

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re GENERAL MOTORS CORP., *et al.*,
Debtor,

KELLY CASTILLO, NICHOLE
BROWN, BRENDA ALEXIS
DIGIANDOMENICO, VALERIE
EVANS, BARBARA ALLEN,
STANLEY OZAROWSKI, and
DONNA SANTI, *Individually and on
behalf of all others similarly situated*,

Plaintiffs,
v.
GENERAL MOTORS COMPANY,
f/k/a NEW GENERAL MOTORS
COMPANY, INC.,
Defendant.

Chapter 11 Case No.

09-50026 (REG)

(Jointly Administered)

Adv. Proc. No. 09-00509

**MEMORANDUM IN SUPPORT OF PLAINTIFF'S
MOTION FOR TEMPORARY RESTRAINING ORDER**

Plaintiffs and Class Representatives, Kelly Castillo, Nichole Brown, Brenda Alexis Digiandomenico, Valerie Evans, Barbara Allen, Stanley Ozarowski, and Donna Santi, individually and on behalf of all others similarly situated (collectively "Plaintiffs"), seek to enjoin Defendant and Debtor from engaging in *ex parte* communications with Plaintiffs and other class members that are inconsistent with the terms of a class action settlement between Plaintiffs and Debtor, which obligations were assumed by Defendant. This motion is required as the result of a massive effort by General Motors Company to induce the class to relinquish their vehicles in exchange for less relief than is provided by the Class Judgment. The effort includes direct mail to all class members, bulletins to Saturn dealers advising the dealers of the new offer being made to class members, and telephone "advice" from General Motors Company's customer service department. Because the terms of the new offer are significantly less

favorable to the class members than those which Defendant assumed from Debtor, the Court's intervention is required to ensure that the class members are informed of their rights before they make a decision to materially compromise their claims to their irreparable prejudice.

FACTUAL BACKGROUND

The Class Action, the Settlement, and the Judgment

This adversary proceeding arises from a pre-petition class action against the Debtor, General Motors Corp., n/k/a Motors Liquidation, LLC (hereinafter "Old GM" or "Debtor"), prosecuted in the United States District Court for the Eastern District of California (Case No. 2:07-CV-02142 WBS-GGH, hereinafter "the Class Action"), wherein it was claimed that from 2002 to 2005, Old GM manufactured, sold, and/or distributed certain Saturn vehicles containing Variable Transmission Intelligence (VTi) transmissions that were inherently prone to premature failure. The parties to the Class Action reached a Settlement Agreement and, on April 14, 2009, United States District Judge William B. Shubb entered a Judgment certifying the class of approximately 150,000 Saturn customers and approving the Settlement Agreement (collectively the "Class Judgment"). The Class Judgment provided, among other things, that the class members would be entitled to receive up to 100% reimbursement for certain VTi transmission-related expenses and losses.

The Bankruptcy and the 363 Sale

Old GM thereafter filed its bankruptcy petition on June 1, 2009, after the Judgment had become a final and unappealable order but prior to the deadline for issuing claims forms and notice of final approval to the Class. As part of the bankruptcy proceedings, Old GM ultimately sold certain assets and liabilities to General Motors Company, then known as New General Motors Company, Inc. ("New GM" or "Defendant"), pursuant to an Amended and Restated

Master Sale and Purchase Agreement (“ARMSPA”) (MLC Doc. # 2649.) Via the ARMSPA, New GM accepted responsibility for certain various liabilities of Old GM defined by the ARMSPA as the Assumed Liabilities. Indeed, the liabilities assumed by New GM formed part of the purchase price. As of the date of the 363 sale closing, New GM agreed to “assume and thereafter pay or perform as and when due, or otherwise discharge, all of the Assumed Liabilities.” *MLC Doc. # 2649, § 2.1(b)*. Based on the ARMSPA, Old GM’s liabilities under the Class Judgment are Assumed Liabilities explicitly undertaken by New GM.

The ARMSPA defines “Liabilities” as broadly as possible—including “any and all liabilities and obligations of every kind and description whatsoever ... and those arising under any Law, Claim, Order, Contract or otherwise.” *MLC Doc. #2649, § 1.1 (definition of “Liabilities”)*. Thereafter, Liabilities fall into two categories—Assumed Liabilities or Retained Liabilities. In fact, the ARMSPA defines Retained Liabilities as anything “other than the Assumed Liabilities” and “in all cases with the exception of the Assumed Liabilities” *MLC Doc. #2649, § 2.3(b)*. So long as a Liability falls within the definition of an Assumed Liability, it, by definition, is not a Retained Liability. *Id.*

Under the ARMSPA, New GM agreed to assume “the following Liabilities of [Old GM]:”

all Liabilities arising under express written warranties of Sellers that are specifically identified as warranties and delivered in connection with the sale of a new, certified used or pre-owned vehicles or new or remanufactured motor vehicle parts and equipment (including service parts, accessories, engines and transmissions) manufactured or sold by Sellers or Purchaser prior to or after the Closing

MLC Doc. #2649, § 2.3(a)(vii)(A). The claims asserted in the Saturn VTi class action, the subsequent class settlement, and the resulting Class Judgment are Liabilities “arising under” the

express written warranties of Old GM. As a result, New GM assumed responsibility for the Class Judgment. Additional support for New GM's assumption is chronicled in great detail in Plaintiffs' proposed Motion for Partial Summary Judgment, further referenced below.

