

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

INTERNATIONAL UNION, UNITED)	
AUTOMOBILE, AEROSPACE, AND)	
AGRICULTURAL IMPLEMENT)	
WORKERS OF AMERICA; and EARL L.)	
HENRY, BONNIE J. LAURIA, RAYMOND)	
B. BAILEY, THEODORE J. GENCO,)	
MARVIN C. MARLOW, CHARLES R.)	Case No: 05-73991
MILLER, AND LAVERNE M. SORIANO, on)	
behalf of themselves and all other persons)	
similarly situated,)	Hon. Robert H. Cleland
)	Magistrate Judge Virginia M. Morgan
PLAINTIFFS,)	
)	CLASS ACTION
v.)	
)	
GENERAL MOTORS CORPORATION,)	
)	
DEFENDANT.)	

**IMPORTANT NOTICE ABOUT HEALTH CARE BENEFITS
FOR GM/UAW RETIREES AND THEIR FAMILIES**

You should read this Notice carefully if You were, as of November 11, 2005:

1. A *GM/UAW hourly employee* who had retired from GM with eligibility to participate in retirement in the GM Health Care Program for Hourly Employees; or
2. The *spouse, surviving spouse, or dependent* of a GM/UAW hourly employee who, as of November 11, 2005, was eligible for post-retirement or surviving spouse health care coverage under the GM Health Care Program for Hourly Employees as a consequence of a GM/UAW hourly employee's retirement from GM or death prior to retirement.

This Notice is about your rights to receive retiree health care benefits from GM, and about a proposed settlement of a lawsuit that may affect those rights.

THE PURPOSE OF THIS NOTICE

This is an official Notice from the United States District Court for the Eastern District of Michigan, Southern Division. There is a class action lawsuit pending in this Court and a proposed Settlement Agreement of that lawsuit has been presented to the Court for approval. If you fit within any part of the definition in the preceding section, you are part of the class, a “Class Member.”

The Court has granted preliminary approval to the Settlement Agreement and has scheduled a Hearing where Class Members can give their views on the proposed settlement. The Settlement Agreement will not take effect unless the Court decides, after that Hearing, that the Settlement Agreement is fair to the Class and should be finally approved. The Court has not yet made that decision. If the Court does give final approval to the Settlement Agreement, the Agreement will affect the rights of all members of the Class.

This Notice explains the Settlement Agreement so that you can decide whether you want to object to the Settlement Agreement and ask the Court not to approve it. This Notice also explains what you must do if you want to make such an objection. If you do not object to the Settlement Agreement, you do not need to do anything.

NATURE OF THE LAWSUIT

Through what is called the GM Health Care Program for Hourly Employees or the “Current GM Plan,” GM currently provides health care benefits to persons who are eligible former employees who were represented by the UAW and who are retired, and to the spouses, surviving spouses, and dependents of former GM employees represented by the UAW who are eligible for post-retirement or surviving spouse health care coverage under the Current GM Plan. This case arises from GM’s decision to unilaterally modify those retiree health care benefits. The lawsuit was filed in October 2005 by two GM retirees — Earl Henry and Bonnie Lauria — and by the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (the “UAW”). Four additional GM retirees — Raymond B. Bailey, Theodore J. Genco, Marvin C. Marlow, and Charles R. Miller — and one surviving spouse of a GM retiree, Laverne M. Soriano, have joined the lawsuit since its filing. The UAW and the retirees who filed the lawsuit are the Plaintiffs.

The Plaintiffs allege in the lawsuit that hourly health care benefits in retirement are vested and unalterable, which, if they are correct, means that GM cannot unilaterally modify or change them. GM denies that health care benefits in retirement are vested or unalterable, claiming that it has expressly reserved the right to change retiree health care benefits and that it must do so to address GM’s rising health care costs and financial crisis. GM maintains that failure to implement changes to retiree health care coverage will have serious adverse financial and business consequences for GM.

