.	General Motors Corporation	Michigan	6/2/09	2009082008-4
660.	Advanced Tooling Systems, Inc.	General Motors Corporation	Michigan	6/2/09	2009082010-9
661.	Advanced Tooling Systems, Inc.	General Motors Corporation	Michigan	6/2/09	2009082011-1
662.	Advanced Tooling Systems, Inc.	General Motors Corporation	Michigan	6/2/09	2009082012-3
663.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	6/2/09	2009082204-0
664.	MPD Welding, Inc.	General Motors Corporation	Michigan	6/3/09	2009082740-6
665.	Sharp Model Company	General Motors Corporation	Michigan	6/5/09	2009083707-7
666.	Dienamic Tooling Systems	General Motors Corporation	Michigan	6/5/09	2009083997-0
667.	Dienamic Tooling Systems Inc.	General Motors Corporation	Michigan	6/5/09	2009083998-2
668.	mollertech llc	General Motors	Michigan	6/5/09	2009084236-9
669.	Ridgeview Industries, Inc.	General Motors Corporation	Michigan	6/8/09	2009084464-2
670.	Ridgeview Industries Inc.	General Motors Corporation	Michigan	6/8/09	2009084470-5
671.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	6/11/09	2009086497-3

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
672.	Sharp Model Company	General Motors Corporation	Michigan	6/15/09	2009088476-1
673.	Concours Mold Inc.	General Motors Corporation	Michigan	6/19/09	2009092007-4
674.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	6/30/09	2009097518-2
675.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	7/1/09	2009098553-7
676.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	7/2/09	2009099329-3
677.	Detail Technologies, LLC	General Motors Corporation	Michigan	7/6/09	2009099724-1
678.	Die-Tech and Engineering, Inc	General Motors Company	Michigan	07/17/09	2009105255-5
679.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	07/22/09	2009107330-7
680.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	07/22/09	2009107368-6
681.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	07/22/09	2009107371-3
682.	Valiant Machine & Tool, Inc.	General Motors Corporation	Michigan	07/29/09	2009110101-7
683.	Steeplechase Tool & Die, Inc.	General Motors Corporation	Michigan	07/29/09	2009110420-3
684.	Hanson International Inc.	General Motors Company	Michigan	08/04/09	2009114106-1
685.	Detail Technologies, LLC	General Motors Company	Michigan	08/05/09	2009114167-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
686.	International Tooling Solutions, LLC	General Motors Company	Michigan	08/05/09	2009114404-3
687.	Tool Ventures Inc.	General Motors Company	Michigan	08/05/09	2009114561-5
688.	International Tooling Solutions, LLC	General Motors Company	Michigan	08/06/09	2009114834-4
689.	Centerline Engineering, Inc.	General Motors Corporation	Michigan	08/07/09	2009115474-1
690.	Aggressive Tooling, Inc.	General Motors Company	Michigan	08/10/09	2009116328-3
691.	Pyper Tool & Engineering, Inc.	General Motors Corporation	Michigan	08/11/09	2009116451-4
692.	Aggressive Tooling, Inc.	General Motors Company	Michigan	08/11/09	2009116589-5
693.	Engineered Tooling Systems Inc.	General Motors Corporation	Michigan	08/13/09	2009118345-1
694.	Lansing Tool and Engineering, Inc.	General Motors Company	Michigan	08/14/09	2009118526-5
695.	Valiant Machine & Tool Inc.	General Motors Corporation	Michigan	08/17/09	2009119727-2
696.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	08/19/09	2009120671-6
697.	Tool Ventures Inc.	General Motors Company	Michigan	08/26/09	2009124135-4
698.	U.S. Gauge & Fixture, Inc	General Motors Company	Michigan	08/28/09	2009124892-8
699.	Richard Tool & Die Corporation	General Motors Company	Michigan	08/28/09	2009125211-7
700.	Richard Tool & Die Corporation	General Motors Company	Michigan	08/28/09	2009125212-9
701.	Richard Tool & Die Corporation	General Motors Company	Michigan	08/28/09	2009125215-5

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
702.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	09/02/09	2009127074-7
703.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	09/02/09	2009127075-9
704.	International Tooling Solutions, LLC	General Motors Company	Michigan	09/09/09	2009129535-7
705.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	9/23/09	2009136734-8
706.	Oakwood Energy Management Inc.; Quality Inspections	General Motors Company	Michigan	10/07/09	2009143309-6
707.	Oakwood Energy Management Inc.; Quality Inspections	General Motors Company	Michigan	10/07/09	2009143310-9
708.	Oakwood Energy Management Inc.; Quality Inspections	General Motors Company	Michigan	10/07/09	2009143315-9
709.	Oakwood Energy Management Inc.; Quality Inspections	General Motors Company	Michigan	10/07/09	2009143316-1
710.	Detail Technologies, LLC	General Motors Company	Michigan	10/20/09	2009149033-7
711.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	10/23/09	2009151370-5
712.	Riviera Tool, LLC	General Motors Company	Michigan	10/29/09	2009154422-9
713.	Cinetic Landis Grinding Corp.	General Motors Company	Michigan	11/03/09	2009156633-8
714.	Cinetic Landis Grinding Corp.	General Motors Company	Michigan	11/03/09	2009156634-0
715.	Cinetic Landis Grinding Corp.	General Motors Company	Michigan	11/03/09	2009156641-5