The Declaratory Judgment Action

On August 26, 2009, Plaintiffs filed a Declaratory Judgment Action in the Delaware Chancery Court, as New GM is a Delaware corporation. The Verified Complaint in the Declaratory Judgment Action seeks a declaration that New GM assumed Old GM's obligations pursuant to the Class Judgment. New GM removed the Declaratory Judgment Action to the U.S. District Court for the District of Delaware, arguing that the Declaratory Judgment Action was a core proceeding "arising under" Title 11 of the Bankruptcy code. New GM then moved to transfer the action to the U.S. District Court for the Southern District of New York for further transfer thereafter to this Court, arguing that the "home" bankruptcy court is the proper forum for this dispute. (S.D.N.Y. Doc. #1] Plaintiffs consented to the transfer from the district court in Delaware to this Court. (S.D.N.Y. Doc. #1)

While the Declaratory Judgment Action was pending in the district court in Delaware, New GM filed a motion to dismiss. On November 4, 2009, while the action was pending in the district court in New York, Plaintiffs filed their opposition to the motion to dismiss. Attached as Appendix A to Plaintiff's opposition brief was Plaintiffs' proposed Memorandum in Support of Their Motion for Partial Summary Judgment, which explains in great detail how Old's GM's obligations under the Class Judgment are Assumed Liabilities undertaken by New GM pursuant to the ARMSPA. (S.D.N.Y. Doc. #2, Appendix A) Plaintiffs will seek to file the Motion for Partial Summary Judgment at the earliest opportunity permitted by the local rules.

New GM's Dealer Instructions and Mass Mailing

Despite New GM's prior argument that this is a core proceeding in which the Assumed Liabilities under the ARMSPA should be interpreted exclusively by this Court, GM has taken steps that would seriously undermine the Court's ability to make that determination in a meaningful way. It has done so by instructing its dealers to encourage Plaintiffs and the other class members to accept irrevocable compromises of their claims, and by sending a mass mail communication to class members enticing the same irreversible compromise of their claims in the very near future, as further described below.

On November 9, 2009, Plaintiffs' counsel obtained a copy of New GM's internal memorandum entitled "New Special Reimbursement Policy for Vehicles Equipped With Variable Transmission Intelligence (VTi) Transmission—50 Percent of Trans Repair Cost Paid by GM or Customer May Elect \$5,000 Credit" (the "New Special Policy") (Ex. A to the affidavit attached to this memorandum as Exhibit 1.) As the name implies, this New Special Policy explains to dealers that New GM will reimburse class members for eligible transmission repair expenses at a 50% reimbursement rate, rather than the maximum 100% rate provided for in the Class Judgment. It also limits coverage to vehicles with no more than 100,000 miles, rather than the 125,000-mile coverage provided for in the Class Judgment, and there are several other examples of ways in which the New Special Policy is less favorable to Plaintiffs and the other class members than the Class Judgment.

Even more troubling, however, is that the New Special Policy provides that "[i]n lieu of GM paying eligible transmission repairs under this Special Reimbursement Policy at the 50% rate, [GM also is offering a] Customer Credit Program [that] allows a Saturn owner to exchange their Saturn vehicle for a \$5,000 credit towards the purchase of a new GM vehicle from a Saturn

retailer or GM dealer. . . .” (Ex. A at 2.) It goes on to describe a process by which the customers may turn over their vehicles to New GM by relinquishing their vehicle titles, signing a bill of sale, providing New GM with a notarized power of attorney and a lien release, etc. (*Id.* at 4-5.) “ALL Saturn retailers/GM dealers are required to participate in offering the Customer Credit Program” (emphasis in original). (*Id.* at 2.)

The New Special Policy also references a “customer letter” informing eligible customers as follow:

General Motors will pay 50% of the cost of the eligible repair to the vehicle’s transmission; you will be responsible for the remaining 50% of the repair cost. In lieu of this assistance, at the first instance of a needed repair within these time and mileage limits, a \$5,000 customer credit is available to you. If you elect this option, your vehicle will be purchased for a \$5,000 customer credit (less any lien) towards the purchase of a new GM vehicle within 30 days. . . .

