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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Debtors.	Chapter 11 Case No. 09-50026 (MG) (Jointly Administered)

GENERAL MOTORS LLC'S (A) REPLY IN FURTHER SUPPORT OF MOTION, PURSUANT TO 11 U.S.C. §§ 105(a) AND 1109(b), FED. R. BANKR. P. 2018 AND 3020, AND PRE-TRIAL ORDER, TO APPEAR AND BE HEARD WITH RESPECT TO PHASE 1 OF COURT'S CONSIDERATION OF PLAINTIFFS' MOTION TO ENFORCE UNEXECUTED SETTLEMENT AGREEMENT AND (B) RESPONSE TO SIGNATORY PLAINTIFFS' AND PARTICIPATING UNITHOLDERS' OPENING BRIEF REGARDING NEW GM'S PHASE 1 STANDING

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New GM hereby responds to the Signatory Plaintiffs' And Participating Unitholders' Opening Brief Regarding New GM's Phase 1 Standing ("**Movants' Brief**") (Dkt. 14150), and argues in further support of its Motion, Pursuant To 11 U.S.C. §§ 105(a) And 1109(b), Fed. R. Bankr. P. 2018 And 3020, And Pre-Trial Order, To Appear And Be Heard With Respect To Phase 1 Of Court's Consideration Of Plaintiffs' Motion To Enforce Unexecuted And Undated Settlement Agreement ("**New GM Standing Motion**") (Dkt. 14149).[1]

I. PRELIMINARY STATEMENT

1. Movants' attempt to stifle New GM's voice in this matter is premised upon a series of fictions—that somehow New GM is a "third party stranger," that New GM is an "intruder" to this dispute, and, most incredibly, that the outcome of Phase 1 will have no "direct effect on New GM."[2] Movants' desired outcome, however, is not supported by the undisputed facts and governing law.

2. New GM has standing to appear and be heard in connection with any and all litigation relating to the Unexecuted Settlement Agreement. If the Court finds the Unexecuted Settlement Agreement is binding and enforceable, New GM may be required to deliver the maximum amount of Adjustment Shares (30 million) under the Sale Agreement—even though the applicable threshold under the Sale Agreement cannot be triggered by the unsupportable $10

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[1] Capitalized terms not defined herein shall have the meanings ascribed to them in the New GM Standing Motion. New GM refers to the parties that signed the Movants' Brief and the Joinder Of The Participating Unitholders In The Motion To Enforce (Dkt. No. 14175) collectively as "**Movants**."

[2] See Movants' Br. at 2 n.5 ("New GM will also lack standing in connection with a Rule 9019 Approval Motion … in Phase 2."). Plaintiffs, however, previously admitted New GM would have standing to contest the enforcement of the Unexecuted Settlement Agreement. See Ex. A (Tr., Jul. 16, 2015 MDL 2543 Hr'g 43:3-7 (Weisfelner: "[T]he only party that would be adversely affected would be New GM. It's New GM's stock that would have to be forked over were the accordion feature triggered. And I would assume that New GM has an economic interest in not having the accordion trigger[ed]."); 43:11-15 (Weisfelner: "And be it this Court or

billion claims estimate in the Unexecuted Settlement Agreement.[3] Similarly, a finding that the alleged agreement is binding will result in the automatic termination of the Forbearance Agreement between New GM and the GUC Trust, and New GM will incur significant expenses in challenging the propriety of the agreement in Phase 2 litigation. Conversely, a finding that the Unexecuted Settlement is not binding would pave the way for the Court's consideration of the GUC Trust-New GM Forbearance Agreement. These are all significant and direct impacts on New GM from a possible Phase 1 decision. New GM therefore is a party in interest under section 1109(b), and Movants' cited authorities do not compel a different result.

3. Indeed, New GM stands in the same position as the insurance companies in the factually analogous Global Industries decision. There, pursuant to an allegedly collusive chapter 11 plan negotiated by the debtors and asbestos claimants' attorneys, the debtors proposed to assign their insurers' policies to a trust to fund distributions on account of inflated asbestos claims through a channeling injunction. Finding that the insurers were parties in interest under section 1109(b) with standing to object to plan confirmation, the Third Circuit correctly observed that "when a federal court gives its approval to a plan that allows a party to put its hands into

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Judge Furman, I presume, will give New GM all the time and due process it needs and wants in order to ensure that its rights are protected before it literally has to turn over 10 million shares of New GM stock.")).

[3] In particular, the $10 billion claims estimate is premised on amounts that have been asserted (and that may never be asserted) by millions of individuals (a) who never filed claims against the GUC Trust, (b) never sought permission to file late claims, (c) do not have allowed claims against the GUC Trust (which is a prerequisite for satisfying the Adjustment Shares threshold), and (d) who are not represented by counsel with respect to the Late Claims Motion.

other people's pockets, the ones with the pockets are entitled to be fully heard and to have their legitimate objections addressed."[4]

4. Movants' challenges to New GM's constitutional and prudential standing are equally unsupportable. Should the Court find that the Unexecuted Settlement Agreement is binding, New GM's injury will be concrete and particularized, not speculative. Moreover, none of Movants' cited cases involve contractual disputes that purport to impose significant obligations on the entity seeking standing. Under the instant circumstances, contractual privity and third-party beneficiary status are irrelevant to the prudential standing analysis because the alleged contract imposes direct and significant obligations on the entity seeking standing to be heard (New GM).[5]

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[4] In re Global Indus. Tech., Inc., 645 F.3d 201, 204-05 (3d Cir. 2011) (observing "to solicit the required votes, the debtors necessarily reached out to those asbestos claimants' attorneys …. The availability of hundreds of millions of dollars of insurance coverage was evidently assumed and ultimately featured prominently in the debtors' proposed Plan …. [which] called for a channeling injunction … pursuant to which asbestos claims that had or could be brought against the debtors instead would be channeled to a trust"); id. at 214 (noting "non-frivolous allegations of collusion between GIT [debtor] and the asbestos claimants' counsel in negotiating the establishment of the APG Silica Trust and Silica Injunction …. [asserting the debtors] sold out Hartford, Century, and similarly situated insurers by setting up a system in which they would pay for newly ginned-up silica claims in exchange for asbestos claimants casting their votes in favor of the GIT Plan").

[5] See Hillside Metro Assocs., LLC v. JPMorgan Chase Bank, Nat'l Ass'n, 747 F.3d 44 (2d Cir. 2014) (landlord lacked standing to enforce terms of agreement between bank and FDIC which imposed no obligations on landlord); Premium Mortg. Corp. v. Equifax, Inc., 583 F.3d 103 (2d Cir. 2009) (mortgage lender lacked standing to enforce contract between credit reporting agencies and intermediate reseller of consumer credit information that imposed no obligations on mortgage lender); Roslyn Sav. Bank v. Comcoach Corp. (In re Comcoach Corp.), 698 F.2d 571 (2d Cir. 1983) (lender had no obligations under lease agreement between assignee of original mortgagor and leasee of premises); In re Old Carco LLC, 500 B.R. 683 (Bankr. S.D.N.Y. 2013) (manufacturer TSW lacked standing to challenge stay-relief stipulation between plaintiff and Chrysler; stipulation imposed no obligations on TSW); Tamir v. Bank of N.Y. Mellon, 2013 WL 4522926 (E.D.N.Y. Aug. 27, 2013) (mortgagor lacked standing to contest assignment of mortgage from Countrywide to Bank of America; mortgagor had no obligations under assignment agreement); Shea v. Royal Enters., Inc., 2011 WL 43460 (S.D.N.Y. Jan 6, 2011) (plaintiff injured in bar accident had no standing to raise statute of frauds defense to landlord's claim against lessee for indemnification under lease; plaintiff had no obligations under lease); In re Teligent, Inc., 417 B.R. 197, 210 (Bankr. S.D.N.Y. 2009) (law firm lacked standing to object to settlement between former client and unsecured creditors' representative; settlement did not impose any obligation on law firm), aff'd, 640 F.3d 53, 61 (2d. Cir. 2011); In re Caldor, 193 B.R. 182 (Bankr. S.D.N.Y.

5. Moreover, the Court has discretion to allow New GM's participation in the upcoming trial pursuant to Bankruptcy Rule 2018(a). No party to the dispute has a greater economic interest in the outcome of Phase 1 than New GM. New GM's appearance will not result in delay or complicate the presentation of issues at trial. This is evidenced by New GM's participation in pre-trial discovery and briefing, which has not been duplicative or disruptive. New GM is committed to maintaining this same efficiency during the upcoming trial.

6. Finally, Movants' unfounded assertions that New GM is a "stranger" and "intruder" to Phase 1 are belied further by their discovery focus on New GM. Movants dedicated a significant portion of their deposition questioning to a number of issues relating to New GM: (1) New GM's mid-August discussions with the GUC Trust concerning the Unexecuted Settlement Agreement, (2) the GUC Trust's decision not to proceed with the Unexecuted Settlement Agreement, in light of New GM's and the GUC Trust's negotiation of the Forbearance Agreement, and (3) the relative merits of the Unexecuted Settlement Agreement as compared to the Forbearance Agreement.[6] That focus is further evidence that New GM is a party in interest with all accompanying rights of participation in any and all aspects of Phase 1.

1996) (bank had no standing to challenge debtor's motion to enter into separate lease under which bank had no obligations); In re Ionosphere Clubs, Inc., 101 B.R. 844, 849 (Bankr. S.D.N.Y. 1989) (nonprofit consumer advocacy group could not assert rights of pre-petition ticket holders of bankrupt airline); Cty. of Tioga ex. rel. Tioga Cty. Solid Waste Dist. v. Solid Waste Indus., Inc., 577 N.Y.S.2d 922 (1991) (creditor of mortgagor had no standing to assert defenses personal to mortgagor; creditor had no obligation under mortgage or underlying loan documents); Gracie Tower Realty Assocs. v. Danos Floral Co., 538 N.Y.S.2d 680 (Civ. Ct. N.Y. Cty. 1989) (landlord lacked standing to raise statute of frauds defense to oral agreement between court-appointed receiver of landlord's property and premises managing agent; landlord had no obligations under oral agreement).

[6] See, e.g., Williams Tr. 110:6-16 ([PLAINTIFFS' COUNSEL]: "I believe that the August 15 meeting sets the groundwork for things that Mr. Williams or others for the GUC Trust including Mr. Martorana and New GM would have discussed the fact that the deal was done and that an agreement had been made with the plaintiffs and things of that nature."); 113:20-114:11 ([PLAINTIFFS' COUNSEL]: "[I]t's our position there was an

II. ARGUMENT

A. New GM Has Standing As A Party In Interest Under Section 1109(b)

7. New GM is the primary target of the Unexecuted Settlement Agreement, its interests are directly affected by the outcome of Phase 1, and that direct interest confers party-in-interest standing under section 1109(b) of the Bankruptcy Code.[7] Plaintiffs' endorsement of the unitholders' right to participate illustrates New GM's point. Plaintiffs purport to justify the unitholders' participation because, as alleged third-party beneficiaries, the unitholders are economically impacted by a determination that the agreement is binding. That rationale applies with greater force to New GM, given that it is the primary intended target of, and funding source for, the alleged settlement.

8. New GM's ability to participate in the Phase 1 trial is on firmer ground than the unitholders' for an additional reason. During negotiations of the alleged settlement, the

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agreement the documents would have otherwise been signed ... but for the fact that the GUC Trust changed its mind ... because of what they were told at the meeting with GM. So I think as part and parcel of demonstrating that there was an enforceable agreement, issues of what caused the GUC Trust not to move forward with the documents in the form that they existed in are completely relevant and part of phase one.").

[7] See, e.g., In re Heating Oil Partners, LP, 422 F. App'x 15, 16-17 (2d Cir. 2011) (liability insurer contractually obligated to indemnify debtor with respect to state court judgment entered against debtor had standing to seek declaration judgment was void: "AHA's pecuniary interest here is the default judgment … for which it will indemnify [debtor] in full or in part."); In re Stone Barn Manhattan LLC, 405 B.R. 68, at 74 (Bankr. S.D.N.Y. 2009) (purchaser of debtor's assets that (a) defaulted under purchase agreement and (b) asserted contingent administrative claim against debtor was party in interest because of contingent claim and reversionary interest in escrow account used to fund administrative expenses asserted against debtor); In re Sapphire Development, LLC, 523 B.R. 1, 5-6 (D. Conn. 2014) (judgment creditor of trustee of sole owner of debtor was a party in interest under section 1109 when "[a]n outcome of the bankruptcy proceeding that distributed any part of the property or proceeds therefrom to [debtor's] other creditors would … harm his interest[,]" and that interest is not "purely derivative of another party's rights"); In re Standard Insulations, Inc., 138 B.R. 947, 950 (Bankr. W.D.Mo. 1992), abrogated on other grounds In re Broadmoor Country Club & Apt., 158 B.R. 146 (Bankr. W.D. Mo. 1993) (insurers exposed to claims against debtor were "parties in interest" under section 1109(b) where "[d]ebtor's insurance [was] the only asset of consequence" and "[t]he insurers [were] responsible for payment of injury claims caused by exposure to debtor's products during covered periods").

unitholders' counsel declined plaintiffs' request to become a signatory to the alleged agreement, effectively electing "stranger" status (to use Movants' term). In contrast, as reflected in the GUC Trust's September 12 motion, New GM negotiated an alternative agreement with the GUC Trust that is directly conditioned on whether the alleged settlement agreement is binding, precisely the same issue presented by the Phase 1 trial. If the alleged agreement is not binding, then New GM and the GUC Trust will seek this Court's approval of the Forbearance Agreement; on the other hand, if the alleged settlement is binding, then the Forbearance Agreement will terminate. For this reason alone, New GM is directly impacted by a Phase 1 determination by this Court and has standing under the Bankruptcy Code.

