



August 8, 2008

Enrolled GM Mark of Excellence Dealers,

As you heard in the July 15 announcements made by GM Chairman and CEO Rick Wagoner, we are taking necessary steps to adjust our business to the rapidly changing market conditions. These dramatic shifts can be attributed to a weak U.S. economy, record high fuel prices, shifts in consumer vehicle preferences, and the lowest U.S. industry sales volumes in over a decade. Most recently, GM announced Q2 financial results which included a \$15.5B loss for the quarter. Clearly, these are challenging times --- we have determined that these events, many of which are beyond our control, require us to take appropriate action(s) to reduce cost. Included in these actions are changes to the GM Mark of Excellence 2008 Recognition Programs. Although difficult, these changes will help ensure our mutual success moving forward.

The program changes are outlined below. Although select rewards will be cancelled, many will remain the same and new rewards have been added to at least partially help mitigate the impact of some of the cancellations. In addition, your monthly enrollment fees will be reduced. Note that the structure for each program will remain the same. All changes are effective immediately. Except as modified by this letter, all program rules remain effective. Revised rules will be made available as soon as practicable.

DEALER / RETAILER PROGRAM

- *Cancelled:* Mark of Excellence Dealer Travel Reward for Retail and Business Central Dealers
- *Retained:* Divisional Trophy or Recognition Reward Plaque
- *Retained:* Opportunity to earn the GM Dealer Of The Year honor

FIXED OPERATIONS PROGRAMS

Dealer Program

- *Cancelled:* GM Parts Dealer Summit

Service & Body Shop Manager

- *Cancelled:* Lifestyle Travel Reward
- *Cancelled:* Merchandise Points for Third and Fourth quarters
- *NEW:* \$1,000 Debit Card for 2008 winners in lieu of travel reward
- *Retained:* Ring/diamond update, Desktop Award Chest, Business Cards

Parts Manager

- *Cancelled:* Grand Travel and Fun & Sun Travel Rewards
- *NEW:* \$1000 in additional exclusively yours® rewards points in lieu of travel reward
- *Retained:* exclusively yours® rewards program
- *Retained:* Ring/diamond update, Desktop Award Chest, Business Cards

Professional Service Guild

- *Cancelled:* Merchandise Points for all positions and reward levels
- *Cancelled:* GM Peak Performers travel reward
- *NEW:* 75% of Merchandise Points earned will be transferred in cash to a Debit Card.
Example: 100 earned Merchandise Points = \$75 on Debit Card

- Retained: Ring/diamond update, Desktop Award Chest, Business Cards, Toolbox Medallion, Certificate of Achievement

SALES PROGRAMS

Sales Manager – Retail, Business Central

- *Cancelled:* GM PerQs for Third and Fourth quarters – Retail
- *Cancelled:* GM PerQs for 2008 – Business Central
- Retained: Ring/diamond update, Desktop Award, Business Cards

Sales Consultant – Retail, Business Central

- *Cancelled:* GM PerQs for 2008
- Retained: GM Performance Rewards Bonus
- Retained: Ring/diamond update, Desktop Award Chest, Business Cards

GM CUV Sales Manager and Sales Consultant

- Retained: Ring/diamond update, Desktop Award/Chest, Business Cards
- Retained: GM CUV Performance Rewards Bonus – for Sales Consultants

Saturn CPO Sales Manager and Sales Consultant

- Retained: Ring/diamond update, Portfolio, Business Cards
- Retained: Saturn CPO Performance Rewards Bonus – for Sales Consultants

Cadillac CPO Sales Consultant

- Retained: Cadillac CPO Performance Rewards Bonus

Enrollment Fee Reduction

In addition to these reward changes, your monthly enrollment fee will be reduced by 50% each month from July through December of 2008. If you selected the lump sum enrollment payment, you'll receive a 50% refund for the six month period. All 2008 enrollment fee refunds will be applied to the Dealer's Open Account.

We appreciate the important business role that the recognition programs can play in your dealerships. However, difficult changes like these are being made across the company to help strengthen GM's position in the North American marketplace.

Thank you for your continued support for GM Mark of Excellence and your dedication to helping make GM a stronger company for the years ahead.

Sincerely,



Jim Bunnell
Executive Director,
Channel Support Group



Peter Lord
Executive Director,
GM Service Operations



Paul Copses
Executive Director,
SPO Sales & Marketing