(*Id.* at 11-12.) There is no reference in the New Special Policy or in the “customer letter” to any aspect of the Class Judgment, to Plaintiffs’ request for declaratory judgment, to this adversary proceeding, or to Plaintiffs’ motion for partial summary judgment. Nor are customers informed that New GM’s assumption of Old GM’s obligations under the Class Judgment is a disputed issue that this Court could resolve in their favor, or that they risk permanently abandoning fundamental rights under the Class Judgment if they relinquish their vehicles to New GM and this Court ultimately vindicates Plaintiffs’ position that New GM assumed Old GM’s obligations under the Class Judgment.

Class members are told in the letter that the Customer Credit Program is available only “at the first instance of a needed repair” within applicable time and mileage limits, and that the \$5,000 credit may only be applied for purchase of a new GM vehicle within 30 days. This may lead class members to believe that they have only 30 days to make an election, possibly less, depending on the timing of their “first instance of a needed repair.” Consequently, they may feel

pressured to permanently relinquish their vehicles to New GM prior to the Court's resolution of Plaintiffs' Motion for Partial Summary Judgment, rendering a disposition in Plaintiffs' favor ineffectual for those customers who accept GM's trade-in offer. Once a class member spends thousands of dollars on a new vehicle manufactured by New GM in exchange for a mere \$5,000 trade-in on a vehicle whose transmission could have been repaired at a 100% reimbursement rate, there will be no practical way to realize the full benefit of the Class Judgment. Money damages certainly will not return the relinquished vehicle, and any award of money damages would be highly unlikely to include reimbursement for the cost of the new vehicle.

On November 11, 2009, class counsel contacted New GM via letter sent by electronic mail to advise New GM of Plaintiffs' objection to the *ex parte* communication, Plaintiffs' intent to seek a temporary restraining order if necessary, and to attempt to resolve the matter without Court involvement. (Ex. 3.) Class counsel offered to work with New GM to draft neutral, non-controversial clarifying language to be included in the "customer letter" referenced above, *i.e.*, language informing class members of this adversary proceeding. (Ex. 3.) New GM's outside-counsel agreed to relay to GM's in-house counsel the proposal for adding clarifying language to the "customer letter," and Plaintiffs requested that if New GM's outside-counsel determined that the mailing of the customer letter was imminent, he contact class counsel so that the filing of Plaintiff's Motion for Temporary Restraining Order could be filed prior to the transmittal of the customer letter. *Id.* On November 13, 2009, New GM's outside-counsel advised class counsel that GM had rejected Plaintiffs' offer of the previous day to work together to draft neutral, non-controversial clarifying language to the "customer letter" and that, despite the request on the previous day to inform class counsel if the mailing of the "customer letter" was imminent, the mailing had taken place on November 12 and 13, 2009. (Ex. 4.)

In addition, New GM's efforts to induce class members to accept the terms of the New Special Policy include direct telephone communications with class members, which, according to information reported by the class members at this early time, includes not only incomplete, but misleading information about the class members' rights. On Friday November 13, 2009, class member Eric Breese, whose VTi transmission failed earlier that week, advised class counsel that he had been contacted by the Saturn Customer Service Center and had been offered a deal consistent with the terms of the New Special Policy. (Ex. 2.) When he asked about his rights under the Class Judgment, New GM's representative told Mr. Breese that the "court case was thrown out." *Id.* The representative further stated that the litigation had been against the manufacturer of the transmission rather than "GM" in the first place, and that the manufacturer of the transmission is out of business. *Id.*

The New Special Policy is dated November 5, 2009, the day after Plaintiffs filed their opposition to New GM's motion to dismiss, disclosing their proposed motion for partial summary judgment and the myriad reasons why this Court should conclude that the obligations under the Class Judgment are now New GM's "Assumed Liabilities" under the ARMSPA. This is the second time that GM has altered its practices immediately following the submission of one of Plaintiffs' pleadings. The first was on September 29, 2009, when GM issued a notice that it would discontinue its "practice of reimbursing eligible claims pursuant to the time, mileage and percentage reimbursement schedule contained in the settlement." (Ex. B to the affidavit attached to this memorandum as Exhibit 1.) This notice was issued less than a month after GM was served on September 2, 2009 with Plaintiffs' Declaratory Judgment Complaint, alleging that New GM's practice of honoring the Class Judgment for customers whose vehicles were experiencing "fresh failures" was evidence of New GM's assumption of Old GM's obligations

under the Class Judgment. (S.D.N.Y. Doc. #1.)