9. Movants are also incorrect that "any future financial interest New GM may have is wholly indirect to Phase 1." Notably, Global Industries involved two phases: plan confirmation, i.e., a "phase 1," and anticipated, post-plan litigation to determine whether the insurers could defend against the assertion of asbestos claims against the policies, i.e., a "phase 2." The Third Circuit rejected the argument that the insurers' interests were protected because they could "assert their coverage defenses and contractual rights [in phase 2] if ever faced with putative obligations;" instead, the court determined the insurers' "interests are affected by the GIT Plan such that they should have an opportunity to challenge it." In re Global Indus. Tech., Inc., 645 F.3d at 208, 215. Cf. In re C.P. Hall Co., 750 F.3d 659, 662 (7th Cir. 2014) (declining to follow Global Indus. because ***excess*** insurers, unlike ***primary*** insurers in Global Indus., were not "targets of a scheme between the debtor and its creditors" and only were effected if secondary-coverage obligation was triggered).

10. Party-in-interest standing under section 1109(b) is interpreted broadly to allow the participation of parties, like New GM, that are affected by the litigation. See, e.g., In re

Residential Capital, LLC, 2013 WL 6698365, at *3 (Bankr. S.D.N.Y. Dec. 19, 2013) ("'Party in interest' is interpreted broadly to allow parties ***affected*** by the chapter 11 case to be heard." (emphasis added)); In re Old Carco LLC, 500 B.R. at 691 (recognizing Global Indus. is "in accord" with the proposition that party-in-interest standing means "anyone who has a legally protected interest that could be affected by a bankruptcy proceeding is entitled to assert that interest ***with respect to any issue to which it pertains***" (emphasis added)); In re Teligent, Inc., 417 B.R. at 210 (same); In re Stone Barn Manhattan LLC, 405 B.R. at 74 ("[C]ourts construe [party in interest] … broadly to insure fair representation of all constituencies ***impacted in any significant way*** by a Chapter 11 case." (emphasis added)).

11. Movants misconstrue Ionosphere, 101 B.R. at 849, to stand for the limited proposition that only debtors or creditors can be parties in interest for purposes of section 1109(b). Ionosphere does not establish any such bright-line rule, as demonstrated by subsequent cases finding entities that are impacted by a contract are parties in interest even if not specifically enumerated in section 1109(b). See In re Global Indus. Tech., Inc., 645 F.3d at 211 n.25 ("Without a contrary signal from Congress, we will not read a provision that confers a broad right of participation to be a restriction on access to bankruptcy proceedings"); In re Sapphire Dev. LLC, 523 B.R. at 5 ("[E]ven if McKay were not considered a 'creditor,' 11 U.S.C. § 1109 would still grant standing to McKay as a 'party in interest.'").

12. Moreover, New GM is a creditor in the bankruptcy cases, having filed an administrative claim, and it has a contingent administrative claim against the GUC Trust under the Sale Agreement.[8]

[8] See Ex. B (Proof of Claim No. 71111). Contrary to Movants' assertion, only a portion of New GM's proof of claim was withdrawn. The GUC Trust's claim register incorrectly notes that the entire claim was withdrawn.

13. Nor can Movants point to any authority limiting party-in-interest status under section 1109(b) to parties in contractual privity or alleged third-party beneficiaries. Even their authorities acknowledge "courts have long recognized that the meaning of the term ['party in interest'] must be determined on an ad hoc basis, and the categories mentioned in Section 1109 are not meant to exclude other types of interested parties from the purview of that section."[9] Movants' other section 1109(b) authorities are equally unavailing because New GM satisfies the standards enunciated under those cases, and the interests of the entities seeking standing in those cases were more attenuated that those of New GM.[10]

As reflected in the Nova Scotia settlement agreement, however, a portion of New GM's administrative expense claim remains. See Ex. C (Settlement Agreement of Wind-Up Claim and Guarantee Claim and Disputes Related Thereto) at ¶ 10 (Dkt. 12531-1) (listing remaining administrative claims).

[9] In re Teligent, Inc., 640 F.3d 53, 60 (2d Cir. 2011) (cited in Movants' Br. ¶ 32). See also Ionosphere, 101 B.R. at 849 (observing court "must determine a party's status ***on a case by case basis*** to see if this party has a sufficient stake in the proceeding which would require representation" (emphasis added)) .

[10] See, e.g., Movants' Br. ¶¶ 32, 35-41 (citing In re Comcoach Corp., 698 F.2d at 572-74 (bank that initiated forclosure proceedings against property owner was not a party in interest in bankruptcy proceeding against property owner's tenant; observing "[b]ank has no right to payment from the bankrupt, since the bankrupt has no obligation on the mortgage, and the bankrupt's duty to pay rent on its lease runs only to [lessor], not the [b]ank"); In re Residential Capital, LLC, 2015 WL 629416, at *3 (defendant in a foreclosure proceeding brought by the subsidiary of a debtor was not a "party-in-interest" in the debtor's chapter 11 case because under § 1109(b), "the person or entity must have some type of direct relationship with the debtor, its property, or the process of administering the bankruptcy estate …. Scott's connection to the estate is patently indirect: he is a defendant in a foreclosure action involving a mortgage that was once serviced by the debtor."); In re Innkeepers USA Trust, 448 B.R. 131, 141-44 (Bankr. S.D.N.Y. 2011) (certificate holders in special purpose vehicle (securitization trust) were considered "creditor[s] of a creditor" and did not have standing to object to bidding procedures for § 363-sale; observing "Courts in this District, while generally interpreting section 1109(b) broadly, have limited 'party in interest' standing where a party's interest in the proceeding is not a direct one," and "[holders'] right to payment comes from the cash generated by the assets, not from the debtor as the originator of the assets itself"); In re St. Vincent's Catholic Med. Centers Of New York, 429 B.R. 139, 149-52 (Bankr. S.D.N.Y. 2010) (plaintiffs (taxpayers) in state court action against New York State Department of Health seeking to enjoin further hospital closures were not parties in interest in hospital's chapter 11 case); In re Old Carco LLC, 500 B.R. at 691 ("Generally, a party in interest must have a financial or legal stake in the outcome of the particular matter."); In re Teligent, Inc., 417 B.R. at 210 (noting section 1109(b) standing applies to "anyone who has a legally protected interest that could be affected by a bankruptcy proceeding")).

B. New GM Has Constitutional Standing

14. Movants' argument that New GM lacks constitutional standing is identical to its argument that New GM lacks party-in-interest standing, i.e., that the outcome of Phase 1 will not have any direct effect on New GM. Because there is substantial overlap between party-in-interest standing under section 1109(b) and constitutional standing, however, an entity satisfying section 1109(b) also has constitutional standing.[11] Moreover, New GM has (1) an injury in fact that is actual or imminent rather than conjectural or hypothetical, (2) an injury that is "fairly traceable" to the relevant conduct, and (3) an injury that will be redressed by a favorable decision. See Lujan v. Defenders of Wildlife, 504 U.S. 555, 560 (1992). A finding that the Unexecuted Settlement Agreement is binding presents the real economic consequences described above.

15. Movants' authorities do not compel an alternative conclusion. They involved circumstances where (a) ***both*** section 1109(b) standing ***and*** constitutional standing were found to be lacking, (b) the contract at issue did not impose any obligations or otherwise affect the pecuniary interests of the entity seeking standing, or (c) the relationship between the entity

[11] See, e.g., In re Global Indus. Techs., Inc., 645 F.3d at 211 ("Article III standing and standing under the Bankruptcy Code are effectively coextensive."); In re Sapphire Development, LLC, 523 B.R. at 6 (although "standing requirements of 11 U.S.C. § 1109 supplement rather than replace constitutional standing requirements[, …] where parties … have a clear financial stake in the outcome of a bankruptcy proceeding, they also meet the constitutional requirements of an injury in fact that can be fairly traced to the challenged conduct and is redressible by a favorable decision from the court"); In re Teligent, Inc., 417 B.R. at 210 ("Generally, a 'party in interest' with respect to a particular issue will also meet the requirement for Article III standing with respect to that issue.… Thus, the inquiries overlap."); 7 Collier on Bankruptcy ¶ 1109.04[4][a] ("In almost every instance, the outcome of any particular proceeding in a chapter 11 case will have a sufficient effect on the interests of stakeholders generally so that their participation in the proceeding will satisfy the standing aspect of the case or controversy requirement.").

seeking standing and the estate was more attenuated.[12] Here, New GM has a direct financial stake in both (a) the Chapter 11 cases (pursuant to the Adjustment Shares provision in the Sale Agreement that depends on the total amount of allowed unsecured claims) and (b) an alleged agreement that purports to use unsupportable and premature claim estimates in an improper attempt to obtain a tender of New GM Adjustment Shares.

C. New GM Has Prudential Standing

16. Even though the Supreme Court and several Circuit Courts recently have questioned the continued vitality of the prudential standing doctrine,[13] the third party prudential

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[12] See Movants' Br. ¶¶ 30-34 (citing Spokeo, Inc. v. Robins, 136 S. Ct. 1540, 1543 (2016) (consumer that brought action against website operator that purportedly published false information about him did not automatically have standing simply because operator violated statute—concrete injury must result; observing "risk of real harm [may] satisfy the requirement of concreteness"); Clapper v. Amnesty Int'l, 133 S. Ct. 1138, 1143 (2015) (attorneys, human rights, and media organizations challenged statute authorizing surveillance; allegation of future injury, i.e., "the risk of [authorized surveillance] … already has forced them to take costly and burdensome measures to protect the confidentiality of their international communications" was too speculative: "[R]espondents cannot manufacture standing by choosing to make expenditures based on hypothetical future harm that is not certainly impending"); In re Caldor Inc.–NY, 193 B.R. at 182-86 (Bankr. S.D.N.Y. 1996) (bank, which was "creditor of a creditor," i.e., loaned money to the debtor's landlord (Northeast), lacked standing under both § 1109(b) and the Constitution to object to debtor's motion to enter into a ***separate*** lease with a third party: "The relief sought in the motion does not directly affect the Bank, and a denial of the motion will not redress any injury to the Bank…. At best, the bank is asserting rights belonging to Northeast."); In re Teligent, Inc., 417 B.R. at 210 (law firm (K&L) lacked standing under § 1109(b) and the Constitution when (a) K&L previously represented debtor's CEO in avoidance action and lost, (b) K&L was replaced by a new firm, (c) CEO (represented by new firm) entered into a settlement agreement with unsecured creditors' post-plan claims representative under which CEO assigned its rights to a malpractice claim against K&L to representative, and (d) K&L had no obligations under assignment agreement and therefore no standing to challenge motion to approve settlement: "the Settlement did not require K&L to pay any money to the Teligent estate or to [the CEO]"), aff'd, 640 F.3d at 61 (observing K&L "was merely a potential debtor of Teligent's debtor …. As such it has no financial state in the outcome of the bankruptcy case. Further, it had no stake in the outcome of the 9019 Motion because the Settlement did not require K&L to pay any money to the Teligent estate").

[13] The Supreme Court recently examined the doctrine's continued viability. See, e.g., Lexmark Intern., Inc. v. Static Control Components, Inc., 134 S.Ct. 1377, 1386-88 (2014) (request to decline to adjudicate claim on "grounds that are 'prudential' rather than constitutional … is in some tension with our reaffirmation of the principle that a federal court's obligation to hear and decide cases within its jurisdiction is virtually unflagging" and observing that a court "cannot limit a cause of action that Congress has created merely because 'prudence' dictates."); Miller v. City of Wickliffe, 852 F.3d 497, 503 n.2 (6th Cir. 2017) ("Given the

standing doctrine is the centerpiece of Movants' standing challenge. See Movants' Br. ¶¶ 20-29. That doctrine serves as a "general prohibition against allowing litigants to enforce the rights of third parties" and directs that courts "shy away from adjudicating rights unnecessarily, specifically because the purported holders of those rights may choose not to enforce them or will be able to enjoy them regardless of whether the in-court litigant is successful or not." In re The 1031 Tax Group, LLC, 439 B.R. 47, 60 (Bankr. S.D.N.Y. 2010) (noting rules ensure "that courts do not tap their constitutional power to adjudicate abstract questions other government entities may be better situated to address or to make rulings unnecessarily to protect individual rights").

17. This prudential standing doctrine, however, does not apply to this case. New GM is not asserting the rights of an absent third party and instead is asserting its own significant interest in avoiding the unwarranted obligations intended specifically for New GM under the Unexecuted Settlement Agreement. And, New GM and the GUC Trust are seeking the same Phase 1 result. See, e.g., In re The 1031 Tax Group, LLC, 439 B.R. at 60-61; see also In re Amoskeag Bank Shares, Inc., 239 B.R. 653, 658 (D. N.H. 1998) ("[Where] the court must decide the same issue regardless of whether or not the intervenor participates, the prudential limits on standing are less relevant").

Supreme Court's questioning of the continued vitality of the prudential standing doctrine … and the doubt that has been cast upon it by our own decisions, we are hesitant to ground our decision in prudential-standing principles."); United States v. Under Seal, 853 F.3d 706, 722 n.5 (4th Cir. 2017) ("We now expressly acknowledge … that the Supreme Court [in Lexmark] has recently pushed back on … 'prudential' language."); City of Oakland v. Lynch, 798 F.3d 1159, 1163 n.1 (9th Cir. 2015) (refusing to entertain government's argument "that Oakland should not be permitted to bring suit on the basis of prudential standing" in part because "the Supreme Court's recent decision in Lexmark … calls into question the viability of the prudential standing doctrine."); Duty Free Americas, Inc. v. Estee Lauder Cos., 797 F.3d 1248, 1273 n.6 (11th Cir. 2015) (same); Excel Willowbrook, L.L.C. v. JP Morgan Chase Bank, Nat'l Ass'n, 758 F.3d 592, 603 n.34 (5th Cir. 2014) (same).

18. According to Movants' interpretation of prudential standing, New GM cannot participate in Phase 1 because it is neither a party to the Unexecuted Settlement Agreement nor a third-party beneficiary. But, New GM is not seeking to enforce the Unexecuted Settlement Agreement; rather, it is challenging whether the alleged agreement was ever binding. Contractual privity also is not a prerequisite to prudential standing, either in the bankruptcy context or under New York law. Movants fail to cite any authority denying standing where direct harms would be imposed on the entity being heard.

