

**Agreement Regarding Post-June 30, 2007 Production at
U.S. and Mexican Plastics & Convertibles Plants of
Collins & Aikman Corporation (including its Affiliated Chapter 11 Subsidiaries and
Other Relevant Non-Debtor Subsidiaries and Affiliates, the “Supplier”)**

This is an agreement dated as of June 26, 2007 ("*Agreement*") among the Supplier, DaimlerChrysler Company LLC, f/k/a DaimlerChrysler Corporation and its undersigned affiliates (collectively, "*DCC*"), General Motors Corporation and its undersigned affiliates ("*GM*"), and JPMorgan Chase Bank, N.A., as agent under the Supplier's prepetition credit agreement (the "*Agent*"), relating to the continuation of operations at the Supplier's U.S. and Mexican Plastics & Convertibles Plants listed on Schedule 6 hereto (collectively, the "*Plants*") after June 30, 2007. This Agreement is subject to approval by the United States Bankruptcy Court for the Eastern District of Michigan Bankruptcy Court (the "*Bankruptcy Court*"), which is presiding over the chapter 11 cases of certain of the Supplier entities. The Supplier agrees to move promptly for Bankruptcy Court approval of this Agreement. Capitalized terms used herein without definition have the meanings ascribed thereto in the Customer Agreement (as amended, the "*Customer Agreement*") approved on a final basis by the Bankruptcy Court on January 11, 2007.

This Agreement shall be effective when executed and delivered by each of the parties hereto and is subject to approval by the Bankruptcy Court. If the Agreement is not approved by the Bankruptcy Court, (a) it shall be deemed in furtherance of settlement discussions, (b) entitled to the protections of Rule 408 of the Federal Rules of Evidence and any other applicable statutes or doctrines protecting the use or disclosure of confidential information and information exchanged in the context of settlement discussions, and (c) nothing herein shall be an admission of fact or liability or deemed binding on the Agent, the lender Steering Committee or any member thereof, the Supplier, DCC or GM.

I. Continued Application of Customer Agreement Provisions. The parties hereto agree that the provisions of the Customer Agreement shall continue to be applicable among them (notwithstanding the absence of any amendment to the Customer Agreement signed by all of the parties thereto)¹ with respect to production after June 30, 2007 at the Plants and the other matters covered by the Customer Agreement, subject to the changes set forth below in this Section I:

Customer Agreement Section	Amendment
4. Plastics & Convertibles Production Payments and Obligations	The budget set forth on Exhibit B to the Customer Agreement shall be amended as set forth on the attached <u>Schedule 1</u> (the " <i>Extended Production Budget</i> ") to ac-

¹ Ford will be offered the opportunity to continue to purchase any parts it requires from the Plants from July 1, 2007 through the Production End Date at the current price, including an appropriate surcharge.

	<p>count for production (“Extended Production”) of GM and DCC during the period from July 1, 2007 through the Production End Date (as defined below) at each of the Plants; <u>provided</u> that notwithstanding anything in the Customer Agreement to the contrary, (a) the Customer Agreement shall not require the Supplier to perform under any executory contract or unexpired lease to which any Debtor or its affiliates are a party after the Production End Date, (b) GM and DCC shall be responsible for all costs and liabilities relating to the Extended Production and payment of any amounts due under purchase orders issued by the Supplier in connection with the Extended Production and open as of the Production End Date, regardless of whether such cost and liabilities are correctly estimated or described in the Extended Production Budget, and (c) the Supplier’s obligations to provide parts production and continue employing plant level employees at each Plant terminates on the date (the “Production End Date”) which is the earliest to occur of (x) the Exit Date for such Plant, (y) if such Plant is a Cadence Plant (as defined below), the closing under the Cadence APA and (z) August 31, 2007. DCC and GM shall have the Customer Powers with respect to the Extended Production Budget.</p>
<p>5. Administration Expenses; Supplier’s and Agents’ Professional Fees and Expenses</p>	<p>The budget set forth on Exhibit C to the Customer Agreement shall be amended as set forth on the attached <u>Schedule 2</u> (the “Extended Administration Budget”) to reflect, with respect to the period from July 1, 2007 through August 31, 2007 (the “Extended Administration Period”), that:</p> <p>(a) if the Cadence Condition is Satisfied (as defined below) and the sale of the Carpets & Acoustics Division has not closed, DCC and GM shall pay their allocable share of 100% of the administration expenses and</p>