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
716.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	11/05/09	2009158519-8
717.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	11/09/09	2009160149-7
718.	Oakwood Energy Management Inc.; Quality Inspections	General Motors LLC	Michigan	11/09/09	2009160278-0
719.	Oakwood Energy Management Inc.; Quality Inspections	General Motors Company	Michigan	11/09/09	2009160282-9
720.	Oakwood Energy Management Inc.; Quality Inspections	General Motors Company	Michigan	11/09/09	2009160283-1
721.	Detail Technologies, LLC	General Motors Company	Michigan	11/19/09	2009164195-8
722.	Grandby Mold, Inc.; Jacobsen Industries, Inc.; The Oakwood Group	General Motors LLC	Michigan	12/03/09	2009169842-6
723.	Grandby Mold, Inc.; Jacobsen Industries, Inc.; The Oakwood Group	General Motors LLC	Michigan	12/03/09	2009169843-8
724.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	12/10/09	2009173231-7
725.	Aggressive Tooling, Inc.	General Motors Company	Michigan	12/22/09	2009179451-9
726.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	12/24/09	2009180450-0
727.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	12/30/09	2009181895-3
728.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	01/04/10	2010000986-1
729.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	01/04/10	2010000992-4

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
730.	Eclipse Tool & Die, Inc.	General Motors Company	Michigan	01/06/10	2010002287-1
731.	Die-Tech and Engineering, Inc	General Motors Company	Michigan	01/07/10	2010002629-7
732.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	01/08/10	2010003428-2
733.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	01/12/10	2010005066-6
734.	International Tooling Solutions, LLC	General Motors LLC	Michigan	01/13/10	2010005577-9
735.	Die-Tech and Engineering, Inc	General Motors Company	Michigan	01/14/10	2010007342-4
736.	Standard Tool & Die, Inc.	General Motors Company	Michigan	01/18/10	2010008064-5
737.	Die-Tech and Engineering, Inc	General Motors Company	Michigan	01/22/10	2010010577-6
738.	International Tooling Solutions, LLC	General Motors LLC	Michigan	01/27/10	2010012537-4
739.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	02/09/10	2010018722-3
740.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	02/10/10	2010019265-4
741.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	02/11/10	2010019602-0
742.	True Industries, Inc.	General Motors	Michigan	02/12/10	2010020576-6
743.	CS Tool Engineering, INC.	General Motors Corporation	Michigan	02/12/10	2010020647-7
744.	Die-Tech and Engineering, Inc	General Motors Company	Michigan	02/17/10	2010022006-1
745.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	02/23/10	2010024736-0
746.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	02/23/10	2010024801-9

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
747.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	02/23/10	2010024802-1
748.	J.R. Automation Technologies, LLC	General Motors Company	Michigan	02/24/10	2010025728-4
749.	Engineered Tooling Systems, Inc.	General Motors Corporation	Michigan	02/25/10	2010026141-1
750.	CS Tool Engineering, INC.	General Motors Corporation	Michigan	02/26/10	2010026760-3
751.	CS Tool Engineering, INC.	General Motors Corporation	Michigan	02/26/10	2010026826-3
752.	Engineered Tooling Systems, Inc.	General Motors Corporation	Michigan	02/26/10	2010027131-1
753.	Datum Industries, LLC	General Motors Company	Michigan	03/04/10	2010030156-8
754.	Lansing Tool and Engineering Inc.	General Motors Company	Michigan	03/07/10	2010030617-6
755.	Standard Tool & Die, Inc.	General Motors Company	Michigan	03/14/10	2010034205-7
756.	Active Mould & Design, Ltd.	General Motors Company	Michigan	03/16/10	2010035358-1
757.	Active Mould & Design, Ltd.	General Motors Company	Michigan	03/16/10	2010035363-2
758.	Die-Tech and Engineering, Inc	General Motors Company	Michigan	03/19/10	2010037852-1
759.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	03/25/10	2010040011-4
760.	Richard Tool & Die Corporation	General Motors Company	Michigan	03/26/10	2010041213-3
761.	Aggressive Tooling, Inc.	General Motors LLC	Michigan	04/08/10	2010047433-5
762.	Commercial Tool & Die, Inc.	General Motors Company	Michigan	04/22/10	2010054972-6