19. Indeed, it is a "well-settled" precept of New York law that "to have standing to challenge a contract, ***a non-party to the contract must either suffer direct harm flowing from the contract or*** be a third-party beneficiary thereof." Decolator, Cohen & DiPrisco, LLC v. Lysaght, Lysaght & Kramer, 756 N.Y.S.2d 147, 150 (1st Dep't 2003) (emphasis added). Conveniently, Movants' authorities examine only the (irrelevant) issue of whether the entity is an intended third-party beneficiary.[14]

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[14] See supra, n. 3. See also Movants' Br. ¶¶ 20-29 (citing Premium Mortg., 583 F.3d at 108 (mortgage lender brought class-action lawsuit asserting consumer credit reporting agencies' sale of "trigger leads" violated Fair Credit Reporting Act; plaintiffs sought to ***enforce*** contract to which they were not a party between credit reporting agencies and intermediate reseller of trigger leads: "[a] non-party governed by New York law lacks standing to enforce the agreement in the absence of terms that 'clearly evidence an intent to permit enforcement by a third party in question'"); Hillside, 747 F.3d at 48-50 (JPMorgan purchased WaMu's assets from FDIC pursuant to purchase agreement to which landlord (Hillside) was not a party; WaMu repudiated lease: "[t]he sole issue is whether Hillside has standing to sue Chase for breach of the lease based on Hillside's own interpretation of the [purchase agreement] when it was neither a party nor an intended third-party beneficiary of the [purchase agreement];" observing Hillside was trying to assert FDIC's rights under purchase agreement); Shea, 2011 WL 43460, at *3 (landlord sued lessee for indemnification after plaintiff sustained injuries in bar and sued landlord; plaintiff lacked standing to raise statute of fraud as affirmative defense to landlord's indemnification claim because plaintiff was "not a party to the lease"); In re Old Carco, 500 B.R. at 691-92 (class-action plaintiffs obtained stipulated stay relief to bring claims against Chrysler's insurers; manufacturer of allegedly defective steering mechanism for Chrysler lacked prudential standing to challenge plaintiffs' attempt to use stipulation as a predicate to sue manufacturer because manufacturer was not third party beneficiary); Gracie, 538 N.Y.S.2d at 682 (landlord in receivership was "stranger" to oral agreement under which receiver authorized managing agent of property to enter into renewal lease and could not raise statute of frauds defense); Cty of Tioga, 577 N.Y.S.2d at 924 (creditor of defendant to mortgage foreclosure

20. If accepted, the proposition that standing is limited to parties in contractual privity or to third-party beneficiaries would undercut the broad right of participation conferred by section 1109(b). The Court therefore should decline Movants' invitation to make contractual privity and third-party beneficiary status a prerequisite to prudential standing to participate in bankruptcy cases—especially when the prudential standing doctrine's continued viability is uncertain.

D. New GM Has Standing to Participate Pursuant to Bankruptcy Rule 2018

21. Alternatively, New GM satisfies each of the factors relevant to whether it can participate under Bankruptcy Rule 2018(a), i.e., "1) whether the moving party has an economic or similar interest in the matter; 2) whether the interests of the moving party are adequately represented by the existing parties; 3) whether the intervention will cause undue delay to the proceedings; and 4) whether the denial of the movants' request will adversely affect their interest." In re First Interregional Equity Corp., 218 B.R. 731, 736 (Bankr. D.N.J. 1997).

22. ***First,*** New GM has a significant interest in preventing (a) the impermissible issuance of the Adjustment Shares—even though the thresholds under the Sale Agreement have not been surpassed; (b) the costs associated with producing names and addresses of millions of vehicle purchasers dating back years (under the proposed order granting the draft Notice

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action had no standing to assert lack of consideration as defense in foreclosure action (including mortgage to which creditor was not a party): "This affirmative defense is personal to the parties to the [mortgage and underlying contract]"); Tamir, 2013 WL 4522926, at *4 (mortgagor has no standing to challenge assignment of mortgage from Countrywide to Bank of America when mortgagor is not a party to assignment agreement or third-party beneficiary and could not establish injury from assignment because obligation to repay debt and terms and conditions of repayment were unaltered); Cty. of Suffolk v. Long Island Lighting Co., 728 F.2d 52, 63 (2d Cir. 1984) (county brought action behalf of rate payers against parties constructing power plant alleging breach of contracts among those parties for delivery of equipment and materials caused delays (and would increase rates) because they were not third-party beneficiaries of those contracts)).

Procedures Motion); (c) the automatic termination of the Forbearance Agreement (if the alleged settlement agreement is binding); (d) the costs and fees associated with Phase 2 litigation; and (e) the judicial declaration that the settlement would not waive any of plaintiffs' claims against New GM (as reflected in section 2.12 of the alleged settlement agreement).[15] ***Second***, New GM's interests are not adequately represented by the existing parties, because no party has obligations commensurate with those sought against New GM. ***Third***, New GM's participation will not cause delay because it will coordinate its efforts with the GUC Trust to ensure no duplication, and the bench trial is scheduled for three days regardless of whether New GM participates. Accordingly, Bankruptcy Rule 2018(a) authorizes New GM to participate in any and all aspects of Phase 1. See In re Narcisse, 2013 WL 1316706, at *3 (Bankr. E.D.N.Y. Mar. 29, 2013) (City of New York permitted to appear under Rule 2018(a) in connection with motion to reopen a chapter 7 case, which was initiated to allow the prosecution of a personal injury action, because "the City may become indebted to th[e] bankruptcy estate if there is a recovery in the Personal Injury Action.").[16]

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[15] See Weisfelner Decl. Ex. J (Claims Estimate Order); Ex. P (Proposed Notice Procedures Motion). As the Court is aware, New GM has argued in the MDL that Plaintiffs always had a remedy against Old GM and, therefore, it should not be liable to plaintiffs with the Ignition Switch Defect on a "mere continuation" successor liability theory. The Late Claims Motion itself supports New GM's argument. Section 2.12 of the Unexecuted Settlement Agreement, however, reflects Plaintiffs' attempt to nullify New GM's legal position in the MDL on successor liability issues, which is another reason why New GM has a direct interest in whether the alleged agreement is binding.

[16] See also In re Zhejiang Topoint Photovoltaic Co., Ltd., 2015 WL 2260647, at *4–6 (Bankr. D.N.J. May 12, 2015) (granting creditor standing to appear under Rule 2018(a) because party with a direct interest in litigating dispute was "almost entirely owned and completely controlled by the Debtors" and, consequently, the creditor's interest "lack[ed] representation because the SPVs, which hold the direct rights against the Debtors, are sitting idly and will not enforce their own rights against the Debtors."); In re Alterra Healthcare Corp., 353 B.R. 66, 70–71 (Bankr. D. Del. 2006) (permitting Philadelphia Newspapers, LLC to appear under Bankruptcy Rule 2018(a) to oppose a Motion to File under Seal the Application to Approve Nine Settlements because the Newspaper asserted "an actual injury to itself" in that "the Seal Orders prevent[ed] it from obtaining access[,]" and "[t]he Reorganized Debtor ha[d] not articulated sufficient prejudice to it to warrant denial of the motion to

III. CONCLUSION

For the foregoing reasons, the New GM Standing Motion should be granted.

Dated: New York, New York
December 7, 2017

Respectfully submitted,

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intervene."); In re Torrez, 132 B.R. 924, 936–37 (Bankr. E.D. Cal. 1991) (allowing creditor, Northwestern Mutual Life Insurance Company, to appear under Bankruptcy Rule 2018(a) in a motion to reconvert case back to chapter 11 because "Debtors reconverted their case to Chapter 11 expressly to place themselves in a position allowing them to make a concerted effort to set aside the foreclosure by Northwestern" and, therefore, "[t]he proposed action reference setting aside the foreclosure may dramatically effect Northwestern's position" and "no other entity exists to adequately protect Northwestern's position.").

Exhibit A

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 09-50026-REG

- -x

In the Matter of:

MOTORS LIQUIDATION COMPANY

Debtor.

- -x

United States Bankruptcy Court

One Bowling Green

New York, New York 10004-1408

July 16, 2015

9:48 AM

B E F O R E:

HONORABLE ROBERT E. GERBER

U.S. BANKRUPTCY JUDGE

ECRO: K. HARRIS

have an opportunity to oppose that 9019, take the position that as Your Honor indicated we've colluded in an effort to stick it to New GM. And they'll be entitled to be heard on the merits with regard to that contention, and the settlement will not be effective unless and until the Court overrules that objection. And --

THE COURT: The problem with that Mr. Weisfelner is the different way which judges evaluate 9019s in part. The principal attention that a judge gives to the 9019 is whether the estate is giving away the store. And that would mean in this context whether Mr. Martorana is prejudicing the interest of the GUC Trust community and its unit holders, which if he entered into the deal would be very hard to find because the problem if there is a problem with any such deal is he's helping his guys too much, not that he's helping them too little. Sometimes in evaluating 9019s, we also look to see whether parties while acting in the interest of the estate are nevertheless inappropriately adversely affecting parties who aren't at the table, that's the more significant concern here.

MR. WEISFELNER: Sure. And, Your Honor, again the only party --

THE COURT: We have this in asbestos cases which you have more than a little familiarity.

MR. WEISFELNER: And, Your Honor, again I see the analogy and you're right I think the only party that could

stand up and say they're being adversely affected aside from the plaintiffs which I want to get to in a minute to respond to your question about how much time do I think this takes, the only party that would be adversely affected would be New GM. It's New GM's stock that would have to be forked over were the accordion feature triggered. And I would assume that New GM has an economic interest in not having the accordion trigger in maintaining that the accordion feature is now dead as a consequence of Your Honor's equitable mootness decision. And obviously we're not going to get our hands on that stock without New GM putting up a fight. And be it this Court or Judge Furman, I presume, will give New GM all the time and due process it needs and wants in order to ensure that its rights are protected before it literally has to turn over 10 million shares of New GM stock.

The issue on the plaintiff's side is quite a bit more complicated. There are any number of potential subclasses of plaintiffs that may want a shot at the accordion feature should it ever be triggered. You have the easy subclass if one were to think what are the classes, you have the ignition switch defect plaintiffs as defined, that being the ones that were subject of the first two recalls. You have the other ignition switch defect plaintiffs that were the subject of the subsequent recalls. You then have the non-ignition switch defects.

THE COURT: What's your Weintraub [indiscernible] because I would have thought that they should have, or could make a decent argument that they should have first dibs on any claims against the estate.

MR. WEISFELNER: Now Mr. Weintraub was careful I think to represent only the presale accident victims who drove ignition switch defect vehicles defined to be limited to the first two recalls, the ones I think in February and March of 2014.

MR. STEINBERG: [indiscernible]

MR. WEISFELNER: That's my best recollection. He may tell you otherwise, and we are working with Mr. Weintraub with regard to this settlement that he represents pre-sale accident victims that drove other vehicles. But my point is this, the GUC Trust and unit holders want the broadest from of relief possible. They want as many people to stand down from challenging their exclusive rights to the cash that's gone out the door and the billion or so dollars left to go out the door based on the remaining securities that they've asked for and Your Honor has given authority to liquidate but not distribute. So they want all of us plaintiff types to say no mas, we're not coming after you to ever dip into those assets.

We need to ensure that we're not prejudicing any plaintiff rights with regard to the accordion feature should it ever be triggered. And what we contemplate is a procedure that

Exhibit B

7017318

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

ADMINISTRATIVE PROOF OF CLAIM

Name of Debtor *(Check only one)*

☑ Motors Liquidation Company (f/k/a General Motors Corporation)	09-50026 (REG)
☐ MLCS, LLC (f/k/a Saturn, LLC)	09-50027 (REG)
☐ MLCS Distribution Corporation (f/k/a Saturn Distribution Corporation)	09-50028 (REG)
☐ MLC of Harlem, Inc (f/k/a Chevrolet-Saturn of Harlem, Inc)	09-13558 (REG)
☐ Remediation and Liability Management Company, Inc (subsidary of **General Motors Corporation**)	09-50029 (REG)
☐ Environmental Corporate Remediation Company, Inc (subsidary of **General Motors Corporation**)	09-50030 (REG)

THE GARDEN CITY GROUP, INC APR 29 2011

The deadline for each person or entity (including, without limitation, individuals, partnerships, corporations, joint ventures, governmental entities, and trusts) to file a proof of claim for certain administrative expenses against the Debtors is (i) on or before February 14, 2011 at 5 00 p m (Eastern Time), with respect to administrative expenses arising between June 1, 2009 and January 31, 2011, and (ii) the date that is thirty (30) days after the Effective Date at 5 00 p m (Eastern Time), with respect to administrative expenses arising between February 1, 2011 and the Effective Date

ADMINISTRATIVE CLAIM

Name of Creditor (The person or other entity to whom the debtor owes money or property) GENERAL MOTORS LLC

Name and address where notices should be sent
GENERAL MOTORS LLC
400 RENAISSANCE CENTER
DETROIT, MI 48265

Telephone Number

☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim Attach copy of statement giving particulars

☐ Check box if you have never received any notices from the bankruptcy court in this case

☐ Check box if the address differs from the address on the envelope sent to you by the court

FILED - 71111
MOTORS LIQUIDATION COMPANY
F/K/A GENERAL MOTORS CORP
SDNY # 09-50026 (REG)

Last four digits of account or other number by which creditor identifies debtor

Check here if this claim ☐ replaces ☐ amends a previously filed claim, dated _____

1. Basis for Claim

- ☐ Goods sold
- ☐ Services performed
- ☐ Money loaned
- ☐ Personal injury/wrongful death
- ☐ Taxes
- ☑ Other _____
- ☐ Retiree benefits as defined in 11 U S C § 1114(a)
- ☐ Wages, salaries, and compensation (fill out below)
  - Last four digits of SS#
  - Unpaid compensation for services performed
  - from _____ (date) to _____ (date)

2. Date debt was incurred (must be on or after June 1, 2009):

3. If court judgment, date obtained:

4. Total Amount of Administrative Claim : $ Unliquidated

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim Attach itemized statement of all interest or additional charges

5. Brief Description of Administrative Expense Claim (attach any additional information)

See Attachment

6. Credits: All payments made on this claim have been credited and deducted for the purpose of making this proof of claim.

