



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 23, 2009

Mr. Gregory E. Lau
Executive Director — Global Compensation
General Motors Company
300 Renaissance Drive
MC: 482-C32-B61
Detroit, Michigan 48265-3000

VIA ELECTRONIC MAIL AND U.S. MAIL

***Re: Proposed Compensation Payments and
Structure for Christopher Liddell***

Dear Mr. Lau:

Pursuant to Section 30.16(a)(3) of the Department of the Treasury's Interim Final Rule regarding TARP Standards for Compensation and Corporate Governance (the "Rule"), the Special Master for TARP Executive Compensation (the "Special Master") is required to determine whether the compensation structure for each senior executive officer of a recipient of exceptional assistance under the Troubled Asset Relief Program (the "TARP"), including the amounts payable or potentially payable under such compensation structure, will or may result in payments that are inconsistent with the purposes of Section 111 of the Emergency Economic Stabilization Act of 2008, as amended ("EESA"), or TARP, or are otherwise contrary to the public interest. The Special Master is required to consider certain principles set forth in Section 30.16(b) of the Rule in making these determinations. In addition, the Rule requires that the Special Master issue a determination within sixty days of the receipt of a substantially complete submission.

General Motors Company (the "Company"), has requested approval of a proposed letter agreement (attached), between the Company and Christopher Liddell, providing for the appointment of Mr. Liddell to the position of Chief Financial Officer and setting forth certain proposed compensation arrangements for Mr. Liddell (the "Letter Agreement"). The Company has provided the Office of the Special Master with a detailed review of the compensation Mr. Liddell received when he previously served as the Chief Financial Officer of another public company. The Company has also provided the Office of the Special Master with a detailed comparative analysis describing the compensation arrangements of persons in similar positions at similar entities that are similarly situated. The Company's submission with respect to the Letter Agreement is now substantially complete for purposes of the Rule, and the Office of the

Special Master has completed its review and analysis of the proposed compensation structure set forth therein.

I have reviewed the Letter Agreement in light of the principles set forth in Section 30.16(b) of the Rule. The compensation payments and structure proposed for Mr. Liddell are consistent with the October 22, 2009 determination of the Special Master regarding 2009 payments and compensation structures for the Company's other senior executive officers and most highly compensated employees. The Company has represented that Mr. Liddell's compensation will be subject to the same terms and conditions set forth in the October 22, 2009 determination, including but not limited to the following:

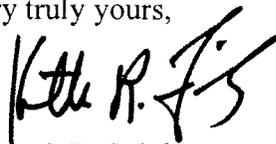
- Any and all incentive compensation paid to Mr. Liddell will be subject to recovery or "clawback" if the payments are based on materially inaccurate financial statements or any other materially inaccurate performance metrics, or if the employee is terminated due to misconduct that occurred during the period in which the incentive was earned.
- Any and all "other" compensation and perquisites provided to Mr. Liddell will not exceed \$25,000 (absent exceptional circumstances for good cause shown).
- No severance benefit to which Mr. Liddell becomes entitled in the future may take into account cash salary or stock salary that the Special Master has approved.
- Mr. Liddell will be prohibited from engaging in any hedging, derivative or other transactions that have an equivalent economic effect that would undermine the long-term performance incentives created by the proposed compensation structure.
- The Company may not provide a tax "gross-up" of any kind to Mr. Liddell.

Subject to the foregoing conditions, and pursuant to the authority vested in me as the Special Master for TARP Executive Compensation, and in accordance with Section 30.16(a)(3) of the Rule, I hereby determine that the compensation structure set forth in the Letter Agreement, including the amounts payable or potentially payable under such compensation structure, will not result in payments that are inconsistent with the purposes of Section 111 of EESA or TARP, or are otherwise contrary to the public interest.

The foregoing determination is limited to the compensation structure set forth in the Letter Agreement and shall not be relied upon with respect to any other employee. The determination is limited to the authority vested in me by Section 30.16(a)(3) of the Rule, and shall not constitute, or be construed to constitute, the judgment of the Office of the Special Master or the Department of the Treasury with respect to the compliance of the proposed compensation structure or any other compensation structure for the subject employee with any other provision of the Rule. Moreover, my evaluation and determination have relied upon, and are qualified in their entirety by, the accuracy of the materials submitted by the Company to the

Office of the Special Master, and the absence of any material misstatement or omission in such materials.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ken R. Feinberg". The signature is stylized and cursive.

Kenneth R. Feinberg
Office of the Special Master for
TARP Executive Compensation

Attachments

cc: Ms. Mary T. Barra



Edward E. Whitacre, Jr.
Chairman and
Chief Executive Officer

December 17, 2009

Mr. Christopher P. Liddell
3645 Evergreen Point Road
Medina, WA 98030

Dear Chris:

On behalf of General Motors, I am pleased to extend to you an offer of employment as Vice Chairman and Chief Financial Officer of General Motors. This position reports directly to me in my capacity as Chairman and CEO. The tentative start date is January 1, 2010. You will be located at our headquarters office in Detroit, Michigan. The terms of the offer are set forth on the attached "Overview of Total Compensation and Benefits" (the "Overview") as modified in discussions with Greg Lau today.

As a GM executive in the United States, you will be entitled to GM's standard package of benefits and perquisites available to executives at your level as set forth in the Overview. Your participation in these plans, as well as any compensation plans, will be controlled by the terms of those plans and they can be amended, changed or terminated at any time as applicable to similarly situated participants.

Please note that you will need to satisfactorily complete a drug screening, as well as a background and security screening, as a condition of your employment.

We look forward to welcoming you to General Motors.

Sincerely,

Attachment

I accept this offer of employment with General Motors beginning January 1, 2010.

Christopher P. Liddell

Date

Confidential Treatment Requested by General Motors Company Under the Freedom of Information Act

TOTAL COMPENSATION AND BENEFITS OVERVIEW

Christopher Liddell
Chief Financial Officer

<u>DIRECT COMPENSATION*</u>	<u>AMOUNT</u>	<u>COMMENTS</u>
Annual Cash Salary	\$750,000	Portion of salary paid in cash. Increases as appropriate - next review in 2011.
Annual Salary Stock	\$3,450,000	Portion of salary paid in stock. On each salary payment date 1/24 of annual grant is earned and is not forfeitable except for inimical acts. The salary stock is converted to shares based on the valuation from the implied trading value of the Oldco bonds. The 2010 salary stock will be delivered ratably over three years beginning in 2012. Following IPO, salary stock will be valued based on stock market price.
Restricted Stock Unit Grant	\$2,000,000	Target value of grant can be no greater than 1/3 of total annual compensation. Award is subject to forfeiture if not an active employee at the time of delivery (except for termination due to death). The grant vests in three years. Stock may only be redeemed in 25% installments for each 25% installment of GM's TARP obligations that are repaid. Performance metrics are applicable to determine final grant units. The RSU grant amount could be reduced based on the total compensation delivered during the calendar year.
Total Annual Compensation - at target	<u>\$6,200,000</u>	

*Compensation is subject to determination by the Executive Compensation Committee of the Board of Directors. Compensation plans may be amended, changed or terminated at any time by the Committee. Also as a TARP recipient, approval of the U.S. Treasury's Special Master must be obtained for all compensation payments and structures for CEOs and other most highly compensated employees.