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
763.	Engineered Tooling Systems, Inc.	General Motors Corporation	Michigan	04/28/10	2010057483-2
764.	SXI Limited a/k/a Mold-Tech Canada	General Motors Corporation	Michigan	04/28/10	2010057511-3
765.	Richard Tool & Die Corporation	General Motors Company	Michigan	04/29/10	2010057843-6
766.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	05/03/10	2010059170-1
767.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	05/04/10	2010060326-5
768.	Plastic Mold Technology, Inc.	General Motors LLC	Michigan	05/04/10	2010060413-0
769.	Oakwood Energy Management Inc.;	General Motors LLC	Michigan	05/04/10	2010060432-0
	Quality Inspections				
770.	Oakwood Energy Management Inc.;	General Motors LLC	Michigan	05/04/10	2010060433-2
	Quality Inspections				
771.	Utica Enterprises, Inc.	General Motors LLC	Michigan	05/11/10	2010063929-6
772.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	05/14/10	2010066297-8
773.	Competition Engineering, Inc.;	General Motors LLC	Michigan	05/26/10	2010071759-5
	J.R. Automation Technologies, LLC				
774.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	05/27/10	2010073405-8
775.	Dietool Engineering Company, Inc.	General Motors LLC	Michigan	06/01/10	2010074594-8
776.	Omega Tool Corporation	General Motors Company	Michigan	06/03/10	2010076143-5
777.	Cinetic Landis Corp.	General Motors LLC	Michigan	06/07/10	2010077442-0
778.	Cinetic Landis Corp.	General Motors LLC	Michigan	06/07/10	2010077443-2
779.	Cinetic Landis Corp.	General Motors LLC	Michigan	06/07/10	2010077444-4

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
780.	CG Automation & Fixture, Inc.	General Motors Corporation	Michigan	06/15/10	2010081934-9
781.	American Tooling Center, Inc.	General Motors Company	Michigan	06/23/10	2010086267-9
782.	American Tooling Center, Inc.	General Motors Company	Michigan	06/23/10	2010086268-1
783.	Advanced Tooling Systems, Inc.	General Motors LLC	Michigan	07/09/10	2010093916-5
784.	International Tooling Solutions, LLC	General Motors LLC	Michigan	07/15/10	2010096857-2
785.	Advanced Tooling Systems, Inc.	General Motors LLC	Michigan	07/15/10	2010097060-4
786.	International Tooling Solutions, LLC	General Motors Company	Michigan	07/16/10	2010097191-1
787.	Plastic Mold Technology, Inc.	General Motors LLC	Michigan	07/20/10	2010098384-1
788.	Engineered Tooling Systems, Inc.	General Motors Corporation	Michigan	07/23/10	2010100352-9
789.	Engineered Tooling Systems, Inc.	General Motors Corporation	Michigan	07/23/10	2010100380-8
790.	RCO Engineering, Inc.	General Motors LLC	Michigan	07/26/10	2010101157-6
791.	Plastic Mold Technology, Inc.	General Motors LLC	Michigan	07/30/10	2010103660-5
792.	Hirotec America, Inc.	General Motors Corporation	Michigan	07/30/10	2010103751-8
793.	STM MFG., Inc.	General Motors Corporation	Michigan	08/03/10	2010105227-9
794.	STM MFG., Inc.	General Motors Corporation	Michigan	08/04/10	2010105819-4
795.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	08/04/10	2010105916-0
796.	Oakwood Energy Management Inc.;	General Motors LLC	Michigan	08/11/10	2010108267-6
	Quality Inspections				

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
797.	Oakwood Energy Management Inc.; Quality Inspections	General Motors LLC	Michigan	08/11/10	2010108268-8
798.	Standard Tool & Die, Inc.	General Motors LLC	Michigan	08/12/10	2010108846-4
799.	Pyper Tool & Engineering, Inc.	General Motors LLC	Michigan	08/17/10	2010110708-6
800.	Commercial Tool & Die, Inc.	General Motors Corporation	Michigan	08/19/10	2010111931-0
801.	CG Plastics, Inc.	General Motors Corporation	Michigan	08/19/10	2010111988-9
802.	Dane Systems, LLC; J.R. Automation Technologies, LLC	General Motors LLC	Michigan	08/23/10	2010113178-4
803.	Quality Cavity, Inc.	General Motors LLC	Michigan	08/31/10	2010116693-9
804.	Competition Engineering, Inc.	General Motors LLC	Michigan	08/31/10	2010116759-9
805.	Utica Engineering Company	General Motors LLC	Michigan	09/02/10	2010118381-0
806.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	09/14/10	2010122834-7
807.	RCO Engineering, Inc.	General Motors LLC	Michigan	09/14/10	2010122890-5
808.	International Tooling Solutions, LLC	General Motors LLC	Michigan	09/17/10	2010124991-1
809.	Oakwood Energy Management Inc.; Quality Inspections	General Motors LLC	Michigan	09/21/10	2010126615-7
810.	Oakwood Energy Management Inc.; Quality Inspections	General Motors LLC	Michigan	09/21/10	2010126616-9
811.	Hi-Tech Tool Industries, Inc.	General Motors Corporation	Michigan	09/21/10	2010126892-3
812.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	09/23/10	2010128107-2
813.	Dietool Engineering Company, Inc.	General Motors LLC	Michigan	09/27/10	2010129317-8