INJUNCTIVE RELIEF STANDARD

Rule 65 of the Federal Rules of Civil Procedure authorizes the issuance of temporary restraining orders and preliminary injunctions. A party seeking injunctive relief ordinarily must show (a) that he will suffer irreparable harm in the absence of an injunction and (b) either (i) a likelihood of success on the merits or (ii) sufficiently serious questions going to the merits to make them a fair ground for litigation and a balance of hardships tipping decidedly in the movant's favor. *Tom Doherty Assoc., Inc. v. Saban Entertainment, Inc.*, 60 F.3d 27, 33 (2d Cir. 1995); *North Atlantic Instr., Inc. v. Haber*, 188 F.3d 38, 43 (2d Cir. 1999); *Maryland Cas. Co. Realty Advisory Board on Labor Relations*, 107 F.3d 979, 984 (2d Cir. 1997). The movant may be required to meet a higher standard when (i) an injunction will alter, rather than maintain, the status quo, or (ii) an injunction will provide the movant with substantially all the relief sought and that relief cannot be undone even if the defendant prevails at a trial on the merits. *Saban, supra*, 60 F.3d at 33-34. When this heightened standard applies, the movant must make a "clear or substantial" showing of likelihood of success on the merits. *Id.* at 35.

A district court's issuance of an injunction is reviewed for an abuse of discretion. *Haber, supra*, 188 F.3d at 43.

ARGUMENT

The requested relief merely would preserve the status quo by prohibiting New GM from engaging in further *ex parte* communications with the represented Plaintiffs and other class members in a manner inconsistent with the terms of the Class Judgment or from consummating deals to cause class members to relinquish their vehicles, except to the extent class members are advised of their rights under the Class Judgment and are informed that this Court is reviewing

Plaintiffs' claim that New GM assumed Old GM's liability under the Class Judgment.

Accordingly, the general injunctive relief standard described above applies, and Plaintiffs need not show a "clear or substantial" likelihood of success on the merits, even though that higher standard could easily be satisfied in this case as well.

I. The Plaintiff Class Will Suffer Irreparable Harm in the Absence of an Injunction.

Plaintiffs' Motion for Partial Summary Judgment (Appendix A to Dist. Ct. Doc. No. 2), incorporated herein by reference, explains in great detail how Old GM's obligations under the Class Judgment are "Assumed Liabilities" that New GM assumed pursuant to the ARMSPA. (S.D.N.Y. Doc. #2, App. A.) In the likely event that this Court accepts Plaintiffs' position and awards a declaratory judgment to that effect, then Plaintiffs and all Class Members will be able to enforce the Class Judgment against New GM and submit settlement claims entitling them to up to 100% reimbursement for certain transmission-related expenses—past, present and future. However, if New GM is able to entice them into accepting New GM's offer of a \$5,000 trade-in (in exchange for the agreement to purchase a brand new GM vehicle for thousands of dollars more), then many of them will be deprived of any meaningful relief at all under the Class Judgment.

Those who would otherwise choose to repair their transmissions at the higher reimbursement rate described in the Class Judgment and then drive their current vehicles for many more years would be forever forfeiting that opportunity if they accept New GM's trade-in offer under New GM's New Special Policy. Once their vehicles have been transferred to New GM, that decision would be irrevocable because GM's dealers have been instructed:

When a vehicle is exchanged under the Customer Credit Program, the exchanged vehicle will be titled by the Customer Credit Program Team to GM.

Dealers/retailers are not to undertake any repairs to the vehicle's transmission. The Customer Credit Program Team will be responsible for the

final disposition of the vehicle. The retailer/dealer will keep the vehicle on their lot until it can be picked up by GM for handling. **The retailer/dealer will not sell the vehicle.**

(Ex. A to the affidavit attached to the memorandum as Exhibit 1.) (emphasis added).

Furthermore, it is common knowledge that the Saturn line of vehicles is being “phased out” by New GM, as announced publicly by Saturn in a letter that was mailed to its customers and is posted on its website.¹ Thus, not only would the specific vehicles that customers trade in pursuant to the New Special Policy become forever unavailable, but the entire Saturn line of vehicles will soon be forever unavailable. Once a customer relinquishes his or her vehicle, there will be no way to ‘unring the bell,’ and this is an example of irreparable harm. *See, e.g., Saban, supra*, 60 F.3d at 37 (“We have . . . found irreparable harm in the loss of a relatively unique product”) (citing *Reuters Ltd. v. United Press Int’l, Inc.*, 903 F.2d 904 (2nd Cir. 1990)).

The irreparability of this harm is exacerbated by the inability of class counsel to reach all class members to inform them of their rights under the Class Judgment, so that they can make informed decisions about whether and how to accept New GM’s proposal. Upon the filing of Old GM’s bankruptcy petition, the automatic bankruptcy stay applied, and the notice of final approval of the settlement that Old GM was required to issue to the class was not mailed. Class counsel have continued to advise class members who contact them directly or who visit class counsel’s website, but class counsel have no ability to identify specific class members to advise them of their rights.