7. Supporting Documents:
Attach copies of supporting document, such as promissory notes, contracts, security agreements, and evidence of perfection of liens DO NOT SEND ORIGINAL DOCUMENTS

8. This Administrative Proof of Claim:

- ☑ is the first filed proof of claim evidencing the claim asserted herein
- ☐ supplements a proof of claim filed on or about _____
- ☐ replaces/supersedes a proof of claim filed on _____

9. Date-Stamped Copy: To receive an acknowledgement of the filing to your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim

Date	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)	THIS SPACE IS FOR COURT USE ONLY
4/25/2011	Russell S Bratley Director - Corporate Financial Planning and Analysis	U.S. BANKRUPTCY COURT FILED 2011 APR 26 P 1:01 S.D.N.Y.

Penalty for presenting fraudulent claim Fine up to $500,000 or imprisonment for up to 5 years, or both 18 U S C §§ 152 and 3571

8413304300

Exhibit C

Exhibit 1
Settlement Agreement

***In re Motors Liquidation Company.*, Ch. 11 Case No. 09-50026 (REG)**
***Motors Liquidation Company GUC Trust v. Appaloosa Investment Limited Partnership I*,**
Adv. P. No. 12-09802 (REG)

Settlement Agreement of Wind-Up Claim and
Guarantee Claim and Disputes Related Thereto

This SETTLEMENT AGREEMENT ("Settlement Agreement") is made this 26th day of September 2013, among Motors Liquidation Company GUC Trust ("GUC Trust"), FTI Consulting, Inc., as trust monitor of the GUC Trust (in such capacity, the "GUC Trust Monitor") Green Hunt Wedlake, Inc. as Trustee for General Motors Nova Scotia Finance Corporation ("GMNSFC"), and referred to herein as "Nova Scotia Trustee", General Motors LLC ("New GM"), General Motors of Canada Limited ("GM Canada"), and Morgan Stanley & Co. International plc, Worden Master Fund L.P. and Worden Master Fund II L.P., Drawbridge DSO Securities LLC, Drawbridge OSO Securities LLC, FCOF UB Securities LLC, Gatwick Securities LLC, Elliott International LP, The Liverpool Limited Partnership, DbX – Risk Arbitrage 1 Fund, Lyxor/Paulson International Fund Limited, Paulson Enhanced Ltd., Paulson International Ltd., Paulson Partners Enhanced, L.P., Paulson Partners L.P. (collectively the "Representative Noteholders")[1] (the GUC Trust, the GUC Trust Monitor, New GM, GM Canada, the Nova Scotia Trustee, and the Representative Noteholders are hereinafter collectively known as the "Parties").

This Settlement Agreement constitutes a global resolution of all issues and claims that relate in any way to the: (i) 8.375% guaranteed notes due December 7, 2015 (the "2015 Notes") and 8.875% guaranteed notes due July 10, 2023 (the "2023 Notes" and together with the 2015 Notes, the "Notes"), both issued by GMNSFC pursuant to the Fiscal and Paying Agency Agreement (defined below) and guaranteed by Motors Liquidation Company f/k/a General Motors Corporation ("MLC" or "Old GM") (the "Guarantee"); (ii) the New GM Administrative Claim (Claim Number 71111); (iii) the Claims Objection (as defined herein); (iv) the Adversary Proceeding (as defined herein); (v) the Rule 60(b) Motion (as defined herein); and (vi) the Lock-Up Agreement, the Extraordinary Resolution, the June 25 Agreement, the Consent Fee, and the Intercompany Loans (as such terms are herein defined) (items (i) – (vi) are referred to as the "Settled Disputes"). The claims include: (1) all claims by or on behalf of holders of Notes pursuant to the Guarantee (collectively, the "Guarantee Claim"); and (2) a claim asserted by the Nova Scotia Trustee in the amount of $1,607,647,592.49 (Claim Number 66319) (the "Wind-Up Claim" and together with the Guarantee Claim, the "Claims"). As further described below, the settlement results in: (a) two Resolved Allowed General Unsecured Claims (as defined in the Amended and Restated Motors Liquidation Company GUC Trust Agreement (the "GUC Trust Agreement")) against MLC – an allowed claim of $1,073,000,000 in settlement of the Guarantee Claim and an allowed claim of $477,000,000 in settlement of the Wind-Up Claim; and (b) a cash payment of USD $50,000,000 by GM Canada to, among other things, confirm the release of the Intercompany Loans, all as detailed herein. The Parties agree that the Settlement Agreement memorializes a fair and reasonable resolution of all claims related to the Settled Disputes.

[1] In this Settlement Agreement, references to all holders of the Notes will be to "All Holders."

RECITALS

WHEREAS on July 10, 2003, GMNSFC issued the Notes pursuant to the terms and conditions of the Fiscal and Paying Agency Agreement, dated as of July 10, 2003, between and among GMNSFC, Old GM, Deutsche Bank Luxembourg S.A., as fiscal agent ("Deutsche Bank"), and Banque Général du Luxembourg S.A., as paying agent (as supplemented, the "Fiscal and Paying Agency Agreement");

WHEREAS the 2015 Notes have the ISIN Code XS0171922643, an outstanding principal amount of £ 350,000,000, and a total amount of principal and accrued interest of £ 374,590,000;

WHEREAS the 2023 Notes have the ISIN Code XS0171908063, an outstanding principal amount of £ 250,000,000, and a total amount of principal and accrued interest of £ 277,670,000;

WHEREAS GMNSFC loaned the proceeds of the Notes, approximately CAD $1.3 billion to GM Canada; the loans are defined herein as the "Intercompany Loans";

WHEREAS upon issuance of the Notes, GMNSFC entered into two currency swap transactions relating to the Notes (the "Swap Transactions"), which serve as the basis for a portion of the claim filed by the Nova Scotia Trustee against Old GM (the "Swap Claim");

WHEREAS certain noteholders, Old GM, GM Canada, GMNSFC, and GM Nova Scotia Investments Ltd. entered into an agreement on June 1, 2009 to resolve certain pending issues involving the Intercompany Loans. The agreement reached was termed the "Lock-Up Agreement";

WHEREAS as contemplated by the Lock-Up Agreement, on June 25, 2009, GMNSFC and GM Canada entered into a settlement agreement related to the Intercompany Loans (the "June 25 Agreement") pursuant to which, among other things, a Consent Fee (the "Consent Fee") was paid to the holders of the Notes;

WHEREAS on June 25, 2009, certain noteholders executed an Extraordinary Resolution, attached as Exhibit A to the Lock-Up Agreement, as contemplated by the Lock-Up Agreement (the "Extraordinary Resolution");

WHEREAS on June 1, 2009 (the "Petition Date"), Old GM and certain of its subsidiaries (collectively, the "Debtors") filed petitions for relief pursuant to chapter 11 of the Bankruptcy Code in the Bankruptcy Court (collectively, the "GM Bankruptcy") (Docket No. 1);

WHEREAS on June 3, 2009, the United States Trustee for the Southern District of New York appointed the Official Committee of Unsecured Creditors (the "Creditors' Committee"), pursuant to section 1102 of the Bankruptcy Code (Docket No. 356);

WHEREAS on the Petition Date, MLC filed a motion (the "Sale Motion") seeking approval of the original version of the Master Sale and Purchase Agreement (the "Original MSPA"), which provided for the sale of substantially all of Old GM's assets to New GM. The Original MSPA was subsequently amended and restated at various times in June, 2009 (the "Final MSPA"). On July 5, 2009, the Bankruptcy Court entered an order approving the Final

MSPA and the sale to New GM (the "Sale Approval Order") (Docket No. 2968); on July 10, 2009, the Debtors consummated the sale to New GM;

WHEREAS on October 9, 2009, the Nova Scotia Supreme Court issued an order adjudging GMNSFC bankrupt and appointing the Nova Scotia Trustee to act as the trustee in bankruptcy for GMNSFC (the "GMNSFC BIA Proceedings");

WHEREAS on November 30, 2009, the Nova Scotia Trustee filed the Wind-Up Claim in the amount of $1,607,647,592.49;

WHEREAS seventy (70) proofs of claim were filed in the GM Bankruptcy on account of the Guarantee; these proofs of claim are listed in Exhibit A hereto;

WHEREAS on July 2, 2010, the Creditors' Committee filed an objection (Docket No. 6248) (the "First Objection") to the Claims;

WHEREAS on November 19, 2010, the Creditors' Committee filed an amended objection (Docket No. 7859) (the "Amended Objection" and together with the First Objection, the "Claims Objection") to the Claims;

WHEREAS by Order dated March 29, 2011, the Bankruptcy Court confirmed the Debtors Second Amended Joint Chapter 11 Plan dated March 18, 2011 (the "Plan") (Docket No. 9941),[2] which created the GUC Trust to administer certain post-effective date responsibilities under the Plan pursuant to the GUC Trust Agreement and effectuated the assignment of certain rights of the Creditors' Committee to the GUC Trust including without limitation the Claims Objection;

WHEREAS on April 29, 2011, New GM filed a proof of claim which it believes is entitled to administrative priority pursuant to 11 U.S.C. § 503 (MLC Proof of Claim No. 71111) (the "New GM Administrative Claim");

WHEREAS on March 1, 2012, the GUC Trust filed its Complaint in Adversary Proceeding No. 12-09802 (the "Adversary Proceeding") and on June 11, 2012, the GUC Trust filed its Amended Complaint in the Adversary Proceeding (Adv. Docket No. 37);

WHEREAS on May 3, 2013, the GUC Trust filed its Motion pursuant to FRCP 60 made applicable by Rule 9024 of the Federal Rules of Bankruptcy Procedure (Docket No. 12419) (the "Rule 60(b) Motion");

WHEREAS on June 27, 2013, the Bankruptcy Court issued a Mediation Order by which the Parties agreed to a mediation of their disputes (Adv. Docket No. 241), and on September 9, 2013, the Parties engaged in a mediation which subsequently resulted in an agreement to the terms of the settlement contained herein;

[2] Capitalized terms not defined herein shall have the definition attributed to them in the Plan.

WHEREAS the Parties, having considered all of the relevant facts and circumstances, believe it in their respective best interests to resolve the Settled Disputes and certain related issues as set forth herein;

NOW, THEREFORE, in consideration of the recitals hereto, the mutual promises and covenants hereinafter set forth, and for other good and valuable consideration, the undersigned Parties agree as follows:

1. Allowance and Distribution with respect to the Guarantee Claim. The 9019 Approval Order (defined below) will provide that the Guarantee Claim will be allowed as a general unsecured claim in the amount of USD $1,073,000,000 (the "Guarantee Claim Amount"). Accordingly, upon the Effective Date (defined below), the Guarantee Claim will constitute a Resolved Allowed General Unsecured Claim under the GUC Trust Agreement in the amount of USD $1,073,000,000. The 9019 Approval Order will provide that the Guarantee Claim Amount will be allocated USD $616,219,100 to the 2015 Notes and USD $456,780,900 to the 2023 Notes.[3] The 9019 Approval Order will authorize and direct distributions on account of the Guarantee Claim Amount as set forth in Paragraph 4 herein.

2. Allowance of Wind-Up Claim. The 9019 Approval Order will provide that the Wind-Up Claim will be reduced to $477,000,000 and allowed as a general unsecured claim as so reduced (the "Allowed Wind-Up Claim Amount"). Accordingly, upon the Effective Date, the Wind-Up Claim will constitute a Resolved Allowed General Unsecured Claim under the GUC Trust Agreement in the amount of $477,000,000. The Approval Orders (as defined below) will provide that the Allowed Wind-Up Claim Amount will be allocated $273,938,966 to the 2015 Notes and $203,061,034 to the 2023 Notes and will authorize and direct distributions on account of the Allowed Wind-Up Claim Amount as set forth in Paragraphs 3 and 4 herein. The Nova Scotia Trustee will distribute the instruments it receives on account of the Wind-Up Claim (pursuant to Paragraphs 3 and 4 herein) and cash it receives on account of the GM Canada Payment to All Holders as of the Record Date through the Euroclear and Clearstream settlement systems and not directly to creditors who filed proofs of claim in the GMNSFC BIA Proceedings, all in accordance with and contingent upon the Nova Scotia Trustee's obligations under the Bankruptcy and Insolvency Act (Canada) (the "BIA") and Canadian law generally.

3. Direction by the Nova Scotia Trustee. The Nova Scotia Trustee hereby directs the GUC Trust to make the distribution described in Paragraph 2 herein directly to the holders of Notes in the manner set forth in Paragraph 4 herein.

4. Claim Distribution Mechanism. Prior to the Effective Date, the Representative Noteholders and Nova Scotia Trustee, in good faith consultation with the trustee and trust administrator of the GUC Trust (the "GUC Trust Administrator"), will inform the GUC Trust Administrator in writing of the identity of the person or entity that will serve as the Fiscal and Paying Agent or other agent for the purpose of facilitating the distribution of

[3] All recoveries and distributions made to All Holders of the Notes, including those provided for in Paragraphs 1, 2, and 7 shall be allocated 57.429552632% to the 2015 Notes and 42.570447368% to the 2023 Notes.

