



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 10, 2010

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 Daniel F. Akerson***

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 ("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.

On September 8, 2010, General Motors Company (the "Company"), requested approval of a proposed compensation arrangement for Mr. Daniel F. Akerson, who was appointed to the position of Chief Executive Officer effective September 1, 2010. The Company's submission with respect to the proposed compensation arrangement 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.

The main elements of the proposed compensation arrangement for Mr. Akerson, which will be pro rated for the period September 1 – December 31, 2010, are as follows:

Annual cash base salary	\$1,700,000
Annual salary stock	\$5,300,000
2010 RSU grant	<u>\$2,000,000</u>
Total compensation	<u>\$9,000,000</u>

I have reviewed the proposed compensation arrangement in light of the principles set forth in Section 30.16(b) of the Rule. The compensation payments and structure proposed for Mr. Akerson are consistent with the March 23, 2010 determination of the Special Master regarding 2010 payments and compensation structures for the Company’s other senior executive officers and most highly compensated employees. In particular, the compensation proposed by GM for Mr. Akerson for the remainder of 2010 is identical (on an annualized basis) to the 2010 compensation approved by the Special Master for GM’s outgoing Chief Executive Officer.

The Company has represented that Mr. Akerson’s 2010 compensation will be subject to the same terms and conditions set forth in the March 23, 2010 determination, including but not limited to the following:

- Any and all incentive compensation paid to Mr. Akerson 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. Akerson will not exceed \$25,000 (absent exceptional circumstances for good cause shown).¹
- No severance benefit to which Mr. Akerson becomes entitled in the future may take into account cash salary or stock salary that the Special Master has approved.

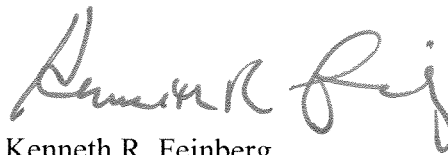
¹ With respect to an individual employee, a relocation undertaken at the request of a company constitutes exceptional circumstances, and such circumstances constitute good cause for the company to pay such employee’s reasonable expenses under a program that provides such benefits on the same basis to similarly-situated employees; provided, however, that a tax gross-up is not a reasonable relocation expense.

- Mr. Akerson 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. Akerson.

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 described above, 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 described above 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,



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

Attachments

cc: Ms. Mary T. Barra