professional fees allocable to the Plastics & Convertibles Division of the types set forth on Exhibit C (net of any Actual Reimbursements (as defined below) of amounts otherwise allocable to the Plastics & Convertibles Division) relating to the Extended Administration Period, which allocations shall be performed in accordance with the allocation methodology set forth in Exhibit C applicable to pre-June 30, 2007 periods (the “*Exhibit C Methodology*”), except that the maximum amount of administration expenses allocable to the Supplier (other than Non-Allocable Administration Expenses (as defined below)) for any month during the Extended Administration Period shall not exceed \$250,000;

(b) if the Cadence Condition is Satisfied and the sale of the Carpets & Acoustics Division has closed, DCC and GM shall pay all of the administration expenses and the professional fees of the types set forth on Exhibit C (net of any Actual Reimbursements) which accrue thereafter and relate to periods during the Extended Administration Period, other than Non-Allocable Administration Expenses, except that the Supplier shall pay \$250,000 per month in the aggregate of professional fees during the Extended Administration Period; and

(c) if the Cadence Condition is Not Satisfied (as defined below), DCC and GM shall pay all of the administration expenses and the professional fees of the types set forth on Exhibit C (net of any Actual Reimbursements) relating to the Extended Administration Period, other than Non-Allocable Administration Expenses.

The “*Cadence Condition is Satisfied*” (i) if the Supplier enters into an asset purchase agreement or similar agreement with Cadence Innovation LLC or an affiliate (“*Ca-*

	<p><i>dence</i>”) on or before June 30, 2007² providing for the sale of a substantial portion of the Supplier’s Interiors Plastics business as a going concern (the “Cadence APA”), and for so long as (ii) the Cadence APA remains in full force and effect. In all other circumstances, the “Cadence Condition is Not Satisfied.” If the Cadence Condition is Satisfied but on any date thereafter (x) the Cadence APA is terminated, (y) the parties to this Agreement agree that the closing under the Cadence APA will not occur (such agreement not to be unreasonably withheld) or (z) Cadence provides to the Supplier written notice that it is not prepared to proceed with the transaction contemplated by the Cadence APA, then on such date and thereafter the Cadence Condition is Not Satisfied.</p> <p>“Actual Reimbursements” are any actual reimbursements of administration expenses incurred during the relevant period received from Cadence, the purchaser of the Plastics Exteriors business or the purchaser of the Hermosillo plant.</p> <p>“Non-Allocable Administration Expenses” are any administration expenses incurred during the relevant period and allocable, in accordance with the Exhibit C Methodology, to the Carpet & Acoustics Division, the Plastics Exteriors business or the Hermosillo plant, in each case before sale of such division, business or plant by the Supplier.</p> <p>Notwithstanding anything to the contrary in the Customer Agreement, the Supplier or the Post-Consummation Trust, as applicable, shall be obligated to provide administrative support to the Extended Production furnished pursuant to this Agreement to a</p>
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² This date shall be automatically extended up to July 6, 2007 if and for so long as the Supplier and Cadence continue to be engaged in good faith negotiations to enter into the Cadence APA.

date not later than the Production End Date.

DCC and GM shall be obligated to pay administration expenses and professional fees in accordance with Section 5 regardless of whether such amounts are correctly estimated or described in the Extended Administration Budget. Without limiting the generality of the foregoing sentence, the amounts set forth on Schedule 2 may be exceeded without regard to the Permitted Variance concept set forth in Section 5 of the Customer Agreement. The Supplier shall use reasonable commercial best efforts to reduce expenses and to consult with GM and DCC regarding the incurrence of any amounts materially in excess of the Extended Administration Budget or not within a described expense category.