GUC Trust Distributable Assets and Units (each as defined in the GUC Trust Agreement) described herein (the "Fiscal and Paying Agent"). In accordance with Sections 5.3 and 5.8 of the GUC Trust Agreement, the direction by the Nova Scotia Trustee provided in Paragraph 3 hereof, any instructions provided by the Fiscal and Paying Agent, and the applicable procedures of the Euroclear and Clearstream settlement systems, the GUC Trust Administrator shall make a single distribution of the GUC Trust Distributable Assets and Units in respect of the Guarantee Claim Amount and the Allowed Wind-Up Claim Amount for the benefit of All Holders, which distribution may be made to the Fiscal and Paying Agent (for further distribution to the registered holders of the Notes as of the Record Date) or directly to the registered holders of the Notes as of the Record Date (the "Distribution"). The GUC Trust shall make the Distribution within five (5) business days following the Effective Date, or as soon as reasonably practicable thereafter. For the avoidance of doubt, the Distribution will consist of, in the aggregate, 6,174,015 shares of New GM Common Stock, 5,612,741 New GM $10.00 Warrants, 5,612,741 New GM $18.33 Warrants, and 1,550,000 Units (each as defined in the GUC Trust Agreement). Promptly following the Distribution, the GUC Trust shall notify all Parties of the date of the Distribution (the "Distribution Notice").

5. GM Canada Payment. The Approval Orders will provide that on the later of: (a) two (2) business days after receipt of the Distribution Notice; or (b) two (2) business days after the Effective Date (the "Cash Distribution Date"), in full settlement of the Settled Disputes and in contemplation of among other things, the releases set forth in Paragraphs 13, 15, and 17 herein and the acknowledgements by the GUC Trust, all past, present and future holders of Notes and the Nova Scotia Trustee set forth in Paragraph 23 herein, GM Canada will be authorized and directed to pay the total sum of fifty million U.S. Dollars (USD $50,000,000) (the "GM Canada Payment") to the Nova Scotia Trustee who hereby directs the GM Canada Payment to the following recipients:

   a. USD $13,500,000 to a trust account designated by Greenberg Traurig, LLP;

   b. USD $2,500,000 to a trust account designated by Curtis, Mallet-Prevost, Colt & Mosle, LLP;

   c. On the Cash Distribution Date, the Nova Scotia Trustee, in its absolute and sole discretion and in good faith consultation with the Representative Noteholders, will determine the amounts owed by the GMNSFC estate to the Canadian Office of the Superintendent of Bankruptcy pursuant to Sections 128 and 147 of the BIA (the "Superintendent's Levy") and will instruct GM Canada to pay the amount of USD $ 1,500,000 plus the Superintendent's Levy to a trust account designated by the Nova Scotia Trustee for payment of all amounts and professional fees related to the winding up and final closure of the GMNSFC BIA Proceedings;

   d. The balance of the GM Canada Payment (the "Remaining Cash Amount") to the Fiscal and Paying Agent for the benefit of and ratable distribution to All Holders as of the Record Date.

6. GMNSFC Year-End Distribution. The Nova Scotia Trustee agrees to use its best efforts to distribute the assets of GMNSFC bankruptcy estate by December 31, 2013 (the

"GMNSFC Year End Distribution") except that the Nova Scotia Trustee may withhold up to CDN $150,000 from the GMNSFC Year End Distribution for the purpose of administering the GMNSFC bankruptcy estate pursuant to Nova Scotia and Canadian law. At the conclusion of the GMNSFC BIA Proceeding, the Nova Scotia Trustee shall release to the Fiscal and Paying Agent all sums remaining in its account, subject to any remaining amounts owed by the Nova Scotia Trustee to the Canadian Office of the Superintendent of Bankruptcy, for the benefit and ratable distribution to All Holders.

7. Distribution of Remaining Cash Amount. The Remaining Cash Amount will be allocated 57.429552632% to the 2015 Notes and 42.570447368% to the 2023 Notes. The 9019 Approval Order will provide that the Fiscal and Paying Agent is authorized and directed to distribute the Remaining Cash Amount to the Noteholders on the first business day after the Effective Date.

8. Disallowed Claims. The 9019 Approval Order will provide that the proofs of claim identified in Exhibit A to this Settlement Agreement are disallowed, and the 9019 Approval Order will provide that the amount of the Wind-Up Claim in excess of USD $477,000,000 is disallowed.

9. Swap Claim. On the Effective Date, the Swap Claim shall be deemed withdrawn by New GM in the GMNSFC bankruptcy case without the necessity of a formal pleading being filed by New GM with the Nova Scotia Court or further action on the part of the Nova Scotia Trustee.

10. New GM Administrative Claim. As part of the settlement contained herein, on the Effective Date, the New GM Administrative Claim shall be deemed withdrawn without the necessity of a formal pleading being filed by New GM or the GUC Trust with the Bankruptcy Court, subject to the following conditions and understandings: (a) that portion of the New GM Administrative Claim that relates to, arises from, or concerns the Rule 60(b) Motion shall be deemed withdrawn with prejudice by New GM; (b) the remaining New GM Administrative Claim shall consist of the following two components: (i) the Environmental Response Trust shall remain liable for all environmental obligations set forth in the New GM Administrative Claim; and (ii) the GUC Trust shall remain liable, to the extent required by or set forth in the Final MSPA, the Sale Approval Order, the Plan or the Confirmation Order, for all obligations still owed to or to be performed by the GUC Trust in favor of New GM under the Sale Approval Order, the Final MSPA, the Plan, the Confirmation Order, and/or the Transition Services Agreement (as defined in the Final MSPA) ("Remaining Administrative Claims"); provided, however, that, subject to the further proviso below, the GUC Trust is not required to reserve any cash or New GM Securities on account of the Remaining Administrative Claims, and the sole remedy of New GM against the GUC Trust for any breach of the Sale Approval Order, the Final MSPA, the Plan, the Confirmation Order, and/or the Transition Services Agreement shall be specific performance; provided further, however, that if a specific claim or demand is made by New GM against the GUC Trust after the Effective Date in connection with the Remaining Administrative Claims, New GM may seek Bankruptcy Court authorization (a) in addition to specific performance, a damages remedy, and (b) to establish a reserve for such claim or demand (up to an aggregate limit of $1 million) at the time such claim or demand is made but such reserve shall be limited

to the assets that remain in the reserve established by the GUC Trust for secured, administrative and priority claims.

11. Dismissal of Claims Objection, Adversary Proceeding and Rule 60(b) Motion. On the Effective Date, the Claims Objection, the Adversary Proceeding, and the Rule 60(b) Motion shall be dismissed with prejudice and without costs without the necessity of a formal pleading being filed by the GUC Trust with the Bankruptcy Court to effectuate such results.

12. Special Excess Distribution. Within 30 days of the Effective Date, the GUC Trust shall make a special, excess distribution pursuant to Sections 5.4 and 5.8 of the GUC Trust Agreement.

13. Releases by All Past, Present and Future Holders of Notes to New GM and GM Canada.[4] Upon the Effective Date, and subject to the payment of the GM Canada Payment, and in consideration of the promises and covenants contained herein, all past, present and future holders of Notes, for themselves, and on behalf of their respective, agents, employees, officers, directors, shareholders, successors, assigns, assignors, predecessors, members, beneficiaries, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Noteholder/GM Releasors"), completely release, waive and forever discharge or are deemed to have completely released, waived and forever discharged New GM, GM Canada, and all of their subsidiaries and affiliates, and all of their respective past, present and future agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) including without limitation, Neil MacDonald, John Stapleton, Mercedes Michel and Maurita Sutedja (and their respective heirs, administrators and assignees (collectively, the Individuals") and all past officers, directors and employees of GMNSFC (collectively, the "Noteholder/GM Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, direct or derivative, which the Noteholder/GM Releasors may now have, ever had, or may in the future have against the Noteholder/GM Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof that relate to, arise under, or concern the Lock-Up Agreement, the Consent Fee (including the funding of the Consent Fee and the repayment of any Intercompany Loans which indirectly funded the Consent Fee), the Notes, the Intercompany Loans, the Guarantee, the Guarantee Claim, the Wind-Up Claim, the Extraordinary Resolution, the June 25 Agreement, GMNSFC, the GMNSFC BIA Proceedings, the Claims Objection, the Adversary Proceeding, the Rule 60(b) Motion, or any matter associated with any of the foregoing including without limitation claims for oppression, preference, fraudulent transfer, transfers for undervalue, fraudulent conveyance, assignment and preference, payment or repayment of dividends, contribution or indemnity, or any similar or other matter under Canadian federal or provincial statute or law, the BIA or the Bankruptcy Code, at law or in equity. In

[4] All Parties to all of the releases in Paragraphs 13-22 herein expressly waive any rights that they may have pursuant to California Civil Code Section 1542.

addition, the Noteholder/GM Releasors, on behalf of themselves and their successors and assigns, agree or deemed to have agreed: (i) not to make any claim, commence or continue any action, lawsuit, adversary proceeding or other legal, equitable or administrative proceeding that asserts any such direct or indirect released claims against the Noteholder/GM Releasees; and (ii) not to direct or encourage the Nova Scotia Trustee to make any claim against the Noteholder/GM Releasees, or to seek any further funding from New GM, GM Canada, any of their subsidiaries or affiliates, or any of the other Noteholder/GM Releasees for the administration of the GMNSFC bankruptcy estate, and New GM, GM Canada, their subsidiaries and affiliates, and all other Noteholder/GM Releasees are released and discharged of any further obligation to provide such funding, whether or not any amounts currently remain outstanding, it being the intent of the Parties that the GM Canada Payment is the last and only payment New GM, GM Canada or any of their subsidiaries or affiliates or any of the Noteholder/GM Releasees will make in connection with the Claims Objection, the Adversary Proceeding, and all ancillary proceedings, including, without limitation, the MLC bankruptcy proceeding and the GMNSFC BIA Proceedings. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

14. Releases by New GM and GM Canada to All Past, Present and Future Holders of Notes. Upon the Effective Date, and subject to the payment of the GM Canada Payment, and in consideration of the promises and covenants contained herein, New GM and GM Canada, for themselves, and on behalf of their subsidiaries and affiliates, and all of their respective past, present and future agents, attorneys, employees, officers, directors, shareholders, successors, assigns, predecessors, members, representatives (in their capacity as such) including without limitation the Individuals (collectively, the "GM/Noteholder Releasors"), completely release, waive and forever discharge all past, present and future holders of Notes, and any subsidiary or affiliate thereof, and all of their respective past, present and future agents, attorneys, employees, officers, directors, shareholders, successors, assigns, assigns, predecessors, members, beneficiaries, representatives (in their capacity as such) (collectively, the "GM/Noteholder Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, direct or derivative, which the GM/Noteholder Releasors may now have, ever had, or may in the future have against the GM/Noteholder Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof that relate to, arise under, or concern the Lock-Up Agreement, the Consent Fee (including the funding of the Consent Fee and the repayment of any Intercompany Loans which indirectly funded the Consent Fee), the Notes, the Guarantee, the Intercompany Loans, the Guarantee Claim, the Wind-Up Claim, the Extraordinary Resolution, the June 25 Agreement, GMNSFC, the GMNSFC BIA Proceedings, the Claims Objection, the Adversary Proceeding, the Rule 60(b) Motion, or any matter associated with any of the foregoing including without limitation claims for oppression, preference, fraudulent transfer, transfers for undervalue, fraudulent

conveyance, assignment and preference, payment or repayment of dividends, contribution or indemnity, or any similar or other matter under Canadian federal or provincial statute or law, the BIA or the Bankruptcy Code, at law or in equity. In addition, the GM/Noteholder Releasors, on behalf of themselves and their successors and assigns, agree not to make any claim, commence or continue any action, lawsuit, adversary proceeding or other legal, equitable or administrative proceeding that asserts any such direct or indirect released claim against the GM/Noteholder Releasees.

15. Releases by the Nova Scotia Trustee to New GM and GM Canada. Upon the Effective Date, and subject to the payment of the GM Canada Payment, and in consideration of the promises and covenants contained herein, the Nova Scotia Trustee, for itself, and on behalf of the bankruptcy estate of GMNSFC and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Nova Scotia Trustee/GM Releasors"), completely release, waive and forever discharge New GM, GM Canada, and all of their subsidiaries and affiliates, and all of their respective past, present and future agents, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such), including without limitation the Individuals and all past officers, directors and employees of GMNSFC (collectively, the "Nova Scotia Trustee/GM Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, which the Nova Scotia Trustee/GM Releasors may now have, have ever had, or may in the future have against the Nova Scotia Trustee/GM Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof including, without limitation, any oppression, preference, fraudulent transfer, transfers for undervalue, fraudulent conveyance, assignment and preference, payment or repayment of dividends, contribution or indemnity, or any similar or other matter under Canadian federal or provincial statute or law, the BIA or the Bankruptcy Code, at law or in equity, and/or any creditor or derivative claims which belong to or are assertable by the bankruptcy estate of GM Nova Scotia or its successors and assigns as may exist under applicable Nova Scotia law or otherwise. For the avoidance of doubt, the releases given by the Nova Scotia Trustee/GM Releasors in favor of the Nova Scotia Trustee/GM Releasees are intended to be general releases and not specific releases. In addition, the Nova Scotia Trustee/GM Releasors, on behalf of themselves and their successors and assigns, agree: (i) not to make any claim, commence or continue any action, lawsuit, adversary proceeding or other legal, equitable or administrative proceeding that asserts any such direct or indirect released claims against the Nova Scotia Trustee/GM Releasees; and (ii) not to seek any further funding from New GM, GM Canada, any of their subsidiaries or affiliates or any of the Nova Scotia Trustee/GM Releasees for the administration of the GMNSFC bankruptcy estate, and New GM, GM Canada, their subsidiaries and affiliates, and any of the Nova Scotia Trustee/GM Releasees are released and discharged of any further obligation to provide such funding, whether or not any amounts currently remain outstanding, it being the intent of the Parties that the GM Canada Payment is the **last and only** payment New GM, GM Canada or any of their subsidiaries or affiliates or any of the Nova Scotia Trustee/GM Releasees will make in connection with the Claims Objection, the Adversary

Proceeding, and all ancillary proceedings, including, without limitation, the MLC bankruptcy proceeding and the GMNSFC BIA Proceeding. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

