



Collateral Damage

- A concentrated North America supply chain that is heavily reliant on the Detroit 3 ties the financial stability of the OEMs to one another
- The breadth, scale and finance-intensive nature of the automotive sector suggest a much broader impact of OEM instability on the U.S. financial system
 - \$720 billion of debt outstanding directly attributable to the D3
 - Operations highly integrated with the financing markets likely to create a domino effect on broader securitization market and non-auto sectors that depend on access to financing
 - Large number of dependents, both active and retired employees
 - Municipal and State insolvencies, especially in the Midwest
 - Erosion of consumer confidence and faith in U.S. manufacturing
 - Engineering brain drain and loss of key partners in the quest for energy independence
 - Confidence in the effectiveness of the recently announced government bailout programs



U.S. Financial Market Impact

GM/GMAC Debt
= \$384bn⁽¹⁾

Secured Debt
\$47bn

Unsecured Debt
\$111bn

Asset-Backed Debt
\$226bn

Total D3 Debt
= \$720bn⁽¹⁾

Secured Debt
\$110bn

Unsecured Debt
\$190bn

Asset-Backed Debt
\$420bn

Investors:

Money Center Banks
Institutional Investors
Foreign Banks
Hedge Funds

Pension Funds
Retail Debt Investors
Mutual Funds
Retirement Funds
Credit Derivatives
\$1.25 trillion notional
CDS Counterparties (eg. GECC, AIG, Pimco...)

Mutual funds
Money Market Accounts
Regional Banks

Additional Claimants:

- Pension/PBGC
- Healthcare/OPEB
- UAW Obligations
- International Operations

(1) GM and Ford as of 6/30/08; Chrysler as of 12/31/07