Had GM not declared bankruptcy, administration of the relief provided by the Settlement and Final Judgment would have proceeded under court supervision:

Once a lawsuit is conditionally certified as a class action and the Court requires notice be given potential class members, information regarding

¹ See <http://www.saturncares.com/2009/10/19/417/#more-417>.

the action will be filtered through the “impartial and open medium of court supervised notice.” This eliminates the potential for influencing class members with one-sided information.

U.S. v. Ashbritt, Inc., Slip Copy, 2008 WL 4861921 at 3 (S.D.Miss. 2008). Though notice of preliminary approval was sent to the Class, GM’s bankruptcy has interrupted administration of the benefits provided by Agreement and Final Judgment. Though the Final Judgment has established the right of the Class to relief, the “impartial and open medium of court supervised notice” is completely absent due to the stay, leaving class members in an informational vacuum that will lead to their irreparable harm if they make an uninformed decision to relinquish their vehicles to New GM.

II. Plaintiffs Have Established a Clear and Substantial Likelihood of Success on the Merits.

As explained above, because Plaintiffs seek only the preservation of the status quo, they must demonstrate merely a likelihood of success on the merits and need not satisfy the heightened “clear or substantial” standard. Nevertheless, even the heightened standard is easily satisfied in this case.

On November 4, 2009, Plaintiffs submitted their proposed Memorandum in Support of Plaintiffs’ Motion for Partial Summary Judgment as an exhibit to their opposition to New GM’s Motion to Dismiss. (S.D.N.Y. Doc. #2, App. A.) Incorporated herein by reference, it is a 27-page brief explaining in exhaustive detail all of the many reasons that Old GM’s obligations under the Class Judgment are “Assumed Liabilities” that New GM explicitly assumed under the ARMSPA. Unlike Count II of Plaintiff’s Complaint for Declaratory Judgment, which alleges “implied assumption” of liabilities and requires reference to extrinsic evidence, the “express assumption” claim in Count I of Plaintiffs’ Complaint can be resolved as a matter of law. It merely requires the Court to interpret the language of the ARMSPA, which the Court already

analyzed and approved when it approved the 363 sale between Old GM and New GM. There should be no factual dispute complicating the Court's resolution of Plaintiffs' express assumption claim, and as explained in the incorporated memorandum, the language of the ARMSPA clearly demonstrates that New GM expressly assumed Old GM's obligations under the Class Judgment.

At the very minimum, Plaintiffs' incorporated memorandum demonstrates sufficiently serious questions going to the merits to make them a fair ground for litigation and, as explained below, the balance of hardships tips decidedly in the movants's favor. This is sufficient to justify the issuance of the requested TRO.

III. The Balance of Harms Favors the Issuance of a Temporary Restraining Order.

A party seeking a TRO ordinarily must demonstrate that the balance of harms favors the issuance of a TRO only when the likelihood of success on the merits has not been established. *Tom Doherty Assoc., Inc. v. Saban Entertainment, Inc.*, 60 F.3d 27, 33 (2d Cir. 1995). As explained above, the likelihood of Plaintiffs' success on the merits in this case is evident. Nevertheless, the balance of harms also favors the requested relief. Without restraint from the Court, New GM will encourage class members *ex parte* to irreversibly forfeit their rights under the Class Judgment by relinquishing their vehicles to New GM. Conversely, New GM will suffer no harm at all if the requested TRO is issued.

The TRO would not prevent New GM from offering the Customer Credit Program altogether. Rather, it would simply prevent New GM from offering or the Customer Credit Program, or completing transactions under the program, *ex parte* without also advising customers of their rights and potential recovery under the Class Judgment, or in a way that pressures customers into believing that they must either (1) make a determination before this

Court rules on the merits of Plaintiffs' Motion for Partial Summary Judgment (*i.e.*, within 30 days) or (2) risk sacrificing any recovery at all.

The TRO would not prevent New GM from offering to reimburse transmission repairs at 50%. Rather, it simply would prevent New GM from obtaining "releases" from class members in exchange, or from making any argument based on the doctrine of "accord and satisfaction" in the event Plaintiffs ultimately prevail and the Court agrees that New GM assumed Old GM's obligations under the Class Judgment.

Furthermore, the TRO would not prevent New GM from engaging in any conduct not already subject to the Court's supervision under Rule 23, Fed.R.Civ.P.

a. **This Court Is Empowered Under Rule 23 To Exercise Control Over GM's Communication With Class Members To Protect The Rights Of The Class.**

In addition to this Court's broad equitable powers, under Rule 23(d) of the Federal Rules of Civil Procedure governing class actions, courts are provided supervisory authority over a defendant's communications with class members:

[c]lass actions serve an important function in our system of civil justice. They present, however, opportunities for abuse as well as problems for courts and counsel in the management of cases. Because of the potential for abuse, a district court has both the duty and the broad authority to exercise control over a class action and to enter appropriate orders governing the conduct of counsel and parties."