The Court has not decided which of the parties is right concerning GM’s obligations, if any, to provide health care benefits to GM retirees, their spouses, surviving spouses, and dependents. However, the Plaintiffs and GM have reached a compromise and have asked the

Court to approve a Settlement Agreement that would resolve the case without a Court ruling on GM's obligations.

THE CLASS

The Court has ruled that for purposes of considering the proposed Settlement Agreement, this lawsuit will be certified as a class action on behalf of all former GM hourly employees who were represented during their employment by the UAW in collective bargaining and who were retired from GM as of November 11, 2005 under circumstances that made them eligible in retirement to participate in the GM Health Care Program for Hourly Employees, along with the spouses, surviving spouses and dependants of former GM employees who were represented by the UAW and who were eligible for post-retirement or surviving spouse health care coverage under the GM Health Care Program for Hourly Employees because of a GM/UAW hourly employee's retirement from GM or death prior to retirement on or before November 11, 2005.

This means that GM's retiree health care obligations with respect to Class Members will be determined by the proposed settlement (described below) if that settlement is approved by the Court.

THE PROPOSED SETTLEMENT

The Plaintiffs and GM have agreed to a settlement that, if approved by the Court, will be a full and final settlement of the retiree health benefit claims of all Class Members against GM asserted in the lawsuit. The Settlement Agreement will remain in effect until September 14, 2011, and may remain in effect after that date. After September 14, 2011, either GM or the UAW may terminate the Settlement Agreement. If the Settlement Agreement is terminated, the terms of the Settlement Agreement will no longer apply, except as otherwise provided therein, and all parties will return to the same position as they are in now. The period between the date when the Settlement Agreement takes effect and the termination of the Settlement Agreement is described below as “the term of the Settlement Agreement.” As explained, it may be that the Settlement Agreement is never terminated, in which case the term of the Settlement Agreement will continue and the provisions in the Agreement will remain in effect.

If the Settlement Agreement is approved by the Court, the Class Members will not be able to sue GM to have their previous retiree health benefits restored during the term of the Settlement Agreement. If the Settlement Agreement is later terminated, Class Members may not sue GM over retiree health benefits that were provided in accordance with the Settlement Agreement while the Settlement Agreement was in effect or which Class Members claim should have been provided during that time period. But Class Members do not waive any other right to sue over benefits provided — or that Class Members claim should be or should have been provided — after termination of the Settlement Agreement.

A copy of the entire Settlement Agreement is enclosed with this Notice. To help you understand it, a brief summary of the Agreement follows. In addition, the UAW and Class

Counsel have enclosed a joint letter explaining why they think you should support the Settlement Agreement. You should read all of these materials carefully.

If the Settlement Agreement becomes effective, GM will continue to provide retiree health care benefits to all eligible Class Members under the terms of the Settlement Agreement. Active GM hourly employees have already agreed to certain changes to their health care coverage. In general terms, the Settlement Agreement provides for certain increases in retiree health care costs for most Class Members, including, but not limited to, monthly contributions, annual deductibles, increased prescription co-payments, and other cost-sharing mechanisms. But the Settlement Agreement also contains three basic safeguards designed to lessen the overall financial impact on Class Members.

First, health care benefits for “Protected Retirees” — those GM retirees or their surviving spouses whose annual GM pension income as defined in the Settlement Agreement is \$8,000 or less and whose pension benefit rate is \$33.33 or less per month per year of credited service — will generally remain the same as benefits under the Current GM Plan.

Second, the dollar amounts for items such as your monthly contributions, co-payments, deductibles, and out-of-pocket maximums will increase at a rate of no more than three percent per year.

Third, the Settlement Agreement requires that GM and the UAW establish what is called a defined contribution voluntary employees’ beneficiary association trust (the “DC-VEBA”) that will be funded by GM and by active GM hourly employees in various ways. The DC-VEBA will be used to reduce the monthly contributions, deductibles, out-of-pocket maximums, and other retiree health care costs to be paid by affected Class Members in the Modified Plan, and will fund the dental plan. More details about the DC-VEBA are provided in Section V of this Notice.