16. Releases by New GM and GM Canada to the Nova Scotia Trustee. Upon the Effective Date, and subject to the payment of the GM Canada Payment, and in consideration of the promises and covenants contained herein, New GM and GM Canada, on behalf of themselves and their subsidiaries and affiliates, and all of their respective past, present and future agents, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such), including without limitation the Individuals (collectively, the "GM/Nova Scotia Trustee Releasors"), completely release, waive and forever discharge the Nova Scotia Trustee, for itself, and on behalf of the bankruptcy estate of GMNSFC and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "GM/Nova Scotia Trustee Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, which the GM/Nova Scotia Trustee Releasors may now have, have ever had, or may in the future have against the GM/Nova Scotia Trustee/GM Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof including, without limitation, any oppression, preference, fraudulent transfer, transfers for undervalue, fraudulent conveyance, assignment and preference, payment or repayment of dividends, contribution or indemnity, or any similar or other matter under Canadian federal or provincial statute or law, the BIA or the Bankruptcy Code, at law or in equity, and/or any creditor or derivative claims which belong to or are assertable by the bankruptcy estate of GM Nova Scotia or its successors and assigns as may exist under applicable Nova Scotia law or otherwise. For the avoidance of doubt, the releases given by the GM/Nova Scotia Trustee Releasors in favor of the GM/Nova Scotia Trustee Releasees are intended to be general releases and not specific releases. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment if such motion is approved from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

17. Releases by the GUC Trust to New GM and GM Canada. Upon the Effective Date, and subject to the payment of the GM Canada Payment, and in consideration of the promises and covenants contained herein, the GUC Trust, for itself, and on behalf of the MLC bankruptcy estates and their respective, agents, employees, officers, directors, shareholders, creditors, successors, assigns, members, representatives (in their capacity as

such) and any subsidiary or affiliate thereof (collectively, the "GUC Trust/GM Releasors"), completely release, waive and forever discharge New GM, GM Canada, and all of their subsidiaries and affiliates, all of their respective past, present and future agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) including without limitation the Individuals and all past officers, directors and employees of GMNSFC (collectively, the "GUC Trust/GM Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, direct or derivative, which the GUC Trust/GM Releasors may now have, have ever had, or may in the future have against the GUC Trust/GM Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof that relate to, arise under or concern the Lock-Up Agreement, the Consent Fee (including the funding of the Consent Fee or the repayment of any loans made by Old GM which indirectly funded the Consent Fee), the Notes, the Intercompany Loans, the Guarantee, the Guarantee Claim, the Wind-Up Claim, the Extraordinary Resolution, the June 25 Agreement, GMNSFC, the GMNSFC BIA Proceedings, the Claims Objection, the Adversary Proceeding, the Rule 60(b) Motion, or any matter associated with any of the foregoing including without limitation any claims for oppression, preference, fraudulent transfer and transfers for undervalue, fraudulent conveyance, assignment and preference, payment or repayment of dividends, contribution or indemnity, or any similar or other matter under Canadian federal or provincial statute or law, the BIA or the Bankruptcy Code, at law or in equity, *provided*, *however*, that the releases given by the GUC Trust/GM Releasors to the GUC Trust/GM Releasees as set forth in this paragraph do not affect or concern any rights, duties and/or obligations that may exist between the GUC Trust/GM Releasors and the GUC Trust/GM Releasees arising under the Final MSPA, the Sale Approval Order, the Transition Services Agreement or any agreement associated therewith that does not concern or relate to the Lock-Up Agreement, the Consent Fee (including the funding of the Consent Fee or the repayment of the loans made by Old GM which indirectly funded the Consent Fee), the Notes, the Intercompany Loans, the Guarantee, the Guarantee Claim, the Wind-Up Claim, the Extraordinary Resolution, the June 25 Agreement, GMNSFC, the GMNSFC BIA Proceedings, the Claims Objection, the Adversary Proceeding, the Rule 60(b) Motion, or any matter associated with any of the foregoing (the "Remaining Claims"). In addition, the GUC Trust/GM Releasors, on behalf of themselves and their successors and assigns, agree not to make any claim, commence or continue any action, lawsuit, adversary proceeding or other legal, equitable or administrative proceeding that asserts any direct or indirect released claims against the GUC Trust/GM Releasees. The GUC Trust/GM Releasors further agree to dismiss with prejudice and without costs all pending litigations to vacate, annul or modify the Sale Order pursuant to Rule 60(b) of the Federal Rules of Civil Procedure or otherwise, and further agree not to bring any action or matter at any time to vacate, annul or modify the Sale Order. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

18. Releases by New GM and GM Canada to the GUC Trust. Upon the Effective Date, and subject to the payment of the GM Canada Payment, and in consideration of the promises and covenants contained herein, New GM and GM Canada, on behalf of themselves and their subsidiaries and affiliates, all of their respective past, present and future agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) thereof (collectively, the "GM/GUC Trust Releasors"), completely release, waive and forever discharge the GUC Trust, for itself, and on behalf of the MLC bankruptcy estates and their respective, agents, employees, officers, directors, shareholders, creditors, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "GM/GUC Trust Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, direct or derivative, which the GM/GUC Trust Releasors may now have, have ever had, or may in the future have against the GM/GUC Trust Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof that relate to, arise under or concern the Lock-Up Agreement, the Consent Fee (including the funding of the Consent Fee or the repayment of any loans made by Old GM which indirectly funded the Consent Fee), the Notes, the Intercompany Loans, the Guarantee, the Guarantee Claim, the Wind-Up Claim, the Extraordinary Resolution, the June 25 Agreement, GMNSFC, the GMNSFC BIA Proceeding, the Claims Objection, the Adversary Proceeding, the Rule 60(b) Motion, or any matter associated with any of the foregoing, including without limitation any claims for oppression, preference, fraudulent transfer and transfers for undervalue, fraudulent conveyance, assignment and preference, payment or repayment of dividends, contribution or indemnity, or any similar or other matter under Canadian federal or provincial statute or law, the BIA or the Bankruptcy Code, at law or in equity, *provided*, *however*, that the releases given by the GM/GUC Trust Releasors to the GM/GUC Trust Releasees as set forth in this paragraph do not affect or concern any rights, duties and/or obligations that may exist between the GM/GUC Trust Releasors and the GM/GUC Trust Releasees concerning the Remaining Claims. In addition, the GM/GUC Trust Releasors, on behalf of themselves and their successors and assigns, agree not to make any claim, commence or continue any action, lawsuit, adversary proceeding or other legal, equitable or administrative proceeding that asserts any such direct or indirect released claim against the GM/GUC Trust Releasees.

19. Releases by All Past, Present and Future Holders of Notes and Nova Scotia Trustee to the GUC Trust. Upon the Effective Date, and subject to the Distribution and the payment of the GM Canada Payment, in consideration of the promises and covenants contained herein, all past, present and future holders of Notes, on each of their own behalf and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof, and the Nova Scotia Trustee, for itself, and on behalf of the bankruptcy estate of GMNSFC and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Noteholders/Nova Scotia Trustee/GUC Trust Releasors"), completely releases, waives and forever discharges or shall be deemed to have completely released, waived, and forever discharged the GUC

Trust for itself, and on behalf of the MLC bankruptcy estates and their respective, agents, employees, officers, directors, shareholders, creditors, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Noteholders/Nova Scotia Trustee/GUC Trust Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, which the Noteholders/Nova Scotia Trustee/GUC Trust Releasors may now have, have ever had, or may in the future have against the Noteholders/Nova Scotia Trustee/GUC Trust Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

20. Releases by the GUC Trust to All Past, Present and Future Holders of Notes and Nova Scotia Trustee. Upon the Effective Date, and subject to the Distribution and the payment of the GM Canada Payment, in consideration of the promises and covenants contained herein, the GUC Trust for itself, and on behalf of the MLC bankruptcy estates and their respective, agents, employees, officers, directors, shareholders, creditors, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "GUC Trust/ Noteholders/Nova Scotia Trustee/Releasors"), completely releases, waives and forever discharges all past, present and future holders of Notes, on each of their own behalf and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof, and the Nova Scotia Trustee, for itself, and on behalf of the bankruptcy estate of GMNSFC and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof, (collectively, the "GUC Trust/ Noteholders/Nova Scotia Trustee"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, which the GUC Trust/ Noteholders/Nova Scotia Trustee Releasors may now have, have ever had, or may in the future have against the GUC Trust/ Noteholders/Nova Scotia Trustee/Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

21. Releases by All Past, Present and Future Holders of Notes to the Nova Scotia Trustee. Upon the Effective Date, and subject to the Distribution and the payment of the GM Canada Payment, in consideration of the promises and covenants contained herein, all past, present and future holders of Notes, on each of their own behalf and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Noteholder/Nova Scotia Trustee Releasors"), completely release, waive and forever discharge or are deemed to have completely released, waived, and forever discharged the Nova Scotia Trustee for itself, and on behalf of the bankruptcy estate of GMNSFC and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Noteholder/Nova Scotia Trustee Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, which the Noteholder/Nova Scotia Trustee Releasors may now have, have ever had, or may in the future have against the Noteholder/Nova Scotia Trustee Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

22. Releases by the Nova Scotia Trustee to All Past, Present and Future Holders of Notes. Upon the Effective Date, and subject to the Distribution and the payment of the GM Canada Payment, in consideration of the promises and covenants contained herein, the Nova Scotia Trustee for itself, and on behalf of the bankruptcy estate of GMNSFC and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Nova Scotia Trustee/Noteholder Releasors"), completely releases, waives and forever discharges all past, present and future holders of Notes, on each of their own behalf and their respective, agents, attorneys, employees, officers, directors, shareholders, successors, assigns, members, representatives (in their capacity as such) and any subsidiary or affiliate thereof (collectively, the "Nova Scotia Trustee/Noteholder Releasees"), from any and all actions, attorneys' fees, charges, claims, costs, demands, expenses, judgments, liabilities and causes of action of any kind, nature or description, whether matured or unmatured, contingent or absolute, liquidated or unliquidated, known or unknown, which the Nova Scotia Trustee/Noteholder Releasors may now have, have ever had, or may in the future have against the Nova Scotia/Trustee Noteholder Releasees, arising out of or based on any facts, circumstances, issues, services, advice, or the like, occurring from the beginning of time through the date hereof. For the avoidance of doubt, this provision does not apply to or release the right of the Representative Noteholders and the Nova Scotia Trustee to bring a Motion under Sections 503/105 of the Bankruptcy Code in the MLC bankruptcy proceeding as specified in Paragraph 29 of this Settlement Agreement

and to receive payment, if such motion is approved, from the MLC bankruptcy estate (and not New GM, GM Canada or any affiliate or subsidiary thereof).

23. Acknowledgements by the GUC Trust, All Past, Present and Future Holders of Notes and the Nova Scotia Trustee. It is expressly acknowledged and confirmed, or deemed to be acknowledged and confirmed, by the GUC Trust, all past, present and future holders of Notes, and the Nova Scotia Trustee that all releases, waiver of demands or claims, and dismissal of litigation in favor of Old GM, New GM (by virtue of the assignment of the Lock-Up Agreement or otherwise), and GM Canada, GMNSFC, and GM Nova Scotia Investments, Ltd. ("GMNSIL," and with GM Canada and GMNSFC, collectively, the "Canadian Entities") (and each of the foregoing entities' respective past and present officers, directors and employees), and the Individuals, that are in the Lock-Up Agreement, the Extraordinary Resolution, and/or the June 25 Agreement remain valid, enforceable and binding agreements according to their terms, except that in no event shall there be any circumstance or event that would negate or annul the permanent existence of such release, waiver of demand or claim, or dismissal of litigation. By way of illustration and not limitation, the GUC Trust, all past, present and future holders of Notes and the Nova Scotia Trustee acknowledge and confirm, or are deemed to have acknowledged and confirmed, that: (a) there has not been, and there will never be (i) a successful challenge to the payment of the Consent Fee, and/or (ii) a repayment or disgorgement of the Consent Fee; (b) the Intercompany Loans have been permanently released and there is no circumstance or event that would negate or annul the complete release and discharge of the Intercompany Loans; and (c) the proceeding in the Supreme Court of Nova Scotia titled *Aurelius Capital Partners, L.P. v. General Motors Corporation*, Court File No. HFX No. 308066 (the "Oppression Action") is permanently dismissed and there is no circumstance or event that would negate or annul the release and discharge of all claims and demands that were raised or could have been raised in the Oppression Action. It is further acknowledged and confirmed, or deemed to be acknowledged and confirmed, by the GUC Trust, all past, present and future holders of Notes, and the Nova Scotia Trustee that Old GM, New GM (by virtue of the assignment of the Lock-Up Agreement or otherwise) the Canadian Entities, and the Individuals have satisfied in full all of their obligations, representations and warranties, stipulations and acknowledgements, and agreements under the Lock-Up Agreement, the Extraordinary Resolution, and the June 25 Agreement including without limitation paragraphs 2 and 6 of the Lock-Up Agreement.

24. Form 8-K. Within one (1) business day following the execution of this Settlement Agreement by all Parties, the GUC Trust will cause to be filed with the Securities and Exchange Commission a Current Report on Form 8-K substantially in the form attached hereto as Exhibit B.

25. 9019 Motion and Settlement Agreement. The GUC Trust shall prepare and file a motion with the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court") seeking, among other things, approval of the terms of this Settlement Agreement pursuant to Bankruptcy Rule 9019 (the "9019 Motion"). The 9019 Motion and any related order (the "9019 Approval Order") will be in form and substance reasonably acceptable to the Parties, which acceptance will not be withheld unreasonably. Notice of the 9019 Motion will be provided as required by Paragraph 28

herein. The 9019 Motion and any related papers will be filed with the Bankruptcy Court no later than September 27, 2013. The Parties will use their best efforts to obtain a hearing of the 9019 Motion from the Bankruptcy Court on or before October 21, 2013.

26. Avoidance Action Trust. The 9019 Approval Order shall provide that in the event that assets of the Avoidance Action Trust (as defined in the Plan) become available for distribution to holders of Allowed General Unsecured Claims (as defined in the Plan) in the manner set forth in the Avoidance Action Trust Agreement (as defined in the Plan), distributions in respect of the Guarantee Claim Amount and the Allowed Wind-Up Claim Amount shall be made to the registered holders of Notes as of the Record Date.

