UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	Chapter 11
Old Carco LLC (f/k/a Chrysler LLC), *et al.*,	:	Case No. 09-50002 (AJG)
	:	(Jointly Administered)
Debtors.	:	

AGREED ORDER, PURSUANT TO SECTIONS 105, 361, 362 AND 363 OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 2002, 4001, 9014 AND 9019 AND LOCAL BANKRUPTCY RULE 4001-2 APPROVING (A) WINDDOWN FUNDING FOR THE DEBTORS' ESTATES AND (B) RELATED MATTERS

This matter coming before the Court on the Motion of Debtors and Debtors in Possession for Entry of Agreed Order, Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 9014 and 9019 and Local Bankruptcy Rule 4001-2, Approving (A) Winddown Funding for the Debtors' Estates and (B) Related Matters (the "Motion"), filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"); an objection to the Motion having been filed by Daimler AG, *et al.* (Docket No. 5951) (the "Objection"); a reply having been filed by the Creditors' Committee (Docket No. 5962) (the "Reply"); the Court having reviewed the Motion, the Objection and the Reply and having considered the statements of counsel and the evidence adduced with respect to the Motion at a final hearing before the Court (the "Hearing"); and the Court having determined that: (i) the legal and factual bases set forth in the Motion and the Reply and at the Hearing establish just cause for the relief granted herein; and (ii) good cause has been shown for the entry of this Agreed Order;

THE PARTIES HEREBY STIPULATE AND AGREE, AND THE COURT HEREBY FINDS AND DETERMINES THAT:

General Background

A. On April 30, 2009 (the "Petition Date"), Old Carco LLC f/k/a Chrysler LLC ("Old Carco") and 24 of its affiliated Debtors commenced their reorganization cases by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). On May 19, 2009, Debtor Alpha Holding LP commenced its reorganization case by filing a voluntary petition under chapter 11 of the Bankruptcy Code with the Bankruptcy Court. By orders of the Bankruptcy Court (Docket Nos. 97 and 2188), the Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being administered jointly.

B. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

C. On May 5, 2009, the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed the official committee of unsecured creditors in these chapter 11 cases (the "Creditors' Committee"), pursuant to section 1102 of the Bankruptcy Code.

Fiat Transaction

D. In connection with the commencement of these cases, Old Carco and its Debtor subsidiaries, Fiat S.p.A. ("Fiat") and New Chrysler (as defined below) entered into a Master Transaction Agreement dated as of April 30, 2009 (as amended and collectively with

other ancillary and supporting documents, the "Purchase Agreement"). The Purchase Agreement provided, among other things, that: (i) Old Carco would transfer the majority of its operating assets to New CarCo Acquisition LLC (n/k/a Chrysler Group LLC) ("New Chrysler"), a newly established Delaware limited liability company formed by Fiat; and (ii) in exchange for those assets, New Chrysler would assume certain of the Debtors' liabilities and pay to Old Carco $2 billion in cash (collectively with the other transactions contemplated by the Purchase Agreement, the "Fiat Transaction"). On May 3, 2009, the Original Debtors filed a motion to approve the Fiat Transaction or a similar transaction with a competing bidder (Docket No. 190).

E. On May 31, 2009, the Bankruptcy Court issued: (i) an Opinion Granting the Debtors' Motion Seeking Authority to Sell, Pursuant to § 363, Substantially All of the Debtors' Assets (Docket No. 3073) (the "Sale Opinion"); and (ii) an Opinion and Order Regarding Emergency Economic Stabilization Act of 2008 and Troubled Asset Relief Program (Docket Nos. 3074 and 3229) (together with the Sale Opinion, the "Opinions"). On June 1, 2009 and consistent with the Sale Opinion, the Bankruptcy Court entered an Order authorizing the Fiat Transaction (Docket No. 3232) (the "Sale Order").

F. On June 5, 2009, the United States Court of Appeals for the Second Circuit affirmed the Opinions and the Sale Order and subsequently issued its own opinion on August 5, 2009. See In re Chrysler LLC, 576 F.3d 108 (2d Cir. 2009). Consistent with the Sale Order, the Fiat Transaction was consummated on June 10, 2009 (the "Closing Date").

Jurisdiction

G. The Bankruptcy Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue is proper before the Bankruptcy Court pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

Adequate Notice

H. Notice of the Motion, the relief requested therein and in this Agreed Order, and the Hearing was provided to all parties on the General Service List and the Special Service List in these cases, all parties that hold a filed or scheduled claim in these cases asserting a secured status and the relevant state and federal environmental authorities in any DIP Collateral (as defined below). Under the circumstances, the notice given by the Debtors of the Motion, the relief requested therein and in this Agreed Order, and the Hearing constitutes due and sufficient notice thereof and (1) complies with Bankruptcy Rules 2002 and 4001(b), Local Bankruptcy Rule 4001-2 and any other applicable rules and (2) is consistent with the Order Shortening the Notice Period on Motion of Debtors and Debtors in Possession for Entry of Agreed Order, Pursuant to Sections 105, 361, 362 and 363 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001, 9014 and 9019 and Local Bankruptcy Rule 4001-2 Approving (A) Winddown Funding for the Debtors' Estates and (B) Related Matters (Docket No. 5900).