Assuming the Settlement Agreement becomes effective, Class Members other than “Protected Retirees” will be automatically enrolled in what is called the Modified GM Plan, unless they choose to enroll in what is called the Catastrophic Plan. These plans, and persons who are covered by these plans, are more fully described in Sections I and II below. “Protected Retirees” have the same coverage they currently have, with the exceptions described in Section IV below.

III. THE MODIFIED GM PLAN.

Who Does The Modified GM Plan Cover? The Modified GM Plan will provide health benefits to all Class Members except “Protected Retirees” (see Section IV below). Class Members who are GM retirees or surviving spouses and receive benefits under the Modified GM Plan are referred to as “General Retirees.” General Retirees who fail to pay the monthly contributions required by the Modified GM Plan, choose to enroll in the Catastrophic Plan, or decline GM health care coverage completely will be enrolled in the Catastrophic Plan, which is described below.

What Does The Modified GM Plan Provide? The Modified GM Plan is based on the Current GM Plan, but includes certain changes. As described more fully below, assets of the DC-VEBA may be used to offset the health care costs of General Retirees covered under the Modified GM Plan.

The Modified GM Plan changes the Current GM Plan in two ways: through what are called “administrative changes” and “plan design changes.” Here is a summary of these changes:

Administrative Changes: Administrative changes in the Modified GM Plan include, for example:

- (i) modifications in the way benefits are coordinated with benefits provided by Medicare Part B;

- (ii) elimination of payments for non-covered cosmetic surgery;
- (iii) modified out-of-network referral process for the Preferred Provider Organization (PPO) option;
- (iv) limitations on GM's responsibility for all fees charged above those reasonable and customary; and
- (v) implementation of prescription drug tools.

More information concerning Administrative Changes is set forth in Exhibit 1 to the Settlement Agreement.

Modified GM Plan Design Changes: As described below, the amounts that **General Retirees** must pay under the Modified GM Plan for monthly contributions, deductibles, co-payments, and out-of-pocket maximums will be reduced by payments from the DC-VEBA to GM and/or health care providers, insurance carriers, or similar entities. Initially, the reductions will be to the amounts identified below, but those reductions are subject to change from time to time; the DC-VEBA Committee, whose members will be independent of GM, will make decisions about amounts to be paid from the DC-VEBA for this purpose. Those decisions may be affected by various economic factors which will impact the value of assets in the DC-VEBA.

The plan design changes for the Modified GM Plan include:

Monthly Contributions: The Modified GM Plan will require monthly contributions of \$50 for single participants and \$105 for family coverage, but DC-VEBA assets will be used to reduce these monthly contribution amounts, initially to \$10 for single participants and \$21 for family coverage. In other words, if you are single, your monthly contribution initially will be \$10. If more than one person is covered, your monthly contribution for all family members combined initially will be \$21. Those contribution amounts will initially apply to all coverage options under the Modified GM Plan, including the Traditional Care Network ("TCN"), the Preferred Provider Organization ("PPO"), and Health Maintenance Organization ("HMO") options.

TCN and PPO Deductibles: If your coverage is through TCN or a PPO, the Modified GM Plan will require annual deductibles of \$300 for single participants with an aggregate cap of \$600 for family coverage. DC-VEBA assets will be used to reduce these deductibles, initially to \$150 for single participants with an aggregate cap of \$300 for family coverage. **Monthly** contributions, prescription medication co-payments, emergency room co-payments, and certain other cost-sharing items will not apply to meeting the TCN and PPO deductible amounts.

TCN and PPO Co-Insurance: After the applicable annual deductible has been met and until the applicable out-of-pocket maximum is reached, participants in the Modified GM Plan will be required to pay 10% of their covered health care costs for in-network services and 30% for out-of-network services. This is referred to as “co-insurance.” The Modified GM Plan therefore requires 10% co-insurance for in-network health care services and 30% co-insurance for out-of-network health care services. These percentage payments are limited to the “out-of-pocket” maximums described below. Also, office visit co-payment levels are not changed.

Prescription Drugs: The Modified GM Plan provides for the following prescription drug co-payments: (1) for medications purchased at retail (up to a 34-day supply), there will be a \$5 co-payment for generic medications, a \$10 co-payment for brand-name medications, and a \$15 co-payment for erectile dysfunction medications; (2) for medications purchased through mail order (up to a 90-day supply), the co-payment will be \$10 for generic medications, \$15 for brand-name medications, and \$18 for erectile dysfunction medications.

Emergency Room Services: The Modified GM Plan will require a co-payment of \$50 per emergency room visit. However, this co-payment will be waived, meaning you will not have to pay it, if you are admitted to the hospital.

TCN and PPO Out-of-Pocket Maximums:

(1) For *In-Network* TCN and PPO health care services, the Modified GM Plan provides for a \$500 out-of-pocket maximum for single participants and a \$1,000 out-of-pocket maximum for family coverage. Those in-network out-of-pocket maximums initially will be reduced to \$250 for single participants and \$500 for family coverage by payments from the DC-VEBA.

(2) For *Out-of-Network* TCN and PPO health care services, the Modified GM Plan provides for a \$1,000 out-of-pocket maximum for single participants and a \$2,000 out-of-pocket maximum for family coverage. Those out-of-pocket maximums for out-of-network services initially will be reduced to \$500 for single participants and \$1,000 for family coverage by payments from the DC-VEBA.

(3) *Coordination of Deductibles, Contributions and Co-Payments with Out-Of-Pocket Maximums:* Under the Modified GM Plan, deductibles will apply to the out-of-pocket maximum, but monthly contributions, prescription drug co-payments, emergency room co-payments, and certain other cost-sharing items will not apply to the out-of-pocket maximum.

HMO Modifications: In 2006, HMOs will have the same prescription drug co-payments and monthly contributions as the Traditional Care Network. Beginning in 2007, HMO benefits and contributions will be modified so that their net cost to the company is the same as the cost of TCN.

1. the Catastrophic Plan.

Who Does The Catastrophic Plan Cover? This program will provide coverage for catastrophic health care expenses for Class Members, other than Protected Retirees, who choose to enroll in the Catastrophic Plan, as well as General Retirees who fail to pay the monthly contributions required by the Modified GM Plan who will be enrolled in the Catastrophic Plan. Class Members who receive benefits under the Catastrophic Plan are referred to as “Non-Participating Retirees.”

Non-Participating Retirees receive none of their benefits from the Modified GM Plan. Assets of the DC-VEBA may not be used to offset the health care costs of Non-Participating Retirees, but may be used to finance their dental care coverage. All Class Members other than Protected Retirees will have the option to voluntarily enroll in the Catastrophic Plan during the initial enrollment period. Keep in mind that any General Retirees who fail to pay the monthly contributions required by the Modified GM Plan will be enrolled, by default, into the Catastrophic Plan.

What Does The Catastrophic Plan Provide? The Catastrophic Plan will have no required monthly contribution, but it provides for higher deductibles, higher out-of-pocket maximums, higher emergency room co-payments, and higher prescription drug co-payments than the Modified GM Plan. Specifically, annual deductible payments under the Catastrophic Plan will be \$1,250 for single participants with an aggregate cap of \$2,500 for family coverage. After the deductible amount is met and until their applicable out-of-pocket maximum has been reached, participants in the Catastrophic Plan will be required to pay 10% of their covered health care costs for in-network services and 30% of their covered health care costs for out-of-network services. Office visit co-payment levels are not changed.

Out-of-pocket maximums for the Catastrophic Plan will be \$2,500 for single participants and \$5,000 for family coverage for in-network health care services, and \$5,000 for single participants and \$10,000 for family coverage for out-of-network health care services. Emergency room co-payments will be \$100 per emergency room visit. However, this co-payment will be waived, meaning you will not have to pay it, if you are admitted to the hospital.

For medications purchased at retail (up to a 34-day supply), the Catastrophic Plan requires a \$15 co-payment for generic medications, a \$35 co-payment for brand-name medications, and a \$50 co-payment for erectile dysfunction medications. For medications purchased by mail order (up to a 90-day supply), the Catastrophic Plan requires a \$30 co-payment for generic medications, \$70 for brand-name medications, and \$100 for erectile dysfunction medications.

The assets of the DC-VEBA will not be used to reduce any costs payable by the participants under the Catastrophic Plan. The dollar amounts for items under the Catastrophic Plan such as prescription drug co-payments, deductibles, and out-of-pocket maximums will increase at a rate of no more than three percent per year.

2. DENTAL PLAN COVERAGE.

Under the Modified GM Plan, GM will no longer fund dental plan coverage; instead, such coverage will be financed exclusively through the DC-VEBA. It is anticipated that the assets of the DC-VEBA will initially cover 100% of the costs of the claims and administration for dental coverage that would have been paid under the Current GM Plan.

3. PROTECTED RETIREES.

Who Are “Protected Retirees”? Protected Retirees are Class Members who are entitled to an annual GM pension benefit of \$8,000 or less (excluding lump sum payments) and whose pension benefit rate is \$33.33 or less per month per year of credited service.

What Coverage Is Provided For Protected Retirees? Health care coverage for Protected Retirees remains the same as it is under the Current GM Plan, with two exceptions. First, Protected Retirees will be subject to the Administrative Changes incorporated into the Modified GM Plan (see Section I of this Notice above). Second, Protected Retirees will be subject to the same changes in dental plan coverage as participants in the Modified GM Plan. In other words, dental coverage will no longer be provided by GM, and will instead be financed exclusively through the DC-VEBA. It is anticipated that the assets of the DC-VEBA initially will cover 100% of the costs of the claims and administration that would have been paid under the Current GM Plan.

4. SUMMARY AND DETAILS OF THE DC-VEBA.

If the Court approves the Settlement Agreement, all Class Members will be subject to retiree health care changes and will be covered by one of the retiree health care plans described in this Notice. Under the Modified GM Plan, General Retirees' financial contributions initially will be reduced to the levels set out above by payments made from the DC-VEBA to GM and/or health care providers, insurance carriers, or similar entities. The DC-VEBA will be administered by a DC-VEBA Committee independent of GM. The Committee will not include any GM representatives. The DC-VEBA will be funded in five different ways: (1) Cash Contributions; (2) Profit Sharing; (3) Wage Deferrals; (4) Stock Appreciation; and (5) Dividends. These funding methods are as follows:

Cash Contributions — GM will make three separate \$1 billion cash contributions to the DC-VEBA, amounting to a total of \$3 billion. The first \$1 billion contribution will be made as soon as practicable after the Settlement Agreement is approved by the Court, but no later than 30 days thereafter. The second \$1 billion contribution will be made one year later, and the third \$1 billion contribution will be made in 2011. However, if at any point after the second \$1 billion contribution is made the value of the assets in the DC-VEBA drops below \$600 million as of the last day of a month, the third \$1 billion contribution will be accelerated and GM will make it 15 days after the last day of that month.

Profit Sharing — GM will contribute to the DC-VEBA an amount based on the health care savings resulting from the changes in the Settlement Agreement. The amount contributed will be equal to the dollar impact of such savings on profit sharing payments that would otherwise be paid to profit sharing plan participants. The minimum amount GM will contribute for each of the years 2006-2012 will be \$30 million per year.

Wage Deferrals — Active UAW-represented GM employees will forgo an average of \$1 per hour in deferrals of future wage increases and future cost-of-living allowance (COLA) increases consisting of (i) a total of 17 cents per hour of COLA (up to 6 cents per quarter); (ii) a 3% wage increase scheduled for September 2006. In addition, 2 cents per hour of COLA increases in subsequent quarters will also be deferred. GM will contribute to the DC-VEBA amounts equivalent to those deferrals.

Stock Appreciation — GM will make cash contributions to the DC-VEBA based on the increase, if any, in the per share price of GM Common Stock over \$26.75 (the average price of GM Common for the week ended October 14, 2005), with respect to the equivalent of eight million shares of GM Common Stock. One third of the eight million share equivalents will be made available on each of three different dates: the date the court enters an order approving the Settlement Agreement, one year from that date, and two years from that date. At any time after the date on which the share equivalents are made available, the Committee may request a cash contribution on all or any portion of such shares with respect to which the Committee has not previously received a contribution. Each cash contribution will be based on the difference between (a) the average share price of GM Common Stock in the five days preceding its respective calculation date and (b) \$26.75, multiplied by (c) the number of share equivalents for which the Committee requested a contribution under the terms of the Settlement Agreement. GM's obligation to make contributions under this arrangement expires three years after the Effective Date of the Settlement Agreement.

Dividends — If GM raises its quarterly cash dividend above 50 cents per share before September 14, 2011, GM will place an amount equivalent to four quarters of such dividend increase in the DC-VEBA. If GM declares any distribution other than a regular quarterly cash

dividend, a cash contribution will be made to the DC-VEBA in an amount determined by a formula set forth in the Settlement Agreement.

Structure and Operation of the DC-VEBA. - The DC-VEBA will be governed by a Committee, consisting of seven (7) people. Three of the seven will be appointed by the UAW. Four of the seven will be members of the public not affiliated with GM or the UAW. The names and biographical information on the public members can be found in Attachment 1 to the Trust Agreement, which is included as Exhibit 4 to the Settlement Agreement. Further details about the structure and operation of the Committee can be found in the Trust Agreement itself, particularly in Section 7.

Under the terms of the Trust Agreement, the Committee will be responsible for investing the assets of the DC-VEBA and using those funds to reduce participant health care costs as described in the Settlement Agreement. Until December 31, 2011, the Committee is required to maintain a level of reduction to participant health care costs on the same basis as the initial levels, described above. Thus, for example, for this period the Committee is required to continue to reduce 80% of the monthly contributions that would otherwise be required under the Modified GM Plan. As those Contributions increase with inflation (subject to the 3% cap), the DC-VEBA will continue the same level of reduction, and, as a result, the \$10 monthly contribution required of single General Retirees will increase by up to 3%, i.e., \$10.30 in the second year.

Under the terms of the Trust Agreement, the Committee will also have discretion to modify these reduction amounts, based on the assets available to the DC-VEBA and other relevant factors, after December 31, 2011. At that time -- if the Settlement Agreement is still in effect -- the Committee will review the assets of the Trust and will establish a level of reduction, which, in the judgment of the Committee, can be sustained for the following twenty year period. It is impossible to know at this point whether the Committee will determine to increase or decrease the level of reduction, or keep it the same at that time. The answer will depend on the assets of the Trust and other economic factors.

The ability of the DC-VEBA to cover portions of retiree health care costs is not guaranteed by GM and will depend on various economic factors which will impact the value of assets in the DC-VEBA.

The UAW, Class Representatives, and Class Counsel have concluded that, without the retiree health plan modifications described in this Notice and the significant and immediate savings they would provide to GM, there is a serious danger that GM's financial condition — and its ability to continue to provide retiree health care benefits — will continue to deteriorate. If GM regains its financial strength, contributions to the DC-VEBA that relate to appreciation of GM common stock, profit sharing payments, and potential dividend increases will increase the DC-VEBA funds available to reduce the financial impact of the health care modifications on Class Members.

If the Court approves the Settlement Agreement, no Class Member will be able to sue GM over retiree health benefits that were provided in accordance with the Settlement Agreement while the Settlement Agreement was in effect or which Class Members claim should have been provided during that time period.

In order to provide a brief, readable summary of the Settlement Agreement, this Notice has omitted much of the technical detail that the Settlement Agreement contains. If there are any differences between the contents of this Notice and the contents of the Settlement Agreement, it is the Settlement Agreement — which is enclosed in its entirety with this Notice — that governs.