27. Canadian Approvals. The Representative Noteholders promptly will execute and deliver to counsel for the Nova Scotia Trustee a global proof of claim in respect of the claims of All Holders against GMNSFC arising from ownership of the Notes (the "Representative Proof of Claim") pursuant to the order of the Nova Scotia Supreme Court in Bankruptcy and Insolvency (the "Nova Scotia Court") issued November 27, 2009. The Nova Scotia Trustee will prepare and file a motion with the Nova Scotia Court within five (5) business days of receipt of the Representative Proof of Claim seeking an order disallowing any proofs of claim filed in the GMNSFC bankruptcy in respect of the Notes other than the Representative Proof of Claim, approving the Representative Proof of Claim for distribution purposes in the GMNSFC bankruptcy, authorizing a protocol with respect to the service of notices to All Holders of any proceedings in Nova Scotia to be made through Euroclear and Clearstream settlement systems, setting a date and location for a meeting of creditors to approve this agreement, and setting a date for a further hearing in Nova Scotia (the "Nova Scotia Procedural Motion"). The Nova Scotia Trustee will give notice of a meeting of creditors of GMNSFC pursuant to the BIA (the "Meeting of Creditors") to occur within ten (10) business days of the issuance of the Nova Scotia Procedural Order or such longer period as prescribed by the Nova Scotia Court. The Representative Noteholders who hold the Representative Proof of Claim agree to vote in favor of entering into the Settlement Agreement at the Meeting of Creditors. Subject to receipt of appropriate approvals and directions at the Meeting of Creditors, within five (5) business days of the issuance of the 9019 Approval Order and the occurrence of the Meeting of Creditors, the Nova Scotia Trustee will prepare and file a motion in form and substance reasonably acceptable to the Parties (the "Nova Scotia Approval Motion," and together with the 9019 Motion and the Nova Scotia Procedural Motion, the "Approval Motions") with the Nova Scotia Court seeking recognition of the 9019 Approval Order, approval of all costs of the Nova Scotia Trustee and its counsel to date, authorization to pay a portion of those costs from the assets of the GMNSFC estate, and incorporating by reference and giving effect to the releases contained in paragraphs 13 to 22 and the bar order contained in paragraph 31 of this agreement and the equivalent provisions of the 9019 Approval Order (the "Nova Scotia Recognition Order" and together with the 9019 Approval Order, the "Approval Orders"). The Nova Scotia Recognition Order shall be in form and substance reasonably acceptable to the Parties. Notice of the Nova Scotia Procedural Motion and the Nova Scotia Approval Motion will be provided as required by Paragraph 28.

28. Notice of the Approval Motions. Notice of the Approval Motions will be given as follows:

a. The Nova Scotia Trustee will cause the Fiscal and Paying Agent to provide a notice of the Approval Motions to all present holders of the Notes through the Euroclear and Clearstream settlement systems;

b. The GUC Trust will provide notice of the 9019 Motion in accordance with the Bankruptcy Code and Local Rules of the Bankruptcy Court for the Southern District of New York, or as otherwise required by the Sixth Amended Order Pursuant to 11 U.S.C. § 105(a) and Bankruptcy Rules 1015(c) and 9007 establishing Notice and Case Management Procedures, dated May 5, 2011 (Bankr. Dkt. No. 10183);

c. The Nova Scotia Trustee will provide notice of the Nova Scotia Procedural Motion and motion to seek the Nova Scotia Approval Motion in accordance with applicable Canadian laws, rules and statutes;

d. The GUC Trust will provide notice of the 9019 Motions to the addresses listed in the proofs of claim identified in Exhibit A hereto and any party served with the Claims Objection or the Adversary Proceeding; and

e. The Nova Scotia Trustee will provide notice of the Nova Scotia Procedural Motion to the addresses listed in any proofs of claim filed in the GMNSFC BIA Proceedings.

29. Sections 503(b)/105 Motion. The 9019 Motion will reflect the agreement of the Parties that the Representative Noteholders and the Nova Scotia Trustee may file a motion under Sections 503(b) and 105 of the Bankruptcy Code for payment by the GUC Trust of up to $1.5 million in cash in the aggregate (the "Sections 503(b)/105 Motion"). The Sections 503(b)/105 Motion must be filed within three (3) business days after the filing of the 9019 Motion, and the GUC Trust agrees that it will not oppose the Sections 503(b)/105 Motion. The Sections 503(b)/105 Motion will be independent of, and not be subject to, a condition of, or governed by, the Approval Orders. Any order determining the Sections 503(b)/105 Motion shall be a stand-alone order, separate and independent of the Approval Orders, and the Representative Noteholders and the Nova Scotia Trustee agree that they shall request the Bankruptcy Court to enter such a stand-alone order, limited to the relief requested in the Sections 503(b)/105 Motion.

30. Court Approval. The GUC Trust and the Nova Scotia Trustee shall diligently prosecute the respective Approval Motions and use their best efforts to obtain the respective Approval Orders. In addition, the Parties shall work in good faith to agree on the form and substance of the Approval Motions and the Approval Orders. Further, the non-moving Parties to the Approval Motions shall submit to each court an indication of support for the Approval Motions and will not take any actions which may frustrate the process of obtaining the Approval Orders.

31. Bar Order Provision. The Parties agree that the Approval Orders shall contain provisions barring and enjoining all past, present and future holders of Notes, GMNSFC, the Nova Scotia Trustee or any creditor of Old GM or GMNSFC from directly or indirectly making any claim, or commencing, continuing, initiating instituting, maintaining or prosecuting any lawsuit, administrative proceeding, action or other legal

or equitable proceeding based on the Lock-Up Agreement, the Consent Fee (including the funding of the Consent Fee or the repayment of any loans made by Old GM which indirectly funded the Consent Fee), the Notes, the Intercompany Loans, the Guarantee, the Guarantee Claim, the Wind-Up Claim, the Extraordinary Resolution, the June 25 Agreement, GMNSFC, the GMNSFC BIA Proceedings, the Claims Objection, the Adversary Proceeding, the Rule 60(b) Motion, this Settlement Agreement, or the Oppression Action against the Noteholder/GM Releasees, the Nova Scotia Trustee/GM Releasees, or the GUC Trust/GM Releasees. All past, present, and future holders of the Notes (and the other Parties) agree or shall be deemed to have agreed not to commence any litigation of any kind which will result in a third party asserting a claim, liability or demand against the Noteholder/GM Releasees, the Nova Scotia Trustee/GM Releasees, or the GUC Trust/GM Releasees in respect of the subject matters being released by the Parties pursuant to this Settlement Agreement. The Approval Orders shall contain a provision enjoining such actions.

32. Conditions. This Settlement Agreement shall not become effective or binding on the Parties and all past, present, and future holders of Notes unless the following conditions are satisfied:

a. The following are conditions precedent: (i) this Agreement is fully executed by all of the Parties; (ii) the Nova Scotia Trustee has held the Meeting of Creditors in accordance with Canadian bankruptcy law and obtains consent from a majority of such creditors to file the Nova Scotia Approval Motion and Nova Scotia Recognition Order; (iii) the Bankruptcy Court has entered the 9019 Approval Order and the Nova Scotia Court has entered the Nova Scotia Recognition Order, and each order provides, among other things, for the releases set forth herein and the 9019 Approval Order provides for the Bar Order Provisions set forth herein; and (iv) each of the Approval Orders has become a Final Order;[5]

b. The following are conditions subsequent: (i) the allowance of claims and the payments contemplated by this Settlement Agreement have been made; (ii) all claims listed in Exhibit A have been disallowed and expunged; (iii) the New GM Administrative Claim has been resolved pursuant to Paragraph 10 hereof; and (iv) the Claims Objection, the Adversary Proceeding, and the Rule 60(b) Motion have been deemed withdrawn with prejudice; and

[5] For purposes of this Settlement Agreement, the defined term "Final Order" shall mean the 9019 Approval Order and the Nova Scotia Recognition Order, which have not been reversed, vacated or stayed and as to which (a) the time to appeal, petition for certiorari, or move for a new trial, reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument or rehearing shall then be pending, or (b) if an appeal, writ of certiorari, new trial, reargument or rehearing thereof has been sought, such order or judgment shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, reargument or rehearing shall have expired; provided, however, that no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion pursuant to section 502(j) or 1144 of the Bankruptcy Code or under Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 has been or may be filed with respect to such order or judgment.

c. If, for any reason, any of the foregoing conditions precedent or subsequent have not occurred, then this Settlement Agreement shall be null and void and of no force or effect unless such condition(s) have been waived or modified pursuant to a writing duly executed by the Parties.

33. Effective Date. For purposes of this Settlement Agreement, the defined term "Effective Date" shall mean the date that is the first business day after the later of: (a) the date on which the 9019 Approval Order becomes a Final Order; and (b) the date on which the Nova Scotia Recognition Order becomes a Final Order. If an appeal has been filed validly in accordance with applicable laws, rules and statutes, then the Parties shall negotiate in good faith to establish a mutually agreeable alternative to the Effective Date.

34. Record Date. The record date for the Distribution to holders of the Notes shall be two business days following the Effective Date, or as soon thereafter as may be required by the applicable procedures of the Euroclear and Clearstream settlement systems (the "Record Date").

35. GUC Trust Monitor Approval. By signing below, the GUC Trust Monitor provides evidence of its approval, pursuant to Sections 11.3(a)(i) and 11.3(a)(viii) of the GUC Trust Agreement, of the settlement of Claims as described in this Settlement Agreement and the distributions contemplated by Paragraphs 4 and 12 herein.

36. Power to Execute. Each of the persons executing this Settlement Agreement on behalf of a Party hereto represents and warrants that, subject to the Approval Orders, he or she has full power and authority from the Party he or she purports to represent to execute and deliver this Settlement Agreement on behalf of such Party and that all necessary resolutions, authorizations, and/or other necessary formalities have been obtained or accomplished. The Representative Noteholders signatory hereto represent that each owns the Notes listed on each signature page for such Representative Noteholder, that the Notes and any related claims were not assigned, and no third party consents are necessary for resolution of the Representative Noteholders' interests in the Notes.

37. Further Assurances. The Parties each agree to execute all such further documents as shall be reasonably necessary, required or helpful to carry out the terms, provisions and conditions of this Settlement Agreement including if necessary an extraordinary resolution to confirm that this Settlement Agreement shall be binding on all past, present, and future holders of Notes.

38. Good Faith. This Settlement Agreement was negotiated by the Parties hereto at arm's length and in good faith. Each of the Parties has participated in the preparation of this Settlement Agreement after consulting counsel of its choice.

39. No Admission of Liability. Nothing contained in this Settlement Agreement shall constitute or be construed as an admission or adjudication, express or implied, of any liability whatsoever with respect to any claims that are the subject matter of this Settlement Agreement, or any issue of fact, law or liability of any type or nature with respect to any matter whether or not referred to herein, and none of the Parties hereto has made such an admission. Without limiting in any way the effect of the preceding sentence, nothing in this Settlement Agreement shall constitute or be construed to be a

successful challenge to the payment of the Consent Fee or the repayment or disgorgement of the Consent Fee. If this Settlement Agreement is not consummated pursuant to the terms hereof, it shall not be used or relied upon for any purpose other than the enforcement of rights under this paragraph.

40. Binding Effect. Upon the Effective Date, this Settlement Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the Parties hereto and their respective predecessors, successors, endorsees, transferees, heirs, beneficiaries and assigns.

41. WAIVER OF JURY TRIAL. THE PARTIES HERETO WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION AT LAW OR IN EQUITY OR IN ANY OTHER PROCEEDING BASED ON OR PERTAINING TO THIS SETTLEMENT AGREEMENT.

42. Amendments and Modifications. No failure or delay on the part of any party hereto in exercising any right, power or remedy under this Settlement Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of such right, power or remedy preclude any other right, power or remedy under this Settlement Agreement. No amendment, modification, termination or waiver of any provision of this Settlement Agreement, nor consent to any departure therefrom, shall in any event be effective unless the same shall be in writing making explicit reference to this Settlement Agreement, and shall be effective only in the specific instance and for the specific purpose for which given, and executed by each of the Parties hereto. No notice or demand in any case shall entitle the recipient to any other or further notice or demand in similar or other circumstances.

43. Counterparts. This Settlement Agreement may be executed in counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this document by facsimile or other electronic transaction in portable document format (pdf) shall be effective as delivery of a manually executed counterpart of this document.

44. Notice. All notices and other communications relating to this Settlement Agreement shall be in writing, addressed to the Parties, respectively, at their respective addresses set forth below, or at such other address as any may give notice to the other parties hereto as herein provided. Any notice, request or communication hereunder shall be deemed to have been given three (3) days after deposit in the mail, postage prepaid, or in the case of hand delivery or delivery by overnight courier, when delivered, addressed as aforesaid, provided, however, that notice of a change of address shall be deemed to have been given only when actually received by the party to which it is addressed.

a. To the GUC Trust:

Barry Seidel, Esq.
Eric Fisher, Esq.
DICKSTEIN SHAPIRO
1633 Broadway

New York, NY 10019-6708
Tel.: (212) 277-6500
Fax: (212) 277-6501
seidelb@dicksteinshapiro.com
fishere@dicksteinshapiro.com

b. To the Representative Noteholders:

Bruce Zirinsky, Esq.
GREENBERG TRAURIG, LLP
MetLife Building
200 Park Avenue,
New York, NY 10166
Tel.: (212) 801-9200
Fax: (212) 801-6400
zirinskyb@gtlaw.com

- and -

Kevin D. Finger, Esq.
GREENBERG TRAURIG, LLP
77 W. Wacker Dr., Suite 3100
Chicago, IL 60601
Tel.: (312) 456-8400
Fax: (312) 456-8435
fingerk@gtlaw.com

- and -

Steven Reisman, Esq.
Theresa Foudy, Esq.
CURTIS, MALLET-PREVOST, COLT & MOSLE, LLP
101 Park Avenue
New York, NY 10178-0061
Tel.: (212) 696-6000
Fax: (212) 697-1559
sreisman@curtis.com
tfoudy@curtis.com

c. To the Nova Scotia Trustee:

Daniel Golden, Esq.
Sean O'Donnell, Esq.
AKIN GUMP STRAUSS HAUER & FELD, LLP
One Bryant Park
Bank of America Tower
New York, NY 10036-6745
Tel.: (212) 872-1000

Fax: (212) 872-1002
dgolden@akingump.com
sodonnell@akingump.com

d. To General Motors LLC and General Motors of Canada Limited:

Arthur Steinberg, Esq.
Scott Davidson, Esq.
KING & SPALDING, LLP
1185 Avenue of the Americas
New York, NY 10036
Tel.: (212) 556-2100
Fax: (212) 556-2222
asteinberg@kslaw.com
sdavidson@kslaw.com

- and –

Lawrence Buonomo, Esq.
300 GM Renaissance Center,
P.O. Box Mail Code 482-C39-B40
Detroit, Michigan
lawrence.s.buonomo@gm.com

45. Governing Law. The Parties hereto acknowledge and agree that the laws of the State of New York shall govern the construction of this Settlement Agreement and the rights, remedies, warranties, representations, covenants, and provisions hereof without giving effect to the conflict of laws rules of the State of New York.