	Secured Party/Parties	Debtor	Jurisdiction	Filing Date	File Number
814.	Dietool Engineering Company, Inc.	General Motors LLC	Michigan	09/27/10	2010129326-7
815.	Standard Tool & Die, Inc.	General Motors LLC	Michigan	10/12/10	2010136678-1
816.	CAD CAM Services, Inc.	General Motors LLC	Michigan	10/14/10	2010138488-0
817.	SXI Limited a/k/a Mold-Tech Canada	General Motors Corporation	Michigan	10/15/10	2010139050-4
818.	SXI Limited a/k/a Mold-Tech Canada	General Motors Corporation	Michigan	10/15/10	2010139051-6
819.	SXI Limited a/k/a Mold-Tech Canada	General Motors Corporation	Michigan	10/15/10	2010139052-8
820.	Global Tooling Solutions LLC	General Motors Corporation	Michigan	10/15/10	2010139129-1
821.	J.R. Automation Technologies, LLC	General Motors LLC	Michigan	10/18/10	2010139772-4

Exhibit 10.43

General Motors Company
300 Renaissance Center
Detroit, Michigan 48265-3000

October 21, 2010

The United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
Attention: Chief Counsel Office of Financial Stability

Canada GEN Investment Corporation
1235 Bay Street, Suite 400
Toronto, ON M54 3K4

UAW Retiree Medical Benefits Trust
P.O. Box 14309
Detroit, Michigan 48214

Motors Liquidation Company
2000 Town Center
Suite 2400
Southfield, MI 48075

Ladies and Gentlemen:

Reference is hereby made to that certain Equity Registration Rights Agreement, dated as of October 15, 2009 (the "ERRA"), by and among General Motors Company (f/k/a General Motors Holding Company) (the "Corporation"), The United States Department of the Treasury, Canada GEN Investment Corporation (f/k/a 7176384 Canada Inc.), the UAW Retiree Medical Benefits Trust, Motors Liquidation Company, and, for limited purposes, General Motors LLC. Capitalized terms used in this letter and not otherwise defined herein shall have the meanings attributed to such terms in the ERRA.

The Corporation intends to file in Canada one or more prospectuses relating to the Corporation's IPO, and from time to time after the IPO, the Corporation may wish to make prospectus offerings and sales of Registrable Securities in Canada. The Corporation understands that the Holders may wish from time to time to make prospectus offerings and sales of Registrable Securities in Canada. In connection with the foregoing, each of us hereby: (i) agrees that references in Section 2.9 of the ERRA to any "untrue statement" or "untrue statement of a material fact" in any "prospectus" or "related prospectus" (or phrases to similar effect) shall be deemed to cover any "misrepresentation" in any "Canadian Prospectus" and (ii) acknowledges that each of us will be relying upon such agreement in connection with any prospectus offerings and sales of Registrable Securities in Canada. For the avoidance of doubt, (A) each of us shall be entitled to the applicable rights to, and shall be subject to the applicable obligations in respect of, indemnification and contribution set

forth in Section 2.9 of the ERRA in connection with sales of Registrable Securities pursuant to any Canadian Prospectus, and (B) the proviso in Section 2.9.1 of the ERRA that begins with the words "provided, however, that the foregoing indemnity agreement with respect to any preliminary prospectuses or Issuer Free Writing Prospectuses…" shall not apply with respect to a misrepresentation in a Canadian Prospectus.

As used in this letter agreement, the term "misrepresentation" has the meaning attributed to such term in the applicable securities legislation of each province and territory of Canada, and the term "Canadian Prospectus" means a prospectus filed by the Corporation under the applicable securities laws of any province or territory of Canada qualifying the distribution of Registrable Securities and includes a preliminary prospectus, a preliminary MJDS prospectus (as defined in National Instrument 71-101 – *The Multijurisdictional Disclosure System* ("NI 71-101")), a final prospectus, an MJDS prospectus (as defined in NI 71-101), any amendment or supplement thereto and any related materials, as applicable.

Notwithstanding Section 4.9 of the ERRA, this letter is binding on the Corporation and each Holder of Registrable Securities and their respective successors and permitted assigns under the ERRA.

[*Remainder of Page Intentionally Left Blank; Signature Page Follows*]

Very truly yours,

GENERAL MOTORS COMPANY

By: /s/ Daniel Ammann
Name: Daniel Amman
Title: Vice President Finance & Treasurer

Acknowledged and agreed:

THE UNITED STATES DEPARTMENT OF THE TREASURY

By: /s/ Timothy G. Massad
Name: Timothy G. Massad
Title: Acting Assistant Secretary for Financial Stability

CANADA GEN INVESTMENT CORPORATION

By: /s/ Michael Carter
Name: Michael Carter
Title: President

By: /s/ Andrew Stafl
Name: Andrew Stafl
Title: Vice President

UAW RETIREE MEDICAL BENEFITS TRUST

By: /s/ Nell Hennessy
Name: Nell Hennessy
Title: Chief Executive Officer,
Fiduciary Counselors, Inc.

