

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN**

IN RE GENERAL MOTORS ERISA LITIGATION	: : : :	Civil Action No. 05-71085 Honorable Nancy G. Edmunds
--	------------------	---

[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT

WHEREAS, the proposed class action captioned *In Re General Motors. ERISA Litigation*, No. 05-71085, is pending before this Court; and

WHEREAS, the Named Plaintiffs and the Defendants have applied to the Court, pursuant to Fed. R. Civ. P. 23, for an Order preliminarily approving the Settlement of the above-named action in accordance with the terms and provisions of the Class Action Settlement Agreement (the "Settlement Agreement" or "Agreement") which, together with the exhibits thereto, sets forth the terms and conditions for a proposed settlement of the action as to the Defendants and for dismissal of the action with prejudice as to the Defendants;

WHEREAS, the Court has read and considered that Agreement and the exhibits thereto and has read and considered all other papers filed and proceedings had herein, and is otherwise fully informed in the premises, and with good cause appearing therefore;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. This Order (the “Preliminary Approval Order”) incorporates by reference the definitions in the Agreement, and all capitalized terms shall have the same meanings set forth in the Agreement.

2. The Court has jurisdiction over the subject matter of this action and over all parties to this action, including all members of the proposed Settlement Class and Defendants.

3. The Court preliminarily finds, for purposes of the Settlement, that the requirements of Federal Rules of Civil Procedure have been met as to the Settlement Class, in that:

The Settlement Class is ascertainable from records kept with respect to the Plans and from other objective criteria, and members of the Settlement Class are so numerous that their joinder before the Court would be impracticable.

Based on allegations in the Complaint, the Court preliminarily finds that there are one or more questions of fact and/or law common to the Settlement Class.

Based on allegations in the Complaint, the Court preliminarily finds that Defendants engaged in uniform conduct affecting members of the proposed Settlement Class, and the Court finds that the claims of the Named Plaintiffs are typical of the claims of the Settlement Class.

The Named Plaintiffs will fairly and adequately protect the interests of the Settlement Class in that (i) the interests of the Named Plaintiffs and the nature of their alleged claims are consistent with those of the members of the Settlement Class; (ii) there are no conflicts between or among the Named Plaintiffs and the Settlement Class; and (iii) the Named Plaintiffs are represented by qualified, reputable counsel who are experienced in preparing and prosecuting large, complex ERISA class actions of this type.

The prosecution of separate actions by individual members of the Settlement Class would create a risk of (i) inconsistent or varying adjudications as to individual class members, that would establish incompatible standards of conduct for the parties opposing the claims asserted in the Action; or (ii) adjudications as to individual class members that would, as a practical matter, be dispositive of the interests of the other members not parties to the adjudication, or substantially impair or impede those persons’ ability to protect their interests.

4. Based on the finding set out in Paragraph 3 above, the Court PRELIMINARILY CERTIFIES the following class for settlement purposes under Federal Rule of Civil Procedure 23(b)(1) (the Settlement Class):

All persons who were participants or beneficiaries of the General Motors Personal Savings Plan for Hourly Rate Employees or the General Motors Savings-Stock Purchase Program for Salaried Employees at any time between March 18, 1999 and May 26, 2006, inclusive, who bring claims for breach of fiduciary and co-fiduciary duty under ERISA. Excluded from the Settlement Class are Defendants, and their heirs, successors in interests and assigns.

The Court finds that the Settlement Class is sufficiently well-defined and cohesive to warrant certification as a non-opt-out class under Fed. R. Civ. P. 23(a) and 23(b)(1).

5. As indicated above, the Court finds that the Named Plaintiffs are adequate class representatives of the Settlement Class and, therefore, hereby appoints Named Plaintiffs as the representatives of the Settlement Class.

6. As required by Fed. R. Civ. P. 23(g), the Court has considered: (i) the work Class Counsel has done in identifying or investigating potential claims in this action; (ii) Class Counsel's experience in handling class action, other complex litigation, and claims of the type asserted in this action; (iii) Class Counsel's knowledge of the applicable law and, in particular, their knowledge of ERISA as it applies to claims of the type asserted in this action (breach of fiduciary duty claims arising from the Plans' investments in company stock); and (iv) the resources Class Counsel has committed to representing the class. Based on these factors, the Court finds that Class Counsel has and will continue to fairly and adequately represent the interests of the Settlement Class. Accordingly, the Court finds that Class Counsel shall serve as class lead counsel with respect to the Settlement Class in this Action.

7. The Court having preliminarily determined that this Action may proceed as a non-opt-out class action under Fed. R. Civ. P. 23(a) and 23(b)(1), Settlement Class members shall be bound by any judgment concerning the Settlement in this Action, subject to the Court's final determination as to whether this Action may so proceed.

8. The Court preliminarily approves the Agreement, including the Releases contained therein, and preliminarily finds the Settlement to be fair, reasonable, and adequate to the Settlement Class.

9. The Court approves, as to form and content, the Notice of Settlement of Class Action (the "Mailed Notice") and the Publication Notice annexed to the Memorandum in Support of Plaintiffs' Motion for Preliminary Approval of Proposed Partial Settlement.

10. The date and time of the Fairness Hearing shall be added to the Mailed Notice and the Publication Notice before they are mailed and published, respectively.

11. The Court finds that the mailing of the Mailed Notice in the manner set forth in paragraph 12(a) below, together with the publication of the Publication Notice in the manner set forth in paragraph 12(b) and (c), below, constitutes the best notice practicable under the circumstances, by providing individual notice to all Settlement Class members who can be identified through reasonable effort, and constitutes valid, due, and sufficient notice to all persons entitled thereto, complying fully with the requirements of Fed. R. Civ. P. 23 and due process.

12. The notice procedure shall be as set forth below:

(a) No later than 45 days before the Fairness Hearing, GM shall cause to be mailed, by first class mail, postage prepaid, copies of the Mailed Notice to all Settlement Class members who can be identified with reasonable effort at each such Settlement Class member's last known address;

(b) No later than 45 days prior to the Fairness Hearing, GM shall cause the Publication Notice to appear in (i) one edition of the Detroit Free Press and (ii) one edition of U.S.A. Today; and

(c) No later than 45 days prior to the Fairness Hearing, Class Counsel shall cause the Class Notice to appear on their websites.

13. At or prior to the Fairness Hearing (as defined below), GM shall file with the Court and serve on Class Counsel proof by declaration or affidavit of the mailing, publication and posting described in paragraphs 12(a)–(c) above.

14. Settlement Class members who wish to comment or object to the Agreement must do so in accordance with the instructions contained in the Class Notice.

15. A hearing (the “Fairness Hearing”) shall be held on _____, 2008, at _____ .m., before the Honorable Nancy Edmunds, United States District Court Judge, at the United States District Court for the Eastern District of Michigan, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Detroit, Michigan 48226, for the purpose of determining (a) whether the proposed Settlement as set forth in the Agreement is fair, reasonable and adequate and should be approved by the Court; (b) whether the Settlement Class satisfies the requirements of Fed. R. Civ. P. 23, and should be finally certified as preliminarily found by the Court; (c) whether an Order of Final Judgment and Dismissal, substantially in the form of Exhibit B to the Agreement, should be entered; (d) whether the proposed Plan of Allocation of the Net Settlement Fund is fair, reasonable and adequate and should be approved by the Court; (e) whether the application for attorneys’ fees and expenses to be filed by Class Counsel should be approved; (f) whether the Named Plaintiffs should receive Service Awards in light of their assistance in prosecuting this Action; and (g) such other matters as the Agreement contemplates and as the Court may deem just and proper.

16. Any application by Class Counsel for attorneys’ fees and reimbursement of expenses, and all papers in support thereof, and any application for Service Awards for the

Named Plaintiffs shall be filed with the Court at least ten (10) business days prior to the Fairness Hearing.

17. All other papers in support of the Settlement shall be filed at least ten (10) business days prior to the Fairness Hearing.

18. Any Settlement Class member may appear and show cause (if he, she, or it has any) why the Court should or should not (a) approve the proposed Settlement as set forth in the Agreement as fair, reasonable and adequate; (b) approve the Plan of Allocation; (c) approve Class Counsel's request for attorneys' fees and reimbursement of expenses; (d) approve the request for Service Awards for the Named Plaintiffs; and (e) enter the Order of Final Judgment and Dismissal, substantially in the form of Exhibit B to the Agreement; **provided, however,** that no person shall be heard with respect to, or shall be entitled to contest, the foregoing matters unless on or before _____, 2008, that person has served by hand, express mail delivery service, or by first-class mail notice of his, her or its intention to appear, setting forth briefly each objection and the basis therefore, together with copies of any papers and briefs in support of said objections and proof of membership in the Settlement Class, upon: Andrew M. Volk, Hagens Berman Sobol Shapiro LLP, 1301 Fifth Avenue, Suite 2900, Seattle, WA 98101 (on behalf of Named Plaintiffs and the Settlement Class) and upon Robert J. Kopecky and Timothy A. Duffy, Kirkland & Ellis LLP, 200 East Randolph Drive, Chicago, Illinois 60601 (on behalf of the Defendants); and has filed said objection, papers, and briefs with the Court, upon: Clerk of the Court, United States District Court, Eastern District of Michigan, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Detroit, Michigan 48226. Unless otherwise ordered by the Court, any Settlement Class member who does not make his, her, or its objection in the

manner provide for herein, shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the foregoing matters.

19. The Court may adjourn the Fairness Hearing from time to time and without further notice to the Settlement Class. The Court reserves the right to approve the Settlement at or after the Fairness Hearing with such modifications as may be consented to by the Settling Parties and without further notice to the Settlement Class. The Court further reserves the right to enter a Final Order, dismissing the action with prejudice as to the Defendants and against the Named Plaintiffs and the Settlement Class at or after the Fairness Hearing and without further notice to the Settlement Class.

20. Upon entry of the Final Order, the Named Plaintiffs, and each of the Settlement Class members, on behalf of themselves, their successors, assigns, and any other person claiming (now and in the future) through or on behalf of them, and regardless of whether any such Named Plaintiff or Settlement Class member ever seeks or obtains by any means any distribution from the Settlement Fund, shall be deemed to have, and by operation of the Final Order shall have, fully, finally and forever released, relinquished and discharged all Released Claims against all Releasees and shall have covenanted not to sue all such Releasees with respect to all such Released Claims, and shall be permanently barred and enjoined from instituting, commencing, or prosecuting any such Released Claim against any Released Entity.

21. Upon entry of the Final Order, the Court will dismiss this action in its entirety as to Defendants General Motors Corporation, The Investment Funds Committee of General Motors' Board of Directors, E. Stanley O'Neal, Armando Codina, Kent Kresa, Eckhard Pfeiffer, Phillip A. Laskawy, Percy N. Barnevik, Nobuyuki Idei, John F. Smith, Jr., George M.C. Fisher, Willard Marriott, Jr., Ellen J. Kullman, G. Richard Wagoner, Jr., General Motors Investment

Management Corporation (“GMIMCo”), Jean Rose, Cindy Gier, Paul Gonzales, Terry Lee, Jenny Machak, Robert Moroni, and Michael Morris, with prejudice and without costs (except as otherwise provided in the Agreement).

22. All reasonable costs and expenses incurred in identifying and providing notice to Settlement Class members and in administering the Settlement Fund shall be paid as set forth in the Agreement.

23. The Court retains jurisdiction over all proceedings arising out of or related to the Settlement Agreement.

24. If for any reason the Settlement Agreement does not become effective in accordance with the terms of the Settlement Agreement, this Preliminary Approval Order shall be rendered null and void and shall be vacated *nunc pro tunc*, and the Action will for all purposes revert to its status as of the day immediately before the execution of the Term Sheet agreed to by counsel at the conclusion of the mediation with Judge Phillips.

25. Pending final determination as to whether the Settlement, as set forth in the Settlement Agreement, should be approved, no Settlement Class member shall commence, prosecute, pursue, or litigate any Released Claims against any Settling Defendant, whether directly, representatively, or in any other capacity, and regardless of whether or not any such Settlement Class member has appeared in the action.

IT IS SO ORDERED this _____ day of _____, 2008.

HONORABLE NANCY G. EDMUNDS
United States District Court Judge