Gulf Oil Co. v. Bernard, 452 U.S. 89 (1981). An order limiting communication between the parties and potential class members should be based on a clear record and specific findings that reflect a weighing of the need for a limitation and the potential interference with the rights of the parties. *Rankin v. Board of Education*, 174 F.R.D. 695, 696 (D. Kansas). Courts examine four factors to determine whether good cause has been shown to limit communications: 1) the severity and likelihood of the perceived harm, 2) the precision with which the order is drawn,

3) the availability of a less onerous alternative, and 4) the duration of the order. *Id.* at 697.

1. The Severity and Likelihood of the Perceived Harm.

In addition to the irreparable harm described above, if New GM is not prevented from continuing *ex parte* communication with the Class, then class members are left to make binding legal choices without the benefit of advice from appointed counsel. Although Old GM's bankruptcy has delayed administration of the Class Judgment, Saturn VTi transmissions continue to fail and class members are faced with the costs associated with malfunctioning VTi transmissions. With the bankruptcy stay having halted the mailing of claim forms, further notice of the Class Action, and court supervision pursuant to the Class Judgment, class members, particularly those facing a new transmission failure, may be unaware of the rights that they have under the Class Judgment or, at the very least, the current status of those rights.

New GM's mailing, absent court supervision, absent any advice as to the class members' rights under the Class Judgment, and without any acknowledgement that litigation is pending to enforce those rights, carries a particularly strong risk of prejudice to the rights of this class because administration of the claims was disrupted by Old GM's bankruptcy. The class members were advised by notice that the settlement was complete and that claim forms were forthcoming – then they learned of Old GM's bankruptcy on the evening news.

Within this context and on the heels of the instant lawsuit to confirm New GM's assumption of liabilities, New GM's predatory "New Special Policy" is directed to an extraordinarily vulnerable group. If the class members pursue New GM's offer and relinquish their vehicle, there is no way to place them back in the position they were prior to the deal. Further, the money damages required to put the class members in as close a position as possible to where they were prior to New GM's latest offer would involve sums in excess of the

transmission repairs at issue in the first place. As the Court balances the harm in this matter, it must balance requiring New GM to modify its electronic bulletin and its mailing to provide an accurate picture of the class members rights against the risk that the class members' rights under the Class Judgment will be improperly and irreparably vitiated.

“Actual harm need not be proven to justify an order limiting class contacts. Rather, an order is justified upon a finding of ‘a likelihood of serious abuses.’” *Hampton Hardware, Inc. v. Cotter & Company, Inc.*, 156 F.R.D. 630 (N.D. Texas 1994)(ordering defendant and defense counsel prohibited from contacting potential class member regarding the litigation). “That interests embodied in Rule 23 might be hindered is a sufficient finding upon which to base an order limiting contacts.” *Id.*

2. The Precision With Which the Order Is Drafted.

The order requested in this case is carefully limited to require only that New GM refrain from interacting with Class Members in a manner inconsistent with the Agreement and Final Judgment. Plaintiffs recognize that Saturn owners, even those within the certified class, contact New GM for a wide variety of reasons, many, if not most, of which are unrelated to the Class Action. The order requested would not abridge communications with any customer about subjects unrelated to the Class Action. Plaintiffs further recognize that New GM must communicate with the Class Members in order to implement the relief contemplated by the Class Judgment, so that the requested order would not prohibit New GM from communicating with Class Members in order to fulfill the terms of the settlement.

To the contrary, the requested order is narrowly tailored to restrict New GM's communication in just one way: to prohibit GM from further communications with Class Members in a manner inconsistent with the relief afforded the Class Members pursuant to the

Class Judgment or consummating transactions under the New Special Policy without advising class members of their rights under the Class Judgment.

Considering this factor as applied to class members and a defendant who have share business interests together, other courts have ordered that all communication regarding the pending action cease. *Hampton Hardware, Inc. v. Cotter & Company, Inc.*, 156 F.R.D. 630 (N.D. Texas 1994). In considering the appropriate parameters within which to draw its order the court stated:

A balance must be struck between protecting potential class members from making decisions based upon one-sided information from an interested party, while at the same time taking care not to interfere with the on-going business relationship between class members and the defendant. Therefore, business communications must continue, however, communications as to the instant litigation must end.

Hampton Hardware, Inc., 16 F.R.D. at 634. In this case, the order requested is even more carefully drawn to restrict New GM's communication even less. Certainly the business relationship between customer and manufacturer must continue and New GM must remain free to contact Class Members for multiple purposes, including but not limited to marketing, scheduled maintenance, or repairs unrelated to the subject of the Class Action. However, Plaintiffs go one step farther than *Hampton Hardware* by not restricting New GM from communicating about the litigation. Plaintiffs ask only that when New GM discusses matters or makes deals that involve subjects encompassed by the litigation with Class Members, it does so in a manner consistent with the Class Judgment, or in conjunction with an accurate explanation of the status of the litigation, including the Class Members' rights under the Class Judgment.