MOTORS LIQUIDATION COMPANY

By: /s/ A.A. Koch
Name: A.A. Koch
Title: President

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
AND REPORT ON SCHEDULE

We consent to the use in this Amendment No. 5 to Registration Statement No. 333-168919 on Form S-1 of our report dated April 7, 2010 (August 18, 2010 as to the effects of the retrospective adjustment of reportable segments described in Notes 3 and 33 and November 1, 2010 as to the effects of the stock split described in Note 3) relating to the consolidated financial statements of General Motors Company as of December 31, 2009 (Successor) and for the period July 10, 2009 through December 31, 2009 (Successor), and of General Motors Corporation as of December 31, 2008 (Predecessor), the period January 1, 2009 through July 9, 2009 (Predecessor) and each of the two years in the period ended December 31, 2008 (Predecessor) (Successor and Predecessor collectively, the Company) (which report expresses an unqualified opinion on the financial statements and includes explanatory paragraphs relating to: (a) the Successor's acquisition of substantially all of the assets and assumption of certain of the liabilities of the Predecessor in accordance with the Amended and Restated Master Sale and Purchase Agreement pursuant to Section 363(b) of the Bankruptcy Code and the Bankruptcy Court sale order dated July 5, 2009 and the resulting application of fresh-start reporting, which resulted in a lack of comparability between the financial statements of the Successor and the Predecessor; (b) the Predecessor's adoption of new or revised accounting standards and (c) a retrospective change in the Successor's reportable segments) and of our report dated April 7, 2010 relating to internal control over financial reporting (which report expresses an adverse opinion on the effectiveness of General Motors Company's internal control over financial reporting because of a material weakness), such audit reports appearing in each respective prospectus, which are part of this registration statement.

We also consent to the reference to us under the heading "Experts" in each respective prospectus.

Our audits of the consolidated financial statements referred to in our aforementioned report also included the financial statement schedule of the Company listed in Item 16(b) of this registration statement. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP
Detroit, Michigan
November 1, 2010

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 5 to Registration Statement No. 333-168919 on Form S-1 of General Motors Company of our report dated February 26, 2010 (August 6, 2010 as to Note 2, *Discontinued and Held-for-sale Operations* and Note 32, *Subsequent Events*, October 12, 2010 as to Note 33, *Supplemental Financial Information*), relating to the consolidated financial statements of Ally Financial Inc. (formerly GMAC Inc.) as of December 31, 2009 and 2008, and for each of the three years in the period ended December 31, 2009, and to the reference to us under the heading "Experts" in each respective prospectus, which are part of the Registration Statement.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP
Detroit, Michigan
October 29, 2010

November 3, 2010

JENNER&BLOCK

Jenner & Block LLP
353 N. Clark Street
Chicago, IL 60654-3456
Tel 312-222-9350
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Chicago
Los Angeles
New York
Washington, DC

VIA EDGAR

Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, D.C. 20549-3720

Attention: Max A. Webb
Justin T. Dobbie
J. Nolan McWilliams
Juan Migone
David R. Humphrey

Re: General Motors Company
Amendment No. 5 to Registration Statement on Form S-1
Filed November 3, 2010
File No. 333-168919

Ladies and Gentlemen:

On behalf of General Motors Company (the "Company" or "GM"), we submit this letter in response to comments from the staff (the "Staff") of the Securities and Exchange Commission (the "Commission") received by letters dated October 28, 2010 and November 1, 2010, relating to the Company's Amendment No. 3 and Amendment No. 4 to the Registration Statement on Form S-1 (File No. 333-168919) filed with the Commission on October 25, 2010.

The Company is concurrently filing via EDGAR Amendment No. 5 to the Registration Statement ("Amendment No. 5"). For the convenience of the Staff, we are enclosing with this response letter copies of Amendment No. 5 with the relevant new disclosures marked for the Staff's ease of review.

In this letter, we have recited the comments from the Staff in italicized, bold type and have followed each comment with the Company's response thereto. Capitalized terms not defined herein have the meaning given to them in Amendment No. 5.

Response to Staff Comment Letter Dated October 28, 2010

Audited Consolidated Financial Statements

Notes to Consolidated Financial Statements

Note 2. Chapter 11 Proceedings and the 363 Sale, page F-11

Preferred Stock, page F-16

1. ***In your response to prior comments 23 and 24, you stated your intention to include disclosures in a future amendment showing the pro forma effects of the agreement to purchase the $2.1 billion face amount of Series A Preferred Stock held by the UST. In this regard, please tell us whether or not such disclosures will be included in order to comply with Article 11 of Regulation S-X. Also, tell us what consideration you gave to disclosing the pro forma effects of any other events or transactions that are probable, or have occurred during the most recent fiscal year (and not reflected in your audited financial statements for the full fiscal year) or subsequent interim period, and for which disclosing pro forma information would be material to investors. See Rule 11-01(a) of Regulation S-X.***