Governance Motion

I. On May 19, 2009, the Debtors filed a Motion of Debtors and Debtors in Possession for Entry of an Order (A) Authorizing the Debtors to Implement Modifications to Chrysler LLC's Post Closing Governance Structure, (B) Approving the Release of Officers and Directors and (C) Authorizing the Debtors to Obtain Replacement Directors and Officers Liability Insurance (Docket No. 1116) (the "Governance Motion"). The Governance Motion remains pending before the Bankruptcy Court.

Prepetition Financing, DIP Financing Order and Cash Collateral Order

J. On May 20, 2009, the Bankruptcy Court entered the Final Order Pursuant to Bankruptcy Code Sections 105(a), 361, 362, 363, 364 and 507 and Bankruptcy Rules 2002, 4001 and 6004, (A) Approving a DIP Credit Facility and Authorizing the Debtors to Obtain Post-

Petition Financing Pursuant Thereto, (B) Granting Related Liens and Super-Priority Status, and (C) Granting Adequate Protection to Certain Pre-Petition Secured Parties (Docket No. 1309) (the "DIP Financing Order"). Pursuant to the DIP Financing Order, the Debtors were authorized to obtain postpetition financing on a secured superpriority basis (the "DIP Financing") pursuant to the terms and conditions set forth in the Second Lien Secured Priming Superpriority Debtor-in-Possession Credit Agreement dated as of May 5, 2009, by and among Old Carco, as borrower, and the United States Department of the Treasury (the "U.S. Treasury") and Export Development Canada ("EDC"), as lenders (collectively, the "DIP Lenders"), as amended, and related documents (collectively, the "DIP Credit Agreement"), up to a maximum aggregate amount of $4.96 billion. The DIP Financing Order also provided that the obligations under the DIP Credit Agreement were granted superpriority administrative expense status and secured by security interests in and liens on substantially all of the Debtors' unencumbered property, security interests in and junior liens on substantially all of the Debtors' encumbered property and security interests and liens that primed the obligations under the Owner's Loan Agreement and TARP Loan Agreement (each term as defined in the DIP Financing Order).

K. The Debtors' obligations under the DIP Credit Agreement are secured by a first priority perfected lien and security interest on: (a) the Liquidation Funds (as defined below), subject only to the rights of the taxing authorities subject to the Sales and Use Escrow as set forth in paragraph 21 of the Sale Order; and (b) the DIP Collateral (as defined below).

L. On June 1, 2009, the Bankruptcy Court issued the Final Order Under 11 U.S.C. §§ 105, 361, 362, 363 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing Debtors to Use Cash Collateral and (II) Granting Adequate Protection to Prepetition Secured Parties (Docket No. 3127) (the "Cash Collateral Order"). Pursuant to the Cash Collateral Order,

among other things, the Debtors were authorized to use cash collateral that secured the obligations of the Debtors under the Amended and Restated First Lien Credit Agreement, dated as of November 29, 2007 (as may be amended, restated, supplemented or otherwise revised from time to time, and together with all restated agreements and documents, the "First Lien Credit Agreement" and the lenders party thereto, the "First Lien Lenders") in accordance with a budget and on the terms and conditions set forth in the Cash Collateral Order. The Debtors' rights to use cash collateral of the First Lien Lenders terminated on or about July 3, 2009.

M. Pursuant to paragraph 19 of the Cash Collateral Order, the Creditors' Committee reserved certain rights (the "Challenge Rights") with respect to, among other things, sections 506(c) and 552(b) of the Bankruptcy Code, including the right to initiate a proceeding to challenge whether the First Priority Agent, the Collateral Trustee and the Secured Parties (each term as defined in or pursuant to the Cash Collateral Order) had a valid, perfected and unavoidable security interest to all or any portion of the Prepetition First Lien Collateral (as defined in the Cash Collateral Order) to which not less than $2 billion in cash of the purchase price of the Fiat Transaction was allocated as proceeds of the First Lien Lenders' collateral.

N. Pursuant to the terms of this Agreed Order, the Creditors' Committee has agreed to waive its Challenge Rights, including, without limitation, the Creditors' Committee's rights to challenge the liens with respect to the approximately 7,600 Chrysler-, Dodge- and Jeep-branded vehicles owned by the Debtors as of the Closing Date that previously were designated for use for various company purposes and the proceeds thereof (collectively, but excluding any lease revenue associated therewith, the "Company Cars").