ATTORNEY'S FEES

Under the terms of the Settlement Agreement, GM will pay Class Counsel attorneys' fees and other professional fees at reasonable hourly rates, and will also pay other costs incurred in connection with this court proceeding.

Class Counsel's application and brief supporting the fee award will be filed with the Court within two weeks of your receipt of this Notice and any Class Member's objections may address the proposed fee award, as well as any other part of the proposed settlement.

HEARING

The Court has scheduled a hearing before the Honorable Judge Robert H. Cleland at the Theodore Levin United States Courthouse, 231 W. Lafayette Blvd., Room 707, Detroit, Michigan 48226, beginning on March 6, 2006. The purpose of that hearing is to help the Court determine whether the proposed Settlement Agreement is fair, reasonable, and in the best interests of the Class, and whether to give final approval to the settlement.

You do not have to come to the hearing. The lawyers for the Class will attend the hearing on behalf of the Class. However, if you want to come, you may appear at the hearing, with or without your own lawyer. Class Members do not have the right to request exclusion from the class action. But any member of the Class who objects to the proposed Settlement Agreement will have an opportunity to tell the Court why he or she believes that the proposed Settlement Agreement should not be approved. **No person will be heard at the hearing, however, unless he or she files an objection in writing with the Court postmarked on or before February 13, 2006.**

Any objection should bear the following heading: "*Int'l Union, UAW, et. al. v. General Motors Corporation*, Case No. 05-73991, Objections to Proposed Settlement Agreement." The

objection should be mailed to the Clerk of the Court, United States District Court for the Eastern District of Michigan, Southern Division, at the following address: Theodore Levin United States Courthouse, 231 W. Lafayette Blvd., Detroit, Michigan 48226. Class members should also send copies of any objection to each of the following, postmarked by February 13, 2006: (a) Class counsel, John Stember, Stember Feinstein, 1705 Allegheny Building, 429 Forbes Avenue, Pittsburgh, PA 15219; (b) UAW Associate General Counsel, Michael F. Saggau, International Union UAW, 8000 East Jefferson, Detroit, Michigan 48214; and (c) GM Counsel, Edward W. Risko, General Motors Corporation, 300 Renaissance Center, Detroit, Michigan 48236.

If, after the hearing, the Court determines that the proposed Settlement Agreement is fair and reasonable and in the best interests of Class Members, the Court will enter a final judgment approving the settlement. Once final, that judgment will be binding on all Class Members, including those who filed objections and those who did not.

FURTHER INFORMATION

A copy of this Notice and the Settlement Agreement is being sent to all known Class Members and these documents are also available on the Website of Class Counsel at <http://www.stemberfeinstein.com>. Class Members may also request copies of the proposed Settlement Agreement by writing Class Counsel, John Stember, Stember Feinstein, 1705 Allegheny Building, 429 Forbes Avenue, Pittsburgh, PA 15219 or by calling 1-800-295-4916. The proposed Settlement Agreement may also be inspected during business hours in the Office of the Clerk of the Court for the United States District Court for the Eastern District of Michigan, Southern Division, Theodore Levin United States Courthouse, 231 W. Lafayette Blvd., Detroit, Michigan 48226; at the UAW offices at 8000 East Jefferson Avenue, Detroit, Michigan 48214; and at the offices of all counsel for the Plaintiffs as found on the last few pages of the enclosed Settlement Agreement.

Any member of the Class who does not file a written objection as this Notice specifies shall be deemed to have waived his or her objection(s) and shall be forever barred and precluded from making any objection to the fairness or adequacy of the proposed Settlement Agreement.

S/Robert H. Cleland
ROBERT H. CLELAND
UNITED STATES DISTRICT JUDGE

Dated: December 22, 2005

I hereby certify that a copy of the foregoing document was mailed to counsel of record on this date, December 22, 2005, by electronic and/or ordinary mail.

S/Lisa Wagner
Case Manager and Deputy Clerk
(313) 234-5522