DCC and GM shall reimburse the Supplier for all COBRA expenses (including without limitation, premiums, administrative charges payable to a plan administrator, and claims) incurred in keeping the Supplier's group health plans in effect during the Extended Administration Period, provided, however, that (x) DCC and GM shall not be obligated to reimburse the Supplier for any portion of any claim of a COBRA participant that is covered by applicable stop loss insurance, and (y) DCC's and GM's reimbursement obligations shall be net of the COBRA premiums received by the Supplier from the COBRA participants with respect to the Extended Administration Period.

The obligations of each of DCC and GM with respect to payment of administration expenses and professional fees shall continue to be incurred until the later of (i) the date on which the Supplier's obligation to produce parts for such Customer at all of the Plants has terminated and (ii) if such Customer has purchased a Plant pursuant to

	<p>a Purchase Request or Option under Section 26 below, August 31, 2007. Thereafter, no additional obligation on the part of such Customer with respect to payment of administration expenses and professional fees shall accrue hereunder.</p> <p>Any professional fees relating to the Extended Administration Period that are funded by DCC or GM and are thereafter disallowed or reduced shall be returned to the funding Customer or the Supplier's estate, as the case may be, in accordance with the same allocation pursuant to which the amounts were funded.</p>
7. Retention	As set forth in <u>Schedule 7</u> hereto.
9. Treatment of Customer Claims	GM and DCC each acknowledge that, as of the date of this Agreement, neither has an administrative claim of the type referenced in the proviso to the first sentence in the second full paragraph of Section 9 (which paragraph begins with the word "Notwithstanding"). Notwithstanding the foregoing, each of GM and DCC reserve the right to assert administrative expense claims, to the extent permitted by Section 9 of the Customer Agreement, in respect of claims arising from (a) events occurring after the date hereof and (b) defects in component parts discovered after the date hereof.
10. Sale Process	The Supplier, DCC, GM and the Agent agree that Exhibit G to the Customer Agreement shall be amended as set forth on <u>Schedule 3</u> hereto and the Determination Date has not occurred as of the date of hereof for the plants set forth on Schedule 3.
22. Supplier Tooling, Launch Cost and Capital Expenditure Obligations	Notwithstanding anything to the contrary in the Customer Agreement, the Supplier shall have no obligation to make any further capital expenditures funded by DCC or GM after June 30, 2007. In the event a DCC or GM does make a Cap-Ex Advance after June 30, 2007, such customer shall not be entitled to a PMSI, Junior Security

	<p>Interest or administrative claim.³</p> <p>The Supplier, GM and DCC agree to the terms set forth on <u>Schedule 4</u> with respect to the treatment of PMSIs.</p> <p>DCC agrees to resolve its outstanding tooling payables to and commercial issues with the Supplier in accordance with <u>Schedule 5</u>.</p>
25. General Provisions	<p>The Parties agree that “true-ups” referenced in Section 25 shall be performed for each Plant as of the earliest of (a) the termination of all production at such Plant, (b) the sale of such Plant pursuant to a Purchase Request or Option under Section 26 and (c) August 31, 2007; <u>provided, however</u> that there shall be an additional true-up for the Adrian Plant as of June 30, 2007.</p>
New Provisions:	
26. Put and Call Rights	<p>As set forth in <u>Schedule 8</u> hereto.</p>
27. Consistency	<p>To the extent other provisions of the Customer Agreement are not expressly modified by the foregoing changes are inconsistent with the terms of such changes, such provisions shall be deemed amended to be consistent with such changes.</p>

II. Other Provisions of this Agreement. The parties hereto agree to the following additional provisions:

Transition Services	<p>The parties acknowledge that it is their mutual intent to engage in good faith negotiations with respect to the provision of transition services by the Post-Consummation Trust established under the Plan to DCC and GM on a commercially reasonable basis, taking into consideration the personnel and other resources reasonably available to such Trust</p>
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³ If DCC or GM wishes for Cap-Ex to be made after June 30, 2007, that advance should be made directly by the affected Customer at its own risk (e.g. by purchasing the subject equipment).