O. Prior to the Petition Date, on December 31, 2008, the U.S. Treasury entered into the Loan and Security Agreement, as it may be amended, supplemented or modified

from time to time, with Chrysler Holding LLC, as borrower, that was guaranteed by CarCo Intermediate HoldCo I LLC, CarCo Intermediate HoldCo II LLC, Old Carco and certain of Old Carco's domestic subsidiaries, providing for up to $4 billion (later increased to more than $5 billion) in secured financing (together with any amendments, the "TARP Loan"). In connection therewith, Chrysler Holding LLC provided to the U.S. Treasury a promissory note in the amount of $267 million (the "TARP Promissory Note" and, together with the TARP Loan, the "TARP Financing") dated December 31, 2008, which was guaranteed by CarCo Intermediate HoldCo I LLC, CarCo Intermediate HoldCo II LLC, Old Carco and certain of Old Carco's domestic subsidiaries.

Liquidation Funds

P. Pursuant to Section 5.20 of the DIP Credit Agreement, the parties agreed that not less than $260 million (the "Winddown Funds") of the DIP Financing would be maintained to fund the winddown of the Debtors' estates (in an amount to be agreed upon by the U.S. Treasury), including the consummation of a plan of liquidation under chapter 11 of the Bankruptcy Code (a "Plan"). See also Sale Opinion, at 12, fn. 12.

Q. In furtherance of the Fiat Transaction, Winddown Funds in the amount of $113 million were deposited in dedicated accounts as follows:

(a) As required by paragraph 21 of the Sale Order, $63 million was deposited in escrow account no. 144025784 with JPMorgan Chase Bank N.A. to be used to satisfy certain sales and use taxes, Michigan business taxes and other taxes owed to state and local taxing authorities in the United States in respect of any of the Debtors and not covered by paragraph 20 of the Sale Order (the "Sales and Use Escrow"); and

(b) $50 million was deposited in segregated account no. 359681267753 (the "Segregated Tax Account") with KeyBank National Association ("KeyBank") to satisfy certain taxes triggered by the Fiat Transaction, including Canadian withholding tax, U.S. income tax and taxes giving rise to personal liability for the Debtors' employees, officers and directors.

R. The remaining $147 million of the Winddown Funds (the "Additional Winddown Funds") was deposited in a separate account with KeyBank.

S. In addition to the Winddown Funds, $42 million from the DIP Financing (the "Prefunded Amount") was deposited in dedicated accounts as follows:

(a) $30 million was deposited in escrow account no. 359681263786 with KeyBank to satisfy a portion of the professional fees that incurred prior to the consummation of the Fiat Transaction (the "Fee Escrow"); and

(b) $12 million was deposited in escrow account no. 359681263760 with KeyBank to satisfy certain unpaid incentives owed to former dealers of the Debtors whose agreements with the Debtors were rejected pursuant to the Dealer Rejection Order (the "Dealer Escrow").

The Prefunded Amount and the Winddown Funds are referred to herein collectively as the "Liquidation Funds."

T. From and after the Closing Date through the entry of this Agreed Order, and with the approval of the DIP Lenders, the Debtors have used certain of the Liquidation Funds to pay the costs of administering their estates (the "Post-Closing Expenditures").

U. All of the DIP Lenders' liens, rights, claims and other interests as set forth in the DIP Financing Order, the DIP Credit Agreement and the Loan and Security Agreement dated December 31, 2008, whether prepetition or postpetition, are valid and enforceable and will remain in effect with respect to the Liquidation Funds until such funds are used by the Debtors, the Bankruptcy Court orders otherwise or a Plan has been consummated that provides for different treatment.

DIP Collateral

V. Attached hereto as Exhibit A and incorporated herein by reference is a nonexclusive schedule (the "Collateral Schedule") identifying, by category under the column labeled "UST," the assets (or proceeds thereof) that constitute the collateral of the DIP Lenders

that were (1) in the Debtors' estates as of September 1, 2009 and (2) for which the DIP Lenders have a first priority lien under the DIP Credit Agreement, subject to any Permitted Liens (as defined below) (collectively with the Liquidation Funds, the "DIP Collateral"). For the avoidance of doubt, the Collateral Schedule also identifies, under a column labeled "1st Lien," the categories of assets in the Debtors' estates for which the First Lien Lenders have a first priority lien under the First Lien Credit Agreement, subject to any tax liens and other permitted liens thereunder, and subject to the DIP Lenders' rights to confirm that none of the First Lien Lenders' liens in any of the First Lien Collateral listed on the attached Exhibit B shall have been released, in whole or in part, as of the Petition Date on the terms and conditions set forth in paragraph 6 of the First Lien Winddown Order (as defined below). The Collateral Schedule is identical to the schedule attached to the First Lien Winddown Order.