3. The Availability of a Less Onerous Alternative.

There is no less onerous alternative in this case. The order requested is the bare minimum required to protect the rights of the Class providing only that New GM refrain from *ex*

parte communications or transactions inconsistent with the Class Judgment without an explanation of the Class Members' rights.

4. The Duration of the Order.

Plaintiffs would request the order for the shortest duration of time required to protect the class, which, in this case, would be until such time as the Court can resolve issues of assumption of liability raised in Plaintiffs' Complaint. The purpose of the order is to protect the rights of class members, particularly those who experience fresh failures, until a decision is reached as to New GM's responsibility for the Class Judgment. As soon as such a determination is made, the order will no longer be necessary. Considering the appropriateness of duration, *Hampton Hardware* noted that "the business relationship will not be disrupted in any manner by the duration of this order." 156 F.R.D. at 634. That analysis holds true in this case, in that due to the limited scope of communication affected by the order, the duration itself is not improper.

CONCLUSION

For these reasons, Plaintiffs' Motion for Temporary Restraining Order should be granted.

WHEREFORE, the plaintiffs request that the Court enter an order granting their request for a temporary restraining order:

a. preserving the status quo by prohibiting New GM from engaging in *ex parte* communications or business transactions, directly or through others, with the represented Plaintiffs and other class members in a manner inconsistent with the terms of the Class Judgment, except to the extent they are simultaneously advised of their rights under the Class Judgment, in particular, that the class member may be entitled to reimbursement of up to 100% of his or her VTi transmission related expenses, that this Court is reviewing Plaintiffs' claim that New GM assumed Old GM's liability under the Class Judgment, and that additional information

regarding class members' rights may be obtained at no cost through class counsel (along with contact information);

- b. prohibiting New GM from obtaining releases or arguing accord and satisfaction;
- c. setting a briefing schedule and a date for hearing on a preliminary injunction at the Court's earliest convenience; and
- d. expedited discovery on issues pertinent to a preliminary injunction, including communications to class members regarding the new special policy.

Dated: November 16, 2009

Respectfully submitted,

By:  _____

S. Alyssa Young, Esq. (SY 6105)
Michael J. Tiffany, Esq. (MT 9367)
LEADER & BERKON LLP
630 Third Avenue
New York, New York 10017
Phone (212) 486-2400
Fax (212) 486-3099

Robert W. Shmieder II
Mark L. Brown
LAKINCHAPMAN LLC
300 Evans Avenue, P.O. Box 229
Wood River, Illinois 62095-0229
Phone : (618) 254-1127
Fax : (618) 254-0193

Attorneys for Plaintiff

EXHIBIT 1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re GENERAL MOTORS CORP., *et al.*,
Debtor,

KELLY CASTILLO, NICHOLE
BROWN, BRENDA ALEXIS
DIGIANDOMENICO, VALERIE
EVANS, BARBARA ALLEN,
STANLEY OZAROWSKI, and
DONNA SANTI, *Individually and on
behalf of all others similarly situated*,

Plaintiffs,

v.

GENERAL MOTORS COMPANY,
f/k/a NEW GENERAL MOTORS
COMPANY, INC.,
Defendant.

Chapter 11 Case No.

09-50026 (REG)

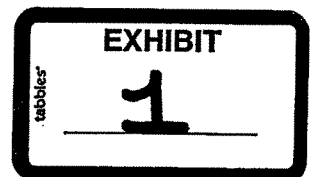
(Jointly Administered)

Adv. Proc. No. 09-00509

AFFIDAVIT

I, Matthew R. Cheatham, hereby state:

1. I am over eighteen years of age and have personal knowledge of the facts stated herein.
2. I am a paralegal employed by LakinChapman, LLC ("LC"). During my employment with LC, I have worked on the case styled *Castillo, et. al. v. General Motors Corporation*, U.S. Dist. Ct. E.D. of Cal., Case No. 2:07-CV-02142, since its inception including efforts to enforce the settlement following the bankruptcy of General Motors Corp.
3. After notice of preliminary approval of the Saturn VTi settlement was mailed to class members, my responsibilities included implementing and supervising a team of LC employees who would receive and respond to class member inquiries about



the settlement. Also, I was responsible for receiving and responding to some class member inquiries.

4. In communicating with class members regarding the settlement and the class members' efforts to get reimbursement for their Saturn VTi related expenses, from time to time class members provide us with documents received from their dealership or directly from General Motors Corp. or, later, General Motors Company.