	to provide such services.
General Provisions	<p>Nothing herein shall be construed to relieve any Customer of its obligations under the Customer Agreement.</p> <p>The provisions contained under the following headings in Section 25 of the Customer Agreement shall apply to this Agreement <i>mutatis mutandis</i>: Several Liability; Authorization and No Conflict; Cooperation; Waivers and Amendments; Successors and Assigns; Notices (with the changes noted below); No Intended Third Party Beneficiary; Counterparts; Entire Agreement; Conflicts; Ambiguous Language; Governing Law and Forum; Consultation with Counsel; and Waiver of Jury Trial.</p> <p>The contact information for the Notices provision is changed to read as follows:</p> <p><i>If to DCC:</i></p> <p>DaimlerChrysler Company LLC CIMS 483-00-90 800 Chrysler Drive Auburn Hills, Michigan 48326-2757 Attention: Jim Clough Facsimile: (248) 576-8554</p> <p>With a copy to:</p> <p>DaimlerChrysler Company LLC CIMS 485-13-32 1000 Chrysler Drive Auburn Hills, Michigan 48326-2766 Attention: Kim R. Kolb, Esq. Facsimile: (248) 512-4885</p> <p>and:</p> <p>Dickinson Wright PLLC 500 Woodward Avenue Suite 4000 Detroit, Michigan 48226 Attention: James A. Plemmons, Esq. Facsimile: (313) 223-3598</p>

If to GM:

General Motors Corporation
30009 Van Dyke Road
Mail Code 480-206-136
Warren, Michigan 48090-9025
Attention: Mark W. Fischer
Facsimile: (586) 575-3404

With a copy to:

Honigman Miller Schwartz and Cohn LLP
2290 First National Building
660 Woodward Avenue
Detroit, Michigan 48226
Attention: Robert B. Weiss, Esq.
Facsimile: (313) 465-7597

If to the Supplier:

Collins & Aikman
26553 Evergreen Road, Suite 900
Southfield, Michigan 48076
Attention: General Counsel
Facsimile: (248) 824-1882

With a copy to:

Carson Fischer, PLC
4111 Andover Road West
Second Floor
Bloomfield Hills, Michigan 48302-1924
Attention: Joseph M. Fischer, Esq.
Facsimile: (248) 644-1832

and:

Kirkland & Ellis LLP
200 East Randolph Drive
Chicago, Illinois 60601
Attention: Ray C. Schrock, Esq.
Facsimile: (312) 861-2200

If to the Agent:

JPMorgan Chase Bank, N.A.
277 Park Avenue, 8th Floor
New York, New York 10172
Attention: Ann Kurinkas
Facsimile: (212) 622-4556

	<p>with a copy to:</p> <p>Wachtell, Lipton, Rosen & Katz 51 West 52nd Street New York, New York 10019-6150 Attention: Harold S. Novikoff, Esq. Facsimile: (212) 403-2249</p> <p>and</p> <p>Dykema Gossett, PLLC 39577 Woodward Avenue Bloomfield Hills, Michigan 48304 Attention: Ronald L. Rose, Esq. Facsimile: (248) 203-0763</p>
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[Signature page follows]

GENERAL MOTORS CORPORATION
for itself and on behalf of GM de Mexico S. de
R.L. de C.V.

By: _____

Its: _____

DAIMLERCHRYSLER COMPANY LLC
f/k/a DAIMLERCHRYSLER CORPORATION
for itself and DaimlerChrysler Motor Company, LLC

By: _____

Its: _____

COLLINS & AIKMAN CORPORATION
for itself and including its affiliated chapter 11
debtors

By: _____

Its: _____

JPMORGAN CHASE BANK, N.A.
as Administrative Agent under the
Prepetition Credit Agreement

By: _____

Its: _____

*Signature Page to Agreement Regarding Post-June 30, 2007 Production at
U.S. and Mexican Plastics & Convertibles Plants of Collins & Aikman Corporation*