W. If, after the entry of this Agreed Order, additional assets are identified as DIP Collateral or First Lien Collateral (as defined below) outside of categories identified on the Collateral Schedule or if assets are identified as DIP Collateral or First Lien Collateral are determined by this Court (prior to any distribution of the proceeds of such assets to the DIP Lenders or First Lien Agent) not to be DIP Collateral or First Lien Collateral (as applicable), the Collateral Schedule may be amended or supplemented by the Debtors on notice to all of the parties on the General Service List and the Special Service List in the Debtors' chapter 11 cases and any other party known to have a particular interest in the property at issue (collectively, the "Notice Parties") and by express notice to the DIP Lenders and the First Lien Lenders. If no objection to such a notice is filed with the Court within ten days after service, the Collateral Schedule will be deemed amended or supplemented as proposed. If an objection is timely filed by any of the Notice Parties, such objection may be scheduled to be heard and determined by the

Court unless otherwise resolved by agreement of the objecting party, the Debtors, the DIP Lenders and the First Lien Agent.

X. The DIP Lenders have valid, perfected, unavoidable, first priority security interests in and to the DIP Collateral (the "DIP Lender Security Interests"), subject only to any tax liens and other permitted liens under the DIP Credit Agreement (collectively, the "Permitted Liens"). But for the waiver of the Challenge Rights as set forth herein, the DIP Lender Security Interests would have included the proceeds (if any) of any Challenge Rights that could have been initiated.

Dealer Rejection Order

Y. On June 9, 2009, the Bankruptcy Court entered the Order, Pursuant to Sections 105 and 365 of the Bankruptcy Code and Bankruptcy Rule 6006, (A) Authorizing the Rejection of Executory Contracts and Unexpired Leases with Certain Domestic Dealers and (B) Granting Certain Related Relief (Docket No. 3802) (the "Dealer Rejection Order").

Daimler Litigation and
Creditors' Committee's Contingency Fee Counsel

Z. On August 17, 2009, the Creditors' Committee commenced Adversary Proceeding Case No. 09-00505-AJG, styled The Official Committee of Unsecured Creditors of Old Carco LLC (f/k/a Chrysler LLC) v. Daimler AG (f/k/a DaimlerChrysler AG), *et al.* (the "Daimler Litigation") in the Bankruptcy Court in accordance with the Order Authorizing the Official Committee of Unsecured Creditors to Pursue Certain Claims on Behalf of the Estate of Debtor Old Carco LLC (Docket No. 5151).

AA. On August 13, 2009, the Creditors' Committee filed the Application of the Official Committee of Unsecured Creditors Pursuant to Sections 328 and 1103 of the Bankruptcy Code Authorizing the Retention of Stutzman, Bromberg, Esserman & Plifka, PC and Susman

Godfrey L.L.P., as Special Counsel to the Committee, *Nunc Pro Tunc* to August 13, 2009 (Docket No. 5161), seeking to retain Stutzman, Bromberg, Esserman & Plifka, PC and Susman Godfrey L.L.P. (collectively, "Contingency Fee Counsel") as counsel to prosecute the Daimler Litigation on a contingency fee basis.

Fee Applications of Creditors' Committee's Professionals

BB. On October 14, 2009, the U.S. Treasury filed: (a) a Notice of United States Department of the Treasury's Omnibus Reservation of Rights with Respect to the August Monthly Fee Statements of Kramer Levin Naftalis & Frankel LLP, Mesirow Financial Consulting, LLC and Pachulski Stang Ziehl & Jones LLP as Advisors to the Official Committee of Unsecured Creditors (Docket No. 5752); and (b) a Limited Objection of the United States Department of Treasury to the First Interim Applications of Kramer Levin Naftalis & Frankel LLP, Mesirow Financial Consulting, LLC and Pachulski Stang Ziehl & Jones LLP as Advisors to the Official Committee of Unsecured Creditors (Docket Nos. 5757 and 5761) (together, the "Committee Professionals Objections") with respect to the first interim fee applications of Kramer Levin Naftalis & Frankel LLP, Mesirow Financial Consulting, LLC and Pachulski Stang Ziehl & Jones LLP (collectively, the "Committee Interim Fee Applications").

CC. Upon entry of this Agreed Order, the U.S. Treasury hereby withdraws the Committee Professional Objections with prejudice and consents to the payment of such allowed fees and expenses requested in the Committee Interim Fee Applications (subject to any Court-ordered holdbacks).

