

Automotive Industry Financing Program

GMAC LLC Preferred Membership Interests

Summary of Preferred Terms

Issuer:	GMAC LLC (“ <u>GMAC</u> ”)
Initial Holder:	United States Department of the Treasury (the “ <u>UST</u> ”).
Size	\$5,000,000,000
Security:	Fixed Rate Cumulative Perpetual Preferred Membership Interests, Series D-1, capital amount \$1,000 per unit (the “ <u>Preferred</u> ”).
Ranking	Senior to common membership interests and pari passu with preferred membership interests other than preferred membership interests which by their terms rank junior to any preferred membership interests.
Regulatory Capital Status:	Tier 1.
Term:	Perpetual life.
Dividend:	The Preferred will receive cumulative distributions at a rate of 8% per annum. Distributions will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year.
Redemption:	<p>The Preferred may not be redeemed for a period of three years from the date of this investment, except with the proceeds from a Qualified Equity Offering (as defined below), which results in aggregate gross proceeds to GMAC of not less than 25% of the issue price of the Preferred. After the third anniversary of the date of this investment, the Preferred may be redeemed, in whole or in part, at any time and from time to time, at the option of GMAC. All redemptions of the Preferred shall be at 100% of its issue price, plus any accrued and unpaid distributions. All redemptions shall be subject to the approval of GMAC’s primary federal bank regulator.</p> <p>“<u>Qualified Equity Offering</u>” shall mean the sale by GMAC after the date of this investment of Tier 1 qualifying perpetual preferred membership interests or common membership interests for cash</p>

(other than any sales made pursuant to agreements or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to November 17, 2008).

Restrictions on Dividends:

Subject to certain exceptions, for as long as any Preferred is outstanding, no distributions may be declared or paid on junior preferred membership interests, preferred membership interests ranking pari passu with the Preferred, or common membership interests (other than in the case of pari passu preferred membership interests, distributions on a pro rata basis with the Preferred), nor may GMAC repurchase or redeem any junior preferred membership interests, preferred membership interests ranking pari passu with the Preferred or common membership interests, unless all accrued and unpaid distributions for all past distribution periods on the Preferred are fully paid.

Common dividends:

The UST's consent shall be required for any increase in quarterly cash distributions on common membership interests. After the third anniversary and prior to the tenth anniversary, the UST's consent shall be required for any increase in aggregate per share distributions to common membership interests greater than 3% per annum; provided that no increase in the aggregate amount of distributions on common membership interests may be made as a result of any distribution paid in common membership interests, any split or similar transaction. The restrictions in this paragraph no longer apply if the Preferred and Warrant Preferred are redeemed in whole or the UST has transferred all of the Preferred and Warrant Preferred to Third Parties.

Repurchases

The UST's consent shall be required for any repurchase of common membership interests or other equity securities of GMAC of any kind (other than (i) repurchases of the Preferred and (ii) repurchases of preferred membership interests or common membership interests in connection with any benefit plan in the ordinary course of business consistent with past practice and (iii) repurchases if connection with the conversion of GMAC into a corporation so long as the Preferred holders maintain a substantially equivalent economic interests) until the tenth anniversary of the date of this investment unless prior to such tenth anniversary the Preferred and the Warrant Preferred are redeemed in whole or the UST has transferred all of the Preferred and the Warrant Preferred to third parties. In addition, there shall be no repurchases of junior preferred membership interests, preferred membership interests ranking pari passu with the Preferred, or common membership interests if prohibited as described above under "Restrictions on Dividends."

Other Dividend and Repurchase Restrictions:

Subject to certain exceptions, from and after the tenth anniversary of this investment, GMAC shall be prohibited from paying distributions on common membership interests or repurchasing any equity securities or trust preferred securities until all Preferred held by the UST are redeemed in whole or the UST has transferred all of such Preferred to third parties.

Voting rights:

The Preferred shall be non-voting, other than class voting rights on (i) any authorization or issuance of membership interests ranking senior to the Preferred, (ii) any amendment adverse to the rights of the Preferred, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Preferred.

If distributions on the Preferred are not paid in full for six distribution periods, whether or not consecutive, the Preferred will have the right to appoint 2 Managers to GMAC's Board of Managers. The right to appoint Managers will end when full distributions have been paid for all prior distribution periods.