46. Exclusive Jurisdiction of the Bankruptcy Court. The Bankruptcy Court shall have exclusive jurisdiction to interpret and enforce this Settlement Agreement and to resolve any disputes relating to or concerning this Settlement Agreement. The Parties agree to consult in good faith with each other before seeking judicial relief. Each of the Parties hereto irrevocably consents to the exclusive jurisdiction of the Bankruptcy Court for all purposes related to the enforcement or interpretation of this Settlement Agreement.

47. Entire Agreement. This Settlement Agreement embodies the entire agreement of the Parties hereto with regard to the subject matter hereof and any prior representations and agreements with regard to the same are superseded in their entirety hereby. Headings are for convenience of reference only and shall not affect construction of this Settlement Agreement. The terms "hereof," "herein," "hereunder" and derivative words refer to this Settlement Agreement. Any reference to the masculine, feminine or neuter gender shall be deemed to include any gender or all three as appropriate. The use of the word "including" herein shall mean "including without limitation." Unless the context otherwise required, "neither," "nor," "any," "either" and "or" shall not be exclusive. Time is expressly made of the essence of this Settlement Agreement.

48. Additional Agreements. In furtherance of the settlement embodied herein, the Parties may issue, execute or record any agreements and other documents, and take any action as

may be necessary or appropriate to effectuate, consummate and further evidence the terms and conditions of this Settlement Agreement.

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IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

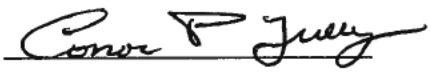
MOTORS LIQUIDATION COMPANY GUC TRUST

By: _____

Print: David A. Vanoskey Jr.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

FTI CONSULTING, INC., AS GUC TRUST MONITOR
solely in its capacity as GUC Trust Monitor and not in its individual capacity

By: 

Print: Conor P. Tully
Senior Managing Director

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

GREEN HUNT WEDLAKE, INC. as TRUSTEE OF GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By: _____

Print: PETER WEDLAKE

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

DBX – RISK ARBITRAGE 1 FUND, LYXOR/PAULSON INTERNATIONAL FUND LIMITED, PAULSON ENHANCED LTD., PAULSON INTERNATIONAL LTD., PAULSON PARTNERS ENHANCED, L.P., AND PAULSON PARTNERS L.P.

Collective Beneficial Holdings: £12,845,000 2015 Notes

£156,138,000 2023 Notes

DBX – RISK ARBITRAGE 1 FUND

By: _____

Print: Stuart Merzer
Authorized Signatory

LYXOR/PAULSON INTERNATIONAL FUND LIMITED

By: _____

Print: _____

PAULSON ENHANCED LTD.

By: _____

Print: Stuart Merzer
Authorized Signatory

PAULSON INTERNATIONAL LTD.

By: _____

Print: Stuart Merzer
Authorized Signatory

PAULSON PARTNERS ENHANCED, L.P.

By: _____

Print: Stuart Merzer
Authorized Signatory

PAULSON PARTNERS L.P.

By: _____

Print: Stuart Merzer
Authorized Signatory

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

DBX – RISK ARBITRAGE 1 FUND, LYXOR/PAULSON INTERNATIONAL FUND LIMITED, PAULSON ENHANCED LTD., PAULSON INTERNATIONAL LTD., PAULSON PARTNERS ENHANCED, L.P., AND PAULSON PARTNERS L.P.

Collective Beneficial Holdings: £12,845,000 2015 Notes

£156,138,000 2023 Notes

DBX – RISK ARBITRAGE 1 FUND

By: _____

Print: _____

LYXOR/PAULSON INTERNATIONAL FUND LIMITED

By: _____
Lionel PAQUIN
Director

Print: _____

PAULSON ENHANCED LTD.

By: _____

Print: _____

PAULSON INTERNATIONAL LTD.

INGRID MARTIN
DIRECTOR

By: _____

Print: _____

PAULSON PARTNERS ENHANCED, L.P.

By: _____

Print: _____

PAULSON PARTNERS L.P.

By: _____

Print: _____

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

ELLIOTT INTERNATIONAL LP, THE LIVERPOOL LIMITED PARTNERSHIP, GATWICK SECURITIES LLC

Collective Beneficial Holdings: £121,193,000 2015 Notes

£22,806,000 2023 Notes

THE LIVERPOOL LIMITED PARTNERSHIP
By: Liverpool Associates Ltd.
as General Partner

By:_____
Name: Elliot Greenberg
Title: Vice President

ELLIOTT INTERNATIONAL, L.P.
By: Elliott International Capital Advisors Inc.
as Attorney-in-Fact

By:_____
Name: Elliot Greenberg
Title: Vice President

GATWICK SECURITIES LLC

By: _____
Name: Elliot Greenberg
Title: Vice President

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

DRAWBRIDGE DSO SECURITIES LLC, DRAWBRIDGE OSO SECURITIES LLC, FCOF UB SECURITIES LLC, WORDEN MASTER FUND L.P. , WORDEN MASTER FUND II L.P.

Collective Beneficial Holdings: £56,452,000 2015 Notes

£13,464,000 2023 Notes

DRAWBRIDGE SPECIAL OPPORTUNITIES FUND LP

By: Drawbridge Special Opportunities GP LLC, its general partner

By: _____
Name: Constantine M. Dakolias
Title: President

DRAWBRIDGE DSO SECURITIES LLC

By: _____
Name: Constantine M. Dakolias
Title: President

DRAWBRIDGE OSO SECURITIES LLC

By: _____
Name: Constantine M. Dakolias
Title: President

FCOF UB SECURITIES LLC

By: _____
Name: Constantine M. Dakolias
Title: President

WORDEN MASTER FUND L.P.

By: Fortress Special Opportunities I GP LLC, its general partner

By: _____
Name: Constantine M. Dakolias
Title: President

WORDEN MASTER FUND II L.P.

By: Fortress Special Opportunities I GP LLC, its general partner

By: _____
Name: Constantine M. Dakolias
Title: President

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

MORGAN STANLEY & CO. INTERNATIONAL PLC

Beneficial Holdings: £63,063,000 2015 Notes

£39,232,200 2023 Notes

By: _____ BRIAN CRIPPS
Authorised Signatory

Print: BRIAN CRIPPS

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

GENERAL MOTORS LLC

By: Anne T. Lavin

Print: Anne T. Lavin

Secretary

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed this Settlement Agreement as of the date and year shown above.

GENERAL MOTORS OF CANADA LIMITED

By: _____

Print: Jeffrey W. Rolfs

EXHIBIT A

PROOFS OF CLAIM FILED IN CONNECTION WITH THE GUARANTEE

Claim Nos. 1556; 1558; 29379; 29647; 29648; 31167; 31168; 31868; 32887; 32888; 37319; 49548; 60234; 60251; 60547; 60566; 60567; 60964; 60993; 61481; 61520; 61915; 63955; 64298; 64332; 64340; 65554; 65765; 65784; 65934; 66206; 66216; 66217; 66218; 66265; 66266; 66267; 66312; 66448; 66462; 66718; 66735; 66769; 67022; 67034; 67035; 67244; 67245; 67345; 67428; 67429; 67430; 67498; 67499; 67500; 67501; 68705; 68941; 69306; 69307; 69308; 69309; 69340; 69341; 69551; 69552; 69734; 70200; 70201; and 71270.

EXHIBIT B

Form 8-K Disclosure

The Motors Liquidation Company GUC Trust (the "GUC Trust") previously announced, on June 27, 2013, the commencement of a court-ordered mediation process (the "Nova Scotia Mediation") in the ongoing litigation (the "Nova Scotia Litigation") to disallow, equitably subordinate or reduce certain claims filed in the bankruptcy cases of Motors Liquidation Company ("MLC") and its affiliates by or on behalf of the holders of the 8.375% guaranteed notes due December 7, 2015 (the "2015 Notes") and the 8.875% guaranteed notes due July 10, 2023 (the "2023 Notes"), in each case issued in 2003 by General Motors Nova Scotia Finance Company (collectively, the "Nova Scotia Notes").

On September 26, 2013, the parties to the Nova Scotia Mediation entered into a proposed settlement agreement (the "Settlement Agreement") relating to the Nova Scotia Litigation, the principal terms of which include:

(i) the allowance of a $1.073 billion general unsecured claim against the MLC estate in favor of the holders of the Nova Scotia Notes, based upon MLC's guarantee of the Nova Scotia Notes (the "Guarantee Claim");

(ii) the reduction of the approximately $1.608 billion claim filed by Green Hunt Wedlake, Inc. as trustee for General Motors Nova Scotia Finance Company (the "Nova Scotia Trustee") to $477 million, and the allowance of that claim as so reduced as a general unsecured claim against the MLC estate (the "Wind-Up Claim");

(iii) the payment by General Motors of Canada Limited of $50 million in cash to the Nova Scotia Trustee, to be applied in part to pay certain fees and expenses of certain parties to the Nova Scotia Mediation in the amount of $17.5 million (plus any additional amounts owed by General Motors Nova Scotia Finance Company to the Canadian Office of Superintendent of Bankruptcy pursuant to applicable bankruptcy laws in Canada), with the remainder to be distributed to the holders of the Nova Scotia Notes allocated as follows: approximately 57.43% to the 2015 Notes and approximately 42.57% to the 2023 Notes; and

(iv) various releases from liability by all past, present and future holders of Nova Scotia Notes and the other parties to the Settlement Agreement.

The Settlement Agreement requires the GUC Trust to make the following distributions in accordance with the terms of the Amended and Restated Motors Liquidation Company GUC Trust Agreement, dated as of June 11, 2012, as subsequently amended (the "GUC Trust Agreement"), on an accelerated basis:

(i) a special distribution (the "Initial Distribution") of common stock of General Motors Company (the "GM Common Stock"), warrants to purchase GM Common Stock and units of beneficial interest in the GUC Trust (the "GUC Trust Units"), pursuant to Sections 5.3 and 5.8 of the GUC Trust Agreement, to the holders of record of the Nova Scotia Notes as of a date (the "Noteholder Record Date") following the expiration of the Settlement

Appeals Periods (as defined below), as the beneficial holders of the allowed portions of the Guarantee Claim and the Wind-Up Claim, on account of such claims; and

(ii) a special distribution of excess distributable assets of the GUC Trust, pursuant to Sections 5.4 and 5.8 of the GUC Trust Agreement, to all holders of record of the GUC Trust Units (including the GUC Trust Units distributed in the Initial Distribution) as of a record date to be set after the date of the Initial Distribution.

The Initial Distribution will consist of, in the aggregate, (a) 6,174,015 shares of GM Common Stock, (b) 5,612,741 warrants to acquire GM Common Stock at an exercise price of $10.00, expiring July 10, 2016, (c) 5,612,741 warrants to acquire GM Common Stock at an exercise price of $18.33, expiring July 10, 2019, and (d) 1,550,000 GUC Trust Units. In addition, in the event that any assets become available for distribution to holders of general unsecured claims against the MLC estate in respect of the legal action styled as Official Committee of Unsecured Creditors of Motors Liquidation Co. v. JPMorgan Chase Bank, N.A. et al. (Adv. Pro. No. 09-00504 (Bankr. S.D.N.Y. July 31, 2009)) (the "Term Loan Avoidance Action"), such distributions will be made to the holders of the Nova Scotia Notes as of the Noteholder Record Date, as the beneficial holders of the allowed portions of the Guarantee Claim and the Wind-Up Claim. For additional information regarding the Term Loan Avoidance Action, please see the disclosure in the GUC Trust's Form 10-K, filed on March 31, 2013, under the headings "Item 1. Business—Term Loan Avoidance Action" and "Item 3. Legal Proceedings—Term Loan Avoidance Action."

The Settlement Agreement also requires, on or before September 27, 2013, the GUC Trust to file a motion with the Bankruptcy Court for the Southern District of New York, and the Nova Scotia Trustee to file a motion with the Supreme Court of Nova Scotia, in each case seeking the approval by such court of the Settlement Agreement. The Settlement Agreement is subject to, among other things, the receipt of such court approvals, and the terms of the Settlement Agreement are not binding on the GUC Trust or the other parties until such court approvals are obtained and until the applicable deadlines for appeal (the "Settlement Appeals Periods") have expired. The Settlement Agreement is also subject to (i) the withdrawal, disallowance and/or expungement of all other claims filed in the bankruptcy cases of MLC in respect of the Nova Scotia Notes, (ii) the withdrawal of the New GM Administrative Claim, as defined and to the extent set forth in the Settlement Agreement, (iii) the withdrawal of the Rule 60(b) Motion, as defined in the Settlement Agreement, and (iv) the dismissal of the Nova Scotia Litigation and all ancillary proceedings thereto.

The foregoing description is qualified in its entirety by to the Settlement Agreement, a copy of which is attached as Exhibit 10.1 and which is incorporated by reference into this Item 1.01.