   The Company respectfully advises the Staff that it has included the pro forma effects on earnings per share of the purchase of the UST's Series A Preferred Stock on the face of the Company's unaudited condensed consolidated statement of operations for the six months ended June 30, 2010. Such pro forma financial information has been presented under the general principles of SAB Topic 1-B(3) and Section 3430.3 of the Division of Corporation Finance's Financial Reporting Manual ("FRM"), as the Company believes the charge that will occur in the event the offering is completed should be reflected as a material reduction in net income attributable to common stockholders and prominent disclosure of this one-time reduction in net income attributable to common stockholders could be material to investors. The Company has also disclosed the pro forma balance sheet effects of this transaction, including the resulting increase to accumulated deficit and the reclassification of the remaining Series A Preferred Stock to permanent equity, in Note 27 to the unaudited condensed consolidated interim financial statements for the six months ended June 30, 2010, and included clear disclosure that should additional Series A Preferred Stock purchases occur net income attributable to common stockholders would decrease significantly in the period(s) of purchase. When the Company amends its Registration Statement to include unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2010, the pro forma effects of the purchase of the UST's Series A Preferred Stock will similarly be presented on the face of the nine month income statement and in the notes to those unaudited condensed consolidated interim financial statements as described above.

   The Company has also provided narrative disclosure of certain other transactions in Note 27 to its unaudited condensed consolidated interim financial statements for the

six months ended June 30, 2010 included in the Registration Statement. This disclosure includes a discussion of certain actions that the Company has either consummated or intends to consummate after the offering, including: (1) the full repayment of the outstanding amount (together with accreted interest thereon) of the VEBA Notes for $2.8 billion in cash; (2) the contribution of $4.0 billion in cash and $2.0 billion of common stock to the Company's U.S. hourly and salaried pension plans; and (3) the termination of the wholesale financing arrangement under which accelerated payments are made by Ally Financial on behalf of the Company's dealers. The Company has also included significant disclosures related to the Chapter 11 Proceedings and the 363 Sale, in its audited consolidated financial statements and its unaudited condensed consolidated interim financial statements included in the Registration Statement.

The Company respectfully advises the Staff that it has considered whether pro forma information pursuant to Article 11 of Regulation S-X is necessary in the Registration Statement for the above noted items. The Company notes that, with respect to the capital changes that have occurred recently or are expected to occur after the offering, the Company believes these items involve a limited number of actions and the transactions and their effects are easily understood by investors based upon the transparent disclosure included throughout the Registration Statement. The Company's discussion and narrative description of the effects of these items are appropriate and sufficient such that further presentation under Article 11 of Regulation S-X would not provide additional material information. Therefore, the Company concluded that additional pro forma information would not be material to investors.

With respect to the 363 Sale that occurred on July 10, 2009, the Company believes that pro forma presentation pursuant to Article 11 of Regulation S-X of the effects of the 363 Sale would not be material to investors. Specifically, the transaction is 15 months old and no pro forma balance sheet is required because the Company's latest filed balance sheet, as well as the December 31, 2009 audited consolidated financial statements, include the transaction. When the Company amends the Registration Statement to include unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2010, 15 months of post-transaction activity will be reflected in the Registration Statement (compared to a six-month pre-transaction period at the beginning of the prior fiscal year). Furthermore, sufficient disclosures are already included in the Registration Statement for an investor to fully understand the continuing effects of the Chapter 11 Proceedings and the 363 Sale, including the effects of fresh-start reporting. The Company notes that its reorganization included certain changes to the Company's capital structure and fundamental changes to its operations such as significant changes to its labor costs, manufacturing footprint and the elimination of certain brands that would not qualify to be reflected in any pro forma financial information because the effects of such actions cannot be reasonably segregated from historical operations and are not objectively determinable, but which would be necessary for a pro forma statement of operations to be meaningful to investors. As such, the Company believes that providing a pro forma

consolidated statement of operations for the year ended December 31, 2009 pursuant to Article 11 of Regulation S-X would not be material to investors.

The Company has included the following disclosure on pages 14, 42, 59 and 182 of Amendment No. 5:

> "We have not included pro forma financial information giving effect to the Chapter 11 Proceedings and the 363 Sale because the latest filed balance sheet, as well as the December 31, 2009 audited financial statements, include the effects of the 363 Sale. As such, we believe that further information would not be material to investors."

Exhibits 5.1

2. ***Refer to opinion (3). The assumption that a sufficient number of shares of common stock will be available at the time of issuance is inappropriate. Please have counsel revise accordingly.***

The Company has filed as Exhibit 5.1 to Amendment No. 5 a revised Opinion and Consent of Robert C. Shrosbree, Esq. without the referenced assumption.

3. ***Refer to the third sentence of the last paragraph on page 2. The legality opinion should speak as of the date of effectiveness. Please have counsel revise accordingly or confirm that you will refile the opinion on the date of effectiveness.***

The Company has filed as Exhibit 5.1 to Amendment No. 5 a revised Opinion and Consent of Robert C. Shrosbree, Esq. without the referenced sentence.