Transferability:

The Preferred will not be subject to any contractual restrictions on transfer or the restrictions of any members' agreement or similar arrangement that may be in effect among GMAC and its members at the time of the Preferred investment or thereafter; provided that the UST and its transferees shall not effect any transfer of the Preferred until the first anniversary of the closing date in violation of Section 9.6 of GMAC's limited liability company operating agreement (to preserve GMAC's status as a private partnership for tax purposes). In addition, the UST and its transferees shall have piggyback registration rights for the Preferred. Subject to the above, GMAC shall take all steps as may be reasonably requested to facilitate the transfer of the Preferred.

Registration Rights:

GMAC shall file a shelf registration statement covering the Preferred within 30 days of the closing date.

Executive Compensation:

Until such time as the UST ceases to own any Preferred or Warrants, GMAC shall comply with the following restrictions on executive privileges and compensation, subject to agreed upon exceptions:

- (A) The Company shall take all necessary action to ensure that its Benefit Plans with respect to the Senior Executive Officers comply in all respects with Section 111(b) of the EESA, including the provisions for the Capital Purchase Program, as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the Closing Date, including the rules set forth in 31 CFR Part 30

and the provisions prohibiting severance payments to Senior Executive Officers, and shall not adopt any new Benefit Plan with respect to its Senior Executive Officers that does not comply therewith. For purposes of applying section 111(b) of the EESA with respect to this Section 4.8(a), a “golden parachute payment” means any payment in the nature of compensation to (or for the benefit of) a Senior Executive Officer made on account of an applicable severance from employment (except that the vesting of equity denominated awards granted prior to the Closing Date and settled solely in equity shall not be included in such limit on “golden parachute payments” to Senior Executive Officers);

- (B) GMAC shall comply in all respects with the limits on annual executive compensation deductibles imposed by Section 162(m)(5) of the Code, as applicable;
- (C) GMAC shall not pay or accrue any bonus or incentive compensation to the Senior Employees unless otherwise approved by the President’s Designee (as defined in H.R. 7321);
- (D) GMAC shall not adopt or maintain any compensation plan that would encourage manipulation of its reported earnings to enhance the compensation of any of its employees; and
- (E) GMAC shall maintain all suspensions and other restrictions of contributions to Benefit Plans that are in place or initiated as of the closing date.

Until such time as the UST ceases to own any Preferred or Warrants, the UST shall have the right to require GMAC to claw back any bonuses or other compensation, including golden parachutes, paid to any Senior Employees in violation of any of the foregoing.

Summary of Warrant Terms

Warrant:	The UST will receive warrants to purchase, upon net settlement, a number of units of GMAC's Fixed Rate Cumulative Perpetual Preferred Membership Interests, Series D-2 (the " <u>Warrant Preferred</u> "), having an aggregate capital amount equal to 5% of the Preferred amount on the date of investment. The initial exercise price for the warrants shall be \$0.01 per share or such greater amount as the LLC Agreement may require as the capital amount per share of Warrant Preferred. The UST intends to immediately exercise the warrants.
Term:	10 years
Number of Warrant Interests:	250,002.50003
Exercisability:	Immediately exercisable, in whole or in part.
Warrant Preferred:	The Warrant Preferred shall have the same rights, preferences, privileges, voting rights and other terms as the Preferred, except that (1) the Warrant Preferred will receive distributions at a rate of 9% per annum and (2) the Warrant Preferred may not be redeemed until all the Preferred has been redeemed.
Transferability:	The warrants will not be subject to any contractual restrictions on transfer or the restrictions of any members' agreement or similar arrangement that may be in effect among GMAC and its members at the time of this investment or thereafter; provided that the UST and its transferees shall not effect any transfer of the Preferred until the first anniversary of the closing date in violation of Section 9.6 of GMAC's limited liability company operating agreement (to preserve GMAC's status as a private partnership for tax purposes). GMAC shall file a shelf registration statement covering the Warrant Preferred within 30 days of the closing date. In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the Warrant Preferred underlying the warrants. Subject to the above, GMAC shall take all steps as may be reasonably requested to facilitate the transfer of the warrants or the Warrant Preferred.