5. Attached as Exhibit A to this affidavit is a true and correct copy of a bulletin from New GM obtained by a class member entitled "#09280: New Special Reimbursement Policy for Vehicles Equipped with Variable Transmission with Intelligence (VTi) Transmission-50 Percent of Trans Repair Cost Paid by GM or Customer May Elect \$5,000 Credit – (Nov 5, 2009)."

6. Attached as Exhibit B to this affidavit is a true and correct copy of a bulletin from New GM obtained by a class member entitled "Saturn VTi Transmission Settlement Clarification."

Executed on this 16th day of November, 2009.

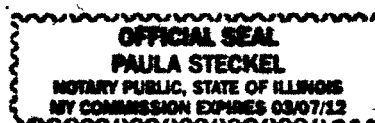


Sworn to and subscribed before me
this 16th day of November, 2009.



Notary Public

Commission Expires: 3/7/2012



Document ID: 2366737

#09280: New Special Reimbursement Policy for Vehicles Equipped with Variable Transmission with Intelligence (VTi) Transmission-50 Percent of Trans Repair Cost Paid by GM or Customer May Elect \$5,000 Credit - (Nov 5, 2009)

Subject: 09280 -- New Special Reimbursement Policy for Vehicles Equipped with Variable Transmission with Intelligence (VTi) Transmission - 50 percent of transmission repair cost will be paid by GM or customer may elect the option of \$5,000 customer credit instead of repair



Models: 2002-2005 Saturn VUE
Equipped with VTi (RPO M75/M16)
2003-2004 Saturn ION Quad Coupe
Equipped with VTi (RPO M75)

Condition

Some customers of 2002-2005 model year Saturn VUE vehicles equipped with a Variable Transmission with Intelligence (VTi) (RPO M75/M16); and 2003-2004 Saturn ION Quad Coupe vehicles equipped with VTi (RPO M75) may comment about transmission noise or reduced performance.

Saturn previously advised in bulletin 04020 of an extension of the limited express warranty on US vehicles with respect to the transmission as set forth below. Canadian vehicles were covered under the normal 5 year/100,000 km powertrain warranty.

1. For a period of 5 years or 75,000 miles, whichever occurs first, from the date the vehicle was originally placed in service, regardless of ownership. The repairs will be made at no charge to the customer.

New Special Reimbursement Policy (US and Canada)

If the vehicle is no longer eligible for the coverage above, but is within 8 years or 100,000 miles (160,000 km), whichever occurs first, from the date the vehicle was originally placed in service, regardless of ownership, GM will pay 50% of eligible transmission repair expenses, parts and labor, and the customer will be responsible for the remaining 50%. The amount paid shall be calculated with reference to dealers' already approved warranty parts and labor rates. Customers whose vehicle's extended transmission warranty has expired, but which still is within the Special Reimbursement Policy, may elect to receive a customer credit from GM for their vehicle instead of the repair - for the first instance that the customer pursues repair during the 8 year/100,000 miles (160,000 km) period. If the customer elects this option, the vehicle will be purchased for a \$5,000 credit (less any lien) towards the purchase of a new GM vehicle (excluding Saab, HUMMER, or

© 2009 General Motors Corporation. All rights reserved.

Medium Duty vehicles). The vehicle will then be turned over to General Motors for handling. See section titled, "Saturn VTi Transmission Customer Credit Program" contained in this bulletin for details.

Vehicles Involved

Eligible for the Special Reimbursement Policy are 2002-2005 model year Saturn VUE vehicles equipped with a Variable Transmission with Intelligence (VTi) (RPO M75/M16); and 2003-2004 Saturn ION Quad Coupe vehicles equipped with VTi (RPO M75).

Important: Dealers/retailers using the Global Warranty Management (GWM) system are to confirm vehicle eligibility for the Special Reimbursement Program prior to beginning repairs by using the 'Investigate Vehicle History' link on the GWM application within GlobalConnect.

Parts Information

Parts required to complete a repair under this Special Reimbursement Policy are to be obtained from Saturn Service Parts Operations (SSPO) (Saturn US retailers) or through General Motors Service and Parts Operation (GMSPO) (Saturn Canada and US GM Saturn-Authorized Repair Dealers).

Customer Notification

General Motors will notify customers of this Special Reimbursement Policy on their vehicles (see copy of typical customer letter included with this bulletin).

SATURN VTi TRANSMISSION CUSTOMER CREDIT PROGRAM For US Only (See Page 7 for Canadian Vehicles)

GM is offering Saturn owners the opportunity for a customer credit on 2002-2005 Saturn VUE vehicles equipped with VTi (RPO M75/M16) and 2003-2004 Saturn ION Quad Coupe vehicles equipped with VTi (RPO M75) in lieu of GM paying for 50% of the transmission repairs. The purpose of this section is to communicate the customer credit process, including administrative processes, for paying program allowances. This customer credