

BIDDING PROCEDURES¹

I. Important Dates

The Debtors shall, in coordination with Capstone Advisory Group, LLC ("Capstone") and in consultation with and, with respect to the third item below, subject to the consent of JPMorgan Bank, N.A. (the "First Lien Agent"), as the agent for the Debtors' lenders under the Amended and Restated First Lien Credit Agreement, dated as of November 29, 2007, as amended:

- (A) assist Potential Bidders (as defined below) in conducting their respective due diligence investigations and accept Bids (as defined below) until 5:00 p.m. (prevailing Eastern Time) on March 5, 2010;
- (B) negotiate with Qualified Bidders (as defined below) in preparation for an auction (the "Auction") to begin at 10:00 a.m. (prevailing Eastern Time) on March 10, 2010 if any additional Qualified Bids are received; and
- (C) seek authority to sell the Property to the Successful Bidder (as defined below) at the Sale Hearing to be held by the Bankruptcy Court at 10:00 a.m. (Prevailing Eastern Time) on March 11, 2010.

II. The Sale Hearing

At the Sale Hearing, the Debtors will seek entry of an order substantially in the form of Exhibit E to the Motion, *inter alia*, authorizing and approving the Sale Transaction (A) if no other Qualified Bid (as defined below) is received by the Debtors, to the Buyer pursuant to the terms and conditions set forth in the Purchase Agreement or (B) if another Qualified Bid is received by the Debtors, to the Buyer or such other Qualified Bidder(s) as the Debtors, in the exercise of their reasonable business judgment and with the consent of the First Lien Agent, determine to have made the highest or otherwise best offer to purchase the Property at the Auction, consistent with the Bidding Procedures. The Sale Hearing may be adjourned or rescheduled without notice, other than by an announcement of such adjournment at the Sale Hearing or in an agenda letter for such hearing.

III. Determination by the Debtors

The Debtors, in coordination with Capstone and the First Lien Agent, shall (A) coordinate the efforts of Potential Bidders in conducting their respective due diligence investigations regarding the Property, (B) determine whether any person or entity is a Qualified

¹ Capitalized terms not otherwise defined herein shall have the respective meaning ascribed to them in the annexed Procedures Order.

Bidder, (C) receive bids from Qualified Bidders, (D) negotiate any bids and (E) conduct the Auction of the Property if any additional Qualified Bids are received (collectively, the "Bidding Process"). Any person or entity who wishes to participate in the Bidding Process must be a Qualified Bidder. Except as provided by applicable law or court order, neither the Debtors nor their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Property to any person or entity who is not a Potential Bidder and who does not comply with the participation requirements below.

IV. Participation Requirements

Unless otherwise ordered by the Bankruptcy Court for cause shown, to participate in the Bidding Process, each interested person or entity (a "Potential Bidder") must deliver the following (unless previously delivered) to: (A) Capstone Advisory Group, LLC, Park 80 West, 250 Pehle Avenue, Suite 105, Saddle Brook, New Jersey 07663 (Attn: John Rooney); (B) Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309-3053 (Attn: Jeffrey B. Ellman, Esq.) and 901 Lakeside Avenue, North Point, Cleveland, Ohio 44114 (Attn: William Herzberger, Esq. and Carl E. Black, Esq.); and (C) Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017-3954 (Attn: Peter V. Pantaleo, Esq.) so as to be received no later than 5:00 p.m. (Prevailing Eastern Time) on March 1, 2010:

- (A) an executed confidentiality agreement in form and substance reasonably satisfactory to the Debtors;
- (B) a statement demonstrating to the Debtors' reasonable satisfaction a *bona fide* interest in purchasing all of the Property; and
- (C) sufficient information, as requested by the Debtors, to allow the Debtors to determine that the Potential Bidder has the financial wherewithal and any required authorizations to close the Sale Transaction, including, but not limited to, current audited financial statements of the Potential Bidder (or such other form of financial disclosure acceptable to the Debtors in their discretion in consultation with the First Lien Agent).

V. Due Diligence

If the Debtors determine, in consultation with the First Lien Agent, that a potential bidder has a *bona fide* interest in the Property, then no later than two business days after the Debtors make that determination and have received from a Potential Bidder all of the materials required above, the Debtors will contact any such Potential Bidder and offer such access or additional information as may be reasonably requested by the Potential Bidder that the Debtors, in their business judgment, determine to be reasonable and appropriate under the circumstances, subject to the limitations on the Debtors' access to the Property under the Transition Services Agreement, dated as of June 10, 2009, between the Debtors and Chrysler Group LLC. All due diligence requests shall be directed to John Rooney of Capstone at (201) 587-7121. The Debtors, with the assistance of Capstone, shall coordinate all reasonable requests for additional information and due diligence access from the Potential Bidders. In the event that any such due diligence material has not previously been provided to any other Potential Bidder, the Debtors

shall simultaneously provide such materials to all Potential Bidders, as well as to counsel to the First Lien Agent and counsel to the Buyer.

Unless otherwise determined by the Debtors, the availability of additional due diligence to a Potential Bidder will cease (A) if the Potential Bidder does not become a Qualified Bidder, (B) from and after the Bid Deadline or (C) if the Bidding Process is terminated in accordance with its terms.

VI. Bid Deadline

A Potential Bidder that desires to make a bid shall deliver written and electronic copies of its bid to: (A) Capstone Advisory Group, LLC, Park 80 West, 250 Pehle Avenue, Suite 105, Saddle Brook, New Jersey 07663 (Attn: John Rooney; jrooney@capstoneag.com); (B) Jones Day, 1420 Peachtree Street, N.E., Suite 800, Atlanta, Georgia 30309-3053 (Attn: Jeffrey B. Ellman, Esq.; jbellman@jonesday.com) and 901 Lakeside Avenue, North Point, Cleveland, Ohio 44114 (Attn: William Herzberger, Esq., wherzberger@jonesday.com, and Carl E. Black, Esq., ceblack@jonesday.com); and (C) Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017-3954 (Attn: Peter V. Pantaleo, Esq.; ppantaleo@stblaw.com), so as to be received not later than 5:00 p.m. (Prevailing Eastern Time) on March 5, 2010 (the "Bid Deadline").

VII. Bid Requirements

A bid is a signed document from a Potential Bidder that provides, at a minimum, that:

- (A) the Potential Bidder offers to purchase the Property upon the terms and conditions set forth in a copy of an asset purchase agreement enclosed therewith, marked to show any proposed amendments and modifications to the Purchase Agreement (the "Marked Agreement");
- (B) the bid is not subject to any due diligence or financing contingency and is irrevocable until one business day following the closing of the Sale Transaction;
- (C) the purchase price in such bid is a higher or otherwise better offer for the Property than that described in the Purchase Agreement, and such offer shall not be considered a higher or better offer unless such bid provides for net cash (or cash equivalent) consideration to the Debtors of at least \$750,000 more than the Purchase Price to be paid by the Buyer;
- (D) is a bid received by the Bid Deadline; and
- (E) does not entitle a bidder (other than the Buyer) to any break up fee, termination fee or similar type of payment or reimbursement.

A Potential Bidder shall accompany its bid with: (A) written evidence of available cash or an irrevocable commitment for financing and such other evidence of ability to consummate the transaction contemplated by the applicable Marked Agreement as the Debtors may reasonably request; (B) a copy of a board resolution or similar document demonstrating the

authority of the Potential Bidder to make a binding and irrevocable bid on the terms proposed; and (C) any pertinent factual information regarding the Potential Bidder's operations that would assist the Debtors in their analysis of issues arising with respect to any applicable antitrust laws.

A Potential Bidder must deposit 10% of the initial cash purchase price set forth in the Marked Agreement (the "Good Faith Deposit") with an escrow agent selected by the Debtors (the "Deposit Agent"). The Good Faith Deposit must be made by certified check or wire transfer and will be held by the Deposit Agent in accordance with the terms of an escrow agreement to be provided with the Purchase Agreement.

A bid received from a Potential Bidder that meets the above requirements will be considered a "Qualified Bid" and each Potential Bidder that submits a Qualified Bid will be considered a "Qualified Bidder." For purposes hereof, the Buyer is a Qualified Bidder and the Purchase Agreement executed by the Buyer is a Qualified Bid. A Qualified Bid will be valued based upon factors such as: (A) the purported amount of the Qualified Bid; (B) the fair value to be provided to the Debtors under the Qualified Bid; (C) the ability to close the proposed Sale Transaction without delay; and (D) any other factors the Debtors, in consultation with the First Lien Agent, may deem relevant. Within one business day after receipt from a Qualified Bidder, the Debtors shall distribute by email or facsimile a copy of each Qualified Bid to counsel to each Qualified Bidder (including the Buyer).

The Debtors reserve the right, with the consent of the First Lien Agent, to reject any bid if such bid:

- (A) is on terms that are materially more burdensome or conditional than the terms of the Purchase Agreement;
- (B) is a bid for less than all of the Property;
- (C) requires any indemnification of such Qualified Bidder; or
- (D) includes a non-cash instrument or similar consideration that is not freely marketable.

VIII. Baseline Bid

Qualified Bidders that have submitted Qualified Bids are eligible to participate in the Auction. The Debtors will select, with the consent of the First Lien Agent, the highest and best Qualified Bid or Qualified Bids (the "Baseline Bid") to serve as the starting point for the Auction. As soon as practicable, the Debtors will provide all Qualified Bidders with a copy of the Baseline Bid.

IX. Auction

If more than one Qualified Bid is received by the Bid Deadline, the Debtors will conduct the Auction. The Auction shall take place at 10:00 a.m. (Prevailing Eastern Time) on March 10, 2010, at the offices of Jones Day, located at 222 East 41st Street, New York, New York 10017, or such later time or such other place as the Debtors shall notify all Qualified

Bidders who have submitted Qualified Bids. Only a Qualified Bidder who has submitted a Qualified Bid will be eligible to participate at the Auction. Professionals for the First Lien Agent and the Creditors' Committee shall be able to attend and observe the Auction, provided that the professionals for the Creditors' Committee shall do so at their own expense and any such expenses shall not be a "Covered Cost" under the Agreed Order (Docket No. 5981) between the First Lien Agent and the Debtors (the "First Lien Winddown Order"). If no Qualified Bids other than the Buyer's Qualified Bid are received prior to the Bid Deadline, no Auction shall be conducted.

At the Auction, participants (including the Buyer) will be permitted to increase their bids and will be permitted to bid based only upon the terms of the Baseline Bid (except to the extent otherwise authorized by the Debtors, with the consent of the First Lien Agent), subject to Buyer's right to be credited in its bid for the amount of its Break-up Fee (as described below); provided, however, if the Buyer elects to participate in the Auction, the Buyer shall have the right, but shall not be obligated, to make any bid(s) at the Auction based on and subject to the terms and conditions set forth in the Purchase Agreement (other than the purchase price) and, in such case, the Debtors will weigh and consider any differences in any such terms and conditions set forth in the Purchase Agreement as compared to the terms and conditions set forth in the Baseline Bid in the Debtors' process of determining the Successful Bid (as defined herein). The bidding will start at the purchase price and terms proposed in the Baseline Bid, and continue in increments of at least \$100,000. Notwithstanding any other provision of these Bidding Procedures, when comparing bids at the Auction, the Buyer will be credited with, and have added to the aggregate amount of any bid that the Buyer elects to make at the Auction, an amount equal to the Break-up Fee.

The Debtors may adopt, in consultation with the First Lien Agent, rules for the Auction at any time that will best promote the goals of the Bidding Process and that are not inconsistent with any provisions of the Purchase Agreement or these Bidding Procedures. Any such rules will provide that: (A) the procedures must be fair and open, with no participating Qualified Bidder disadvantaged in any material way as compared to any other Qualified Bidder; (B) all bids will be made and received in one room, on an open basis, and all other bidders will be entitled to be present for all bidding with the understanding that the true identity of each bidder will be fully disclosed to all other bidders and that all material terms of each Qualified Bid will be fully disclosed to all other bidders throughout the entire Auction; and (C) each Qualified Bidder will be permitted a fair, but limited, amount of time to respond to the previous bid at the Auction.

Immediately prior to the conclusion of the Auction, the Debtors, with the consent of the First Lien Agent, will: (A) review and evaluate each bid made at the Auction on the basis of financial and contractual terms and other factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Sale Transaction; (b) identify the successful bid (the "Successful Bid") and (c) notify all Qualified Bidders participating in the Auction, prior to its adjournment, of the successful bidder or bidders (the "Successful Bidder(s)"), and the amount and other material terms of the Successful Bid. At the Sale Hearing, the Debtors shall present the Successful Bid to the Bankruptcy Court for approval.

X. Acceptance of Qualified Bids

The Debtors may, with the consent of the First Lien Agent (A) determine, in their reasonable business judgment, which Qualified Bid is the Successful Bid and the next highest or otherwise best bid (the "Next Highest Bid"); and (B) reject at any time before entry of the Sale Order any bid that, in the Debtors' reasonable judgment, is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bankruptcy Code, these Bidding Procedures or the terms and conditions of the Sale Transaction or (3) contrary to the best interests of the Debtors and their bankruptcy estates.

The Debtors presently intend to consummate the Sale Transaction with the Successful Bidder, whether such entity is the Buyer or another Qualified Bidder. However, the Debtors' presentation of the Successful Bid to the Bankruptcy Court for approval does not constitute the Debtors' acceptance of the bid. The Debtors will be deemed to have accepted the Successful Bid only when such bid has been approved by the Bankruptcy Court. The Debtors and the Successful Bidder shall close the Sale Transaction on or before March 31, 2010, unless extended by mutual agreement of the Debtors, the First Lien Agent and the Successful Bidder. If the Successful Bidder does not close the Sale Transaction by such date, then the Debtors shall be authorized, but not required, to close with the party that submitted the Next Highest Bid (the "Next Highest Bidder") without further order of the Bankruptcy Court, subject to the consent of the First Lien Agent. If the Debtors decide to close with the Next Highest Bidder, (A) the Debtors and the Next Highest Bidder shall have an additional 15 days to close and (B) the Next Highest Bidder shall be deemed the Successful Bidder within the meaning of these Bidding Procedures and under the Sale Order.

XI. Modification of Procedures

If necessary to satisfy their fiduciary duties, the Debtors may, in consultation with the First Lien Agent and such other persons as the Debtors deem appropriate, amend these Bidding Procedures or the Bidding Process at any time in any manner that will best promote the goals of the Bidding Process, including extending or modifying any of the dates described herein; provided, however, that, to the extent that any such amendment impacts the protections granted to the Buyer in these Bidding Procedures and in the Purchase Agreement, such amendment shall be subject to the Buyer's consent, the giving of such consent not to be unreasonably withheld, conditioned or delayed.

XII. Return of Good Faith Deposit

The Good Faith Deposits of all Qualified Bidders, and the Deposit (as defined in the Purchase Agreement) of the Buyer, shall be held in escrow by the Deposit Agent and shall not become property of the Debtors' bankruptcy estates absent further order of the Bankruptcy Court. The Deposit Agent shall retain the Deposit of the Buyer or the Good Faith Deposit of the Successful Bidder, as the case may be, until the earlier of the closing of the Sale Transaction or the termination or expiration of the applicable Marked Agreement or the Purchase Agreement, as the case may be. At the closing of the Sale Transaction contemplated by the Successful Bid, a Successful Bidder will be entitled to a credit for the amount of its Good Faith Deposit or, in the case of the Buyer, its Deposit. The Good Faith Deposits of all Qualified Bidders, other than the

Successful Bidder and the Next Highest Bidder, shall be released by the Debtors upon the entry of the Sale Order. The Good Faith Deposits of the Successful Bidder and the Next Highest Bidder (if not applied to the Purchase Price at closing) shall be released by the Debtors upon the earlier of (A) the closing of the Sale Transaction or (B) the withdrawal of the Property for sale by the Debtors. Additionally, if the Purchase Agreement is terminated, the Buyer's Deposit (as defined in the Purchase Agreement) shall be returned to the extent required by the Purchase Agreement. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon. With respect to Good Faith Deposits, if (i) all conditions precedent to the Successful Bidder's or Next Highest Bidder's obligation to close the Transaction have been satisfied or waived, (ii) the Successful Bidder or the Next Highest Bidder has not terminated the applicable Marked Agreement or the Purchase Agreement, as the case may be, as may be permitted therein, (iii) the Debtors have performed their covenants and agreements under the applicable Marked Agreement or the Purchase Agreement, as the case may be and (iv) the Successful Bidder or the Next Highest Bidder has breached its covenants or agreements under the Marked Agreement or the Purchase Agreement, as the case may be, and has failed, refused or is unable to consummate the Transaction by the applicable closing date, the Debtors shall be entitled to the Good Faith Deposit as liquidated damages. Any interest of the Debtors' estates in the Good Faith Deposits or the Deposit shall constitute First Lien Collateral as that term is defined in the First Lien Winddown Order and shall be paid to the First Lien Agent in accordance with the terms of such Order.