Fee Orders of the Debtors' Professionals

DD. On October 27, 2009, this Court entered: (1) the Order Approving First Interim Application of Jones Day, Counsel for the Debtors, for Allowance of Compensation for Professional Services Rendered and for Reimbursement of Actual and Necessary Expenses

(Docket No. 5853) (the "Jones Day Fee Order"); and (2) the Order Approving First Interim Application of Capstone Advisory Group, LLC, as Financial Advisors for Debtors and Debtors in Possession, for Allowance of Compensation for Professional Services Rendered and for Reimbursement of Actual and Necessary Expenses Incurred for the Period April 30, 2009 Through August 31, 2009 (Docket No. 5852) (the "Capstone Fee Order" and, together with the Jones Day Fee Order, the "Fee Orders").

Liquidation of First Lien Lenders' Collateral

EE. The Debtors and the First Lien Lenders have agreed to the terms of an agreed order for the use of the First Lien Lenders' cash collateral (the "First Lien Winddown Order"). By the First Lien Winddown Order, among other things, the First Lien Lenders have agreed to terms and conditions for the funding of the winddown of the assets (including proceeds thereof) that constitute the collateral of the First Lien Lenders that were (1) in the Debtors' estates as of September 1, 2009 and (2) for which the First Lien Lenders have a first priority lien under the First Lien Credit Agreement, subject to any Permitted Liens (as defined in the First Lien Winddown Order) (collectively, the "First Lien Collateral"), and the Debtors have agreed to cooperate with the First Lien Agent in the liquidation of the First Lien Collateral and the periodic distribution of the proceeds thereof to the First Lien Agent.

Agreements for the Use of the DIP Lenders' Cash Collateral

FF. This Agreed Order provides for the terms and conditions for the use of the Liquidation Funds, which constitute the DIP Lenders' collateral, in connection with the winddown of the Debtors' estates, other than the liquidation or disposition of the First Lien Collateral. In particular, the DIP Lenders have consented to the use of the Liquidation Funds by

the Debtors or the Liquidation Trustee (as defined below), as applicable, on the terms set forth herein.

GG. The terms of the use of the Liquidation Funds in accordance with this Agreed Order: (1) are fair and reasonable; (2) reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties; and (3) constitute reasonably equivalent value and fair consideration.

HH. This Agreed Order and the terms of the use of the Liquidation Funds as set forth herein have been the subject of extensive negotiations conducted in good faith and at arm's length among the Debtors, the U.S. Treasury, EDC, the Creditors' Committee and the First Lien Agent. Pursuant to sections 105, 361 and 363 of the Bankruptcy Code, the DIP Lenders are hereby found to be entities that have acted in "good faith" in connection with the negotiation and entry of this Agreed Order.

II. The Debtors have requested entry of this Agreed Order as a final order pursuant to, among others, Bankruptcy Rule 4001(b)(2) and Local Bankruptcy Rule 4001-2. The use of the Liquidation Funds in accordance with this Agreed Order is in the best interests of the Debtors' estates.

JJ. The DIP Lenders are entitled, pursuant to sections 361 and 363(c)(2) of the Bankruptcy Code, to adequate protection of their interests in the Liquidation Funds. The terms and conditions for the use of the Liquidation Funds hereunder, including the provisions for the payment of certain Liquidation Funds to the DIP Lenders, together with the other terms of this Agreed Order, provide adequate protection of the DIP Lenders' interests in and to the Liquidation Funds. The DIP Lenders have agreed to the adequate protection hereunder.

Liquidation of DIP Collateral

KK. The DIP Lenders have agreed to the terms and conditions for the winddown of the DIP Collateral set forth herein. So long as the DIP Collateral remains property of the Debtors' estates, the Debtors will seek to liquidate, dispose of or otherwise administer such property, and the DIP Lenders will fund such activities, subject to the terms of this Agreed Order.

Settlement

LL. The resolution and settlement of the winddown matters in accordance with this Agreed Order: (1) are fair and equitable; and (2) in the best interests of the Debtors' estates and creditors.

NOW, THEREFORE, THE PARTIES FURTHER AGREE, AND THE COURT HEREBY ORDERS THAT:

1. Authority to Use Liquidation Funds. The Motion is GRANTED as set forth herein, and the Objection is OVERRULED. To assist the Debtors in completing the winddown of their estates and confirming and implementing a Plan, the Debtors (and, as applicable, the Liquidation Trustee) are hereby authorized to use the Liquidation Funds in the manner described herein, and solely for the purposes set forth herein. The Debtors' prior Post-Closing Expenditures of the Liquidation Funds are hereby approved and ratified in all respects.

2. Use of Liquidation Funds. On the Settlement Effective Date (as defined below), the winddown of the Debtors' estates shall be funded from the Liquidation Funds as follows, to the extent not previously funded:

(a) Four tax trust accounts for tax liabilities (collectively, the "Tax Trust Accounts") shall be established or maintained, as follows:

i. A priority claim trust account in the amount of $21 million shall be established and funded from the Additional Winddown Funds for the

purpose of paying claims entitled to priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code;

ii. The Segregated Tax Account shall continue be used for the purposes for which it was established;

iii. The Sales and Use Escrow shall continue to be used solely for the purposes for which it was established, consistent with the terms of the Sale Order; and

iv. A property tax trust account in the amount of $14 million shall be established and funded from the Additional Winddown Funds to pay and satisfy (A) the Debtors' allocated portion of the 2009 Property Taxes (as such term is defined in the Sale Order) consistent with paragraph 20 of the Sale Order and (B) other secured property taxes on the DIP Collateral (but not for use to pay any secured property taxes relating to the First Lien Collateral).

(b) $10 million from the Additional Winddown Funds has been or will be added to the Fee Escrow, to be used solely for the purposes for which the Fee Escrow was established — i.e., to satisfy professional fees incurred by the Debtors' estates prior to the Closing Date that are, or shall be, approved by the Bankruptcy Court.

(c) $4 million from the Additional Winddown Funds has been or will be added to the Dealer Escrow, to be used solely for the purposes for which the Dealer Escrow was established — i.e., to satisfy certain unpaid incentives owed to former dealers of the Debtors whose agreements with the Debtors were rejected pursuant to the Dealer Rejection Order.

(d) A winddown trust account (the "Winddown Fee Trust Account") shall be established and funded with $30 million of the Additional Winddown Funds, to be used exclusively to fund the fees, costs and expenses of (i) Capstone Advisory Group, LLC ("Capstone"), (ii) Jones Day, (iii) Togut, Segal & Segal, LLP ("Togut") and (iv) Cahill Gordon & Reindel, LLP ("Cahill"), professional advisors to the Debtors, for the period from and after September 1, 2009. Of the funds in the Winddown Fee Trust Account, (i) $15 million shall be designated for Capstone and (ii) $15 million shall be designated, collectively, for Jones Day, Togut and Cahill, and no additional Liquidation Funds shall be used for payment of Capstone's, Jones Day's, Togut's or Cahill's fees, costs and expenses for the period from and after September 1, 2009, except in the case of any extraordinary or unanticipated activities, including any material litigation or any adjudication of objections to general unsecured proofs of claim beyond standard omnibus objections (collectively, such excepted amounts, the "Additional Debtor Professional Fees").

(e) A trust account in an amount to be determined shall be established and funded for additional administrative closing costs in completing the winddown (the "Additional Winddown Cost Escrow") and, together with the Tax Trust Accounts, the Fee Escrow, the Dealer Escrow and the Winddown Fee Trust Account, the "Trust Accounts"), including:

i. Professional fees and expenses for the period from and after the Closing Date of the Fiat Transaction through August 31, 2009, *provided that* no portion of the Additional Winddown Cost Escrow shall be used to pay any of the fees, costs or expenses of the Debtors' professionals for activities solely relating to the liquidation of the First Lien Collateral;

ii. Professional fees and expenses for the period from and after September 1, 2009 incurred by: (A) the Creditors' Committee, excluding any fees and expenses for the Daimler Litigation, up to a maximum amount of $1 million (the "Committee Post-August 2009 Fees and Expense Fund"), *provided, however*, that the Committee Post-August 2009 Fees and Expenses Fund shall be segregated from the other funds in the Additional Winddown Cost Escrow and shall be used exclusively to fund the fees and expenses of the Creditors' Committee, excluding any fees and expenses for the Daimler Litigation, until those fees and expenses are satisfied; (B) the Debtors' professionals other than Capstone, Jones Day, Togut and Cahill; and (C) Capstone, Jones Day, Togut and Cahill to the extent that such fees and expenses constitute Additional Debtor Professional Fees;

iii. Expenses of the U.S. Treasury's and EDC's professionals;

iv. U.S. Trustee fees;

v. Salaries and benefit costs for Old Carco's officers and board of managers, including in particular (A) the salary, fees and/or benefits due to Ronald E. Kolka, Old Carco's Chief Executive Officer; and (B) the compensation for each member of Old Carco's board of managers in the amount of $16,667 per month for the period from and after the Closing Date;

vi. The costs of preserving and liquidating the DIP Collateral;

vii. Unanticipated administrative expenses (including environmental costs) and other ordinary course administrative costs not separately identified herein; and

viii. Expenses incurred after the effective date of the Plan (the "Plan Effective Date") by the Liquidation Trust.

Any previous funding of any of the foregoing amounts is hereby ratified and approved. As soon

as practicable, but in no event later than December 9, 2009, the Debtors shall file with the Court a notice identifying the amount of the Additional Winddown Cost Escrow agreed upon by the Debtors and the DIP Lenders and any agreed adjustments to the other amounts set forth above.

3. No Liquidation Funds for Liquidation of First Lien Collateral or Daimler Litigation. For the avoidance of doubt, none of the Liquidation Funds shall be used to fund (a) activities solely related to the liquidation of any of the First Lien Collateral or (b) any fees and expenses of the Creditors' Committee or its professionals in connection with the Daimler Litigation ("Daimler Litigation Costs"), *provided that* the Creditors' Committee's professionals fees and expenses related to the investigation of Daimler for the period prior to September 1, 2009 that were requested pursuant to the Committee Interim Fee Applications will be funded from the Liquidation Funds other than the Trust Accounts and will be reimbursed to the DIP Lenders from the Remaining Share (as defined below) of the Car Proceeds, as described in paragraph 9 below.

4. Liquidation of DIP Collateral. The Debtors shall administer and liquidate the DIP Collateral in accordance with the requirements, conditions and restrictions of bankruptcy law and other applicable law. With respect to any transaction involving the sale of DIP Collateral, the DIP Lenders may credit bid on any DIP Collateral pursuant to section 363(k) of the Bankruptcy Code.

5. Payments to the DIP Lenders. Unless the Debtors and the DIP Lenders agree otherwise, the DIP Lenders shall be entitled to the following payments:

(a) Any Liquidation Funds remaining after the Debtors fund the Trust Accounts shall be indefeasibly paid to the DIP Lenders on the Plan Effective Date**;**

(b) Upon the sale of any of the DIP Collateral, any net proceeds (after paying closing costs, including transfer taxes) shall be indefeasibly paid to the DIP Lenders;

(c) Any funds remaining in any Trust Accounts after they are used for their designated purposes;

(d) After the Bankruptcy Court has entered an order closing the Debtors' chapter 11 cases and the Liquidation Trust has been fully administered, the Liquidation Trustee shall pay any remaining Liquidation Funds to the DIP Lenders; and

(e) Upon the conversion or dismissal of the Debtors' chapter 11 cases, any Liquidation Funds after payment of incurred professional fees and other chapter 11 administrative costs shall be paid to the DIP Lenders.

6. DIP Lenders' Information Rights. The Debtors or, after the Plan Effective Date, the Liquidation Trustee shall provide the DIP Lenders with (a) a monthly report of winddown expenses paid and the amounts remaining in each individual Trust Account and (b) a periodic report of the status of the DIP Collateral, which reports will be in form reasonably acceptable to the U.S. Treasury.

7. Challenge Rights. Consistent with, and effective upon entry of, the First Lien Winddown Order, the Creditors' Committee hereby waives and extinguishes its Challenge Rights under paragraph 19 of the Cash Collateral Order —including, without limitation, any rights of the Creditors' Committee to challenge the liens on the Company Cars or to assert claims under section 506(c) or 552(b) of the Bankruptcy Code.

8. Avoidance Actions and Daimler Litigation; Release of Liens.

(a) The DIP Lenders shall retain their liens on the proceeds of any avoidance actions; *provided, however,* that subject to the satisfaction of the conditions set forth herein, the DIP Lenders shall release their liens to the Debtors' estates (or the Liquidation Trust, as defined below), and release all of their claims, on any proceeds actually received by the Debtors' estates

(or the Liquidation Trust or other successor) on account of the Daimler Litigation (the "Daimler Proceeds").

(b) Upon the release of the DIP Lenders' liens and the release of their claims, the Daimler Proceeds shall be available only to (i) pay any fees and out-of-pocket costs, disbursements and litigation expenses of Contingency Fee Counsel, expert witnesses and other non-legal professionals with respect to the Daimler Litigation that are approved by the Bankruptcy Court; (ii) pay other administrative expenses and priority claims of the Debtors' estates; and (iii) make *pro rata* distributions under the Plan to creditors holding general unsecured nonpriority claims against the Debtors.

9. Proceeds of Company Cars.

(a) Consistent with the First Lien Winddown Order and subject to paragraph 10 below, the net proceeds from the liquidation or other disposition of the Company Cars (the "Car Proceeds") shall be treated as follows: (i) 80% of the Car Proceeds (the "First Lien Share") shall promptly be indefeasibly paid by the Debtors to the First Lien Agent pursuant to the First Lien Winddown Order; and (ii) 20% of the Car Proceeds (the "Remaining Share") shall be paid by the Debtors promptly and indefeasibly as set forth below. The first $3.6 million of the Remaining Share shall be indefeasibly paid to the DIP Lenders to reimburse them for the funding of the costs of the Creditors' Committee's investigation of Daimler. The remainder of the Remaining Share (the "Net Remaining Share") shall be distributed by the Debtors as follows: (i) 80% of the Net Remaining Share shall promptly be indefeasibly paid to the DIP Lenders; and (ii) 20% of the Net Remaining Share shall be transferred to the Daimler Fund (as defined in the First Lien Winddown Order) for the benefit of the Creditors' Committee free and clear of all liens and claims, including the DIP Lenders' liens and claims (the "Committee Car Proceeds").

(b) The Car Amounts, as defined in both Fee Orders, shall be paid from the proceeds of the Company Cars before distribution to the First Lien Agent or any other party under subsection (a) above.

(c) Other than the Car Amounts addressed in subsection (b) above, (a) 80% of all Company Car Costs (as defined below) shall be paid by the First Lien Agent from the First Lien Share or other Cash Collateral (but not from the DIP Collateral); and (b) 20% of all Company Car Costs will be paid from the Net Remaining Share or other DIP Collateral (but not from the First Lien Collateral or the First Lien Lenders' cash collateral), pursuant to a mechanism to be agreed upon by the parties.

(d) As used herein, "Company Car Costs" shall mean the actual out-of-pocket costs (including the reasonable fees and expenses of the Debtors' professionals) incurred by the Debtors for the purpose of liquidating (or otherwise disposing of) or preserving the Company Cars. For the avoidance of doubt, the waiver or the Creditors' Committee's Challenge Rights in paragraph 7 above shall include its Challenge Rights (if any) with respect to the Company Cars.

10. Conditions to Release of Liens on Daimler Proceeds. The DIP Lenders' will release their lien on any Daimler Proceeds and the Committee Car Proceeds *only if*:

(a) The Creditors' Committee supports any Plan consistent with the terms set forth herein that is proposed by the Debtors and supported by the DIP Lenders and the First Lien Lenders;

(b) General unsecured creditors vote in favor of the Plan; and

(c) The Creditors' Committee agrees not to, and does not: (i) move to dismiss the Debtors' chapter 11 cases; (ii) move to convert these cases to cases under chapter 7 of the Bankruptcy Code; or (iii) support any such request of any other party in interest in these chapter 11 cases.

11. Liquidation Trusts. It is anticipated that the Plan will provide for the liquidation of the Debtors' estates through the establishment of one or more liquidation trusts or

similar vehicle(s) (collectively or individually, the "Liquidation Trust") under the supervision of one or more trustees (collectively or individually, the "Liquidation Trustee"). Pursuant to the terms of the Plan, and subject to the terms of the First Lien Winddown Order, the Liquidation Trust will, among other things, (a) hold and administer the Trust Accounts, any recovery actions (which may include the Daimler Litigation) and other assets of the Debtors' estates; (b) administer and liquidate assets, as necessary or appropriate; and (c) distribute the Trust Accounts' assets and the proceeds of other assets in accordance with the Plan.

12. Transfer of the Trust Accounts to the Liquidation Trust. On the Plan Effective Date, the Trust Accounts will be transferred to the Liquidation Trust and shall be administered by the Liquidation Trustee.

13. Professionals. The Debtors shall continue to utilize the services of their retained professionals to assist in the winddown of their estates. These retained professionals shall be paid for their ongoing services in accordance with this Agreed Order and subject to this Bankruptcy Court's orders approving such professionals' fee requests.

14. Releases. The Creditors' Committee and the DIP Lenders agree not to oppose a release by the Debtors, their estates, their respective successors, assigns and any and all entities who may purport to claim by, through, for or because of them of the Debtors' current and former directors and officers from all liabilities and obligations related to or arising in connection with the Debtors' chapter 11 cases, including the releases sought in the Governance Motion (which motion the DIP Lenders did not oppose), whether approval of such releases is sought pursuant to the Plan or otherwise.

15. Withdrawal of the U.S. Treasury Objection. The Committee Professional Objections filed by the U.S. Treasury are hereby withdrawn with prejudice.

16. Termination. The Debtors' rights to use the DIP Lenders' cash collateral as provided herein shall terminate as of March 31, 2010 (the "Termination Date") if the Plan has not been confirmed by that date; provided, however, that, notwithstanding any termination under this paragraph, the Debtors shall be permitted to use the Liquidation Funds in the Trust Accounts to pay any and all professional fees and other administrative costs incurred prior to the Termination Date, consistent with the other terms and conditions of this Agreed Order.

17. Retention of Jurisdiction. This Bankruptcy Court shall retain jurisdiction over all matters or disputes arising out of or in connection with this Agreed Order, including the implementation, enforcement or interpretation hereof.

18. Entire Agreement. This Agreed Order is the entire agreement between the parties hereto in respect of the subject matter hereof and may be executed by the parties in counterpart originals.

19. Effective Date. This Agreed Order shall constitute findings of fact and conclusions of law and shall take effect immediately upon entry (such date, the "Settlement Effective Date").

Dated: November 19, 2009
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

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