Response to Staff Comment Letter Dated November 1, 2010

Management's Discussion and Analysis, page 42

Net Liquid Assets (Debt), page 125

1. ***We note the recently announced capital structure actions described on pages 7 and 8. Please tell us what consideration you gave to reflecting the pro forma effects of these actions on the amounts shown in the table at the bottom of page 125. This comment also applies to the table, which summarizes your global liquidity, on page 114.***

The Company respectfully advises the Staff that it has revised the Net Liquid Assets (Debt) table on page 128 of Amendment No. 5 only for the effect of the UST Series A Preferred Stock purchase. The UST Series A Preferred Stock purchase became a contractual commitment upon entry into an agreement with the UST on October 27, 2010 conditioned upon the closing of the common stock offering. The objective of the Net Liquid Assets (Debt) table is to present the Company's net liquidity after subtracting commitments to pay debt. The Company believes that it is appropriate to

give effect to the purchase of the UST Series A Preferred Stock in the Net Liquid Assets (Debt) table as the purchase of the UST Series A Preferred Stock is now substantively similar to a debt repayment given the contractual commitment, and the purchase is directly related to (and contingent on) the common stock offering. In contrast, the Company has not revised the global liquidity table on page 117 of Amendment No. 5 for the effect of the UST Series A Preferred Stock purchase as that table is intended to reflect the Company's liquidity at a point in time without deduction of known cash commitments such as debt repayment obligations. It is that liquidity (on a gross basis) that serves as the source of funding for any contractual or discretionary future cash outflows.

The Company did not include the effect of the planned $4.0 billion cash pension contribution in the Net Liquid Assets (Debt) table or the global liquidity table as this action is a voluntary contribution for which the Company is not obligated to make, and may choose not to make. Further, this pension contribution remains conditioned upon the proceeds of the Series B preferred stock offering, which is further conditioned upon the common stock offering. As the Company will not reflect the effect of the Series B preferred stock offering in these tables, the Company believes that displaying in isolation the effect of the voluntary pension plan contribution would be an incomplete presentation and would not provide useful information to the reader.

The Company did not separately display the effect of the VEBA Notes pre-payment in the Net Liquid Asset (Debt) table as the table's total line already comprehends both the VEBA Notes balance and the available cash utilized to pre-pay the VEBA Notes on October 26, 2010 (that is, the cash outflow is already reflected in the debt line item of the table). The Company did not give effect to the VEBA Notes pre-payment in the global liquidity table as that table is intended to reflect the Company's liquidity at a point in time without deduction of known cash commitments such as debt repayment obligations. We also note that the VEBA Notes pre-payment is not directly related to the offering and transparent disclosure of the pre-payment is included elsewhere throughout the prospectus.

In addition, the Company does not believe the effect of the $5.0 billion revolving credit facility (which is not expected to be drawn, and would be additive to available liquidity) and the $2.0 billion common stock pension contribution (a non-cash item) are appropriate for inclusion in the Net Liquid Asset (Debt) table or the global liquidity table.

With respect to the capital structure actions not adjusted for in the Net Liquid Asset (Debt) table and the global liquidity table, the Company respectfully advises the Staff that a more comprehensive and meaningful presentation for the reader is the disclosure provided in the Capitalization table on page 39 of Amendment No. 5. The Capitalization table includes a complete listing of each of the capital structure actions, and gives pro forma effect of those actions to the extent appropriate (as explained in the preface to the Capitalization table). The Company believes that a separate update of the Net Liquid Asset (Debt) table and the global liquidity table without providing

the effects of the Series B preferred stock proceeds and the revolving credit facility would provide an incomplete picture to the reader that would be of little value, particularly in light of the transparent disclosure included in the Capitalization table.

The Company reviewed the effect on the global liquidity table for the expected liquidity reductions for the prepayment of the VEBA Notes ($2.8 billion), UST Series A Preferred Stock purchase ($2.1 billion), and the expected voluntary pension contribution ($4.0 billion), combined with the expected available liquidity improvements for the revolving credit facility ($5.0 billion) and the proceeds from the Series B preferred stock offering ($3.0 billion) and concluded that the resulting $0.9 billion decline in global liquidity was not significant such that further presentation under Article 11 of Regulation S-X would not provide additional material information to investors.

Contractual Obligations and Other Long-Term Liabilities, page 131

2. ***In the first paragraph on page 132, you indicate that you have adjusted the table of contractual obligations for certain recently announced capital structure actions. Please clarify how you adjusted amounts set forth in this table. Based on your disclosure in footnote (g) to the table, which states that amounts in the table exclude the purchase of the Series A Preferred Stock held by the UST for a price equal to 102% of their $2.1 billion aggregate liquidation amount and the voluntary cash contribution to your hourly and salaried pension plans of $4.0 billion, it appears you made no adjustments to amounts set forth in this table.***

The Company respectfully advises the Staff that it has revised its disclosure on pages 135 and of Amendment No. 5 to indicate that it has not adjusted amounts in the contractual obligations table to take into account recently announced capital structure actions.

Exhibit Index

3. ***We note you have removed former Exhibits 10.3 (Amended and Restated Secured Note Agreement) and 10.4 (Assignment and Assumption Agreement and Third Amendment to Amended and Restated Secured Note Agreement) from the exhibit index. Please tell us why you believe it is appropriate to remove these exhibits from the index or include them with your next amendment. Refer to Item 601(b)(10)(i) of Regulation S-K.***

The Company respectfully advises the Staff that the agreements previously set forth as Exhibits 10.3 and 10.4 to the Registration Statement have been fully performed and no longer contain obligations that bind the Company and at the time of the filing of Amendments No. 4 and 5 are no longer material to investors in the offering. Since the agreements are no longer material, the Company does not believe that investors in the offering should refer to such agreements in the context of the Company’s material

contracts. Finally, the Company advises the Staff that the agreements remain available via EDGAR to the extent investors desire to refer to the terms of those agreements.

Response to Prior Staff Comments

In comment 11 of its letter dated October 20, 2010 relating to the Company's Amendment No. 2 to the Registration Statement filed with the Commission on October 14, 2010, the Staff stated:

Please refile the consent of IHS Global Insight as Exhibit 23 in your next amendment. Refer to Item 601(b)(23) of Regulation S-K.

The Company respectfully advises the Staff that industry data referencing IHS Global Insight has been removed from Amendment No. 5. As a result, the Company does not believe a consent from IHS Global Insight is required.

In comment 6 of its letter dated October 20, 2010 relating to the Company's Amendment No. 2 to the Registration Statement filed with the Commission on October 14, 2010, the Staff stated:

We note that the underwriters have reserved up to five percent of the common shares for sale directly to your directors, certain employees and retirees, and other designated individuals residing in the U.S. and Canada. Please provide us with any materials, including screen shots from the program website, given to potential purchasers of the reserved shares. Please also disclose whether shares purchased in the directed share program will be subject to lock-up agreements. If so, please briefly describe the lock-up agreements.

In a response letter dated October 25, 2010, the Company acknowledged the Staff's comment and supplementally provided the Staff with materials that were provided to potential participants in the Directed Share Program ("DSP"), including screen shots from the DSP website. The Company also indicated that it would supplementally furnish to the Staff additional materials provided in the future to potential DSP participants. The Company is now supplementally furnishing to the Staff additional materials that it has provided to potential DSP participants. These supplemental materials are not being furnished in electronic format and are not being filed with nor deemed part of the Registration Statement or any amendments thereto.

* * * * *

A letter from Nick Cyprus, Vice President, Controller and Chief Accounting Officer of the Company, containing the following representations is sent as an EDGAR correspondence under a separate cover:

- The Company is responsible for the adequacy and accuracy of the disclosure in its filing;

- Staff comments, or changes to the Company's disclosure in response to Staff comments, do not foreclose the Commission from taking any action with respect to the filing; and
- The Company may not assert Staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

The Company appreciates your assistance in its compliance with applicable disclosure requirements and in enhancing the overall disclosures in its filings. Should you have any questions or comments regarding the responses in this letter or Amendment No. 5, please feel free to contact me at (740) 633-9500. Thank you for your assistance.

Very truly yours,

/s/ William L. Tolbert, Jr.
William L. Tolbert, Jr.

Enclosures

cc (w/o encl.):

Nick S. Cyprus
Vice President, Controller and Chief Accounting Officer
General Motors Company

Robert C. Shrosbree, Esq.
General Motors Company

Joseph P. Gromacki, Esq.
Brian R. Boch, Esq.
Jenner & Block LLP

Richard A. Drucker, Esq.
Sarah E. Beshar, Esq.
Davis Polk & Wardwell LLP

General Motors Company
Controller's Office
482-C34-D71
P. O. Box 300
Detroit, Michigan 48265-3000
USA

November 3, 2010

VIA EDGAR SUBMISSION

Securities and Exchange Commission
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549-3561

Attention: Max A. Webb
Justin T. Dobbie
J. Nolan McWilliams
Juan Migone
David R. Humphrey

Re: General Motors Company
Amendment No. 5 to the Registration Statement on Form S-1
Filed November 2, 2010
File No. 333-168919

Ladies and Gentlemen:

Reference is hereby made to that letter of even date herewith submitted by William L. Tolbert, Jr. of Jenner & Block LLP to you in response to comments that General Motors Company (the "Company") received from the staff (the "Staff") of the Securities and Exchange Commission (the "Commission") regarding the above-referenced Registration Statement and amendments thereto.

In connection with the responses to your comments contained within Mr. Tolbert's letter, we hereby acknowledge that:

- We are responsible for the adequacy and accuracy of the disclosure in our filing;
- Staff comments, or changes to our disclosure in response to Staff comments, do not foreclose the Commission from taking any action with respect to the filing; and
- The Company may not assert Staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

We appreciate your assistance in our compliance with applicable disclosure requirements and in enhancing the overall disclosures in our filings.

Very truly yours,

/s/ Nick S. Cyprus
Nick S. Cyprus
Vice President, Controller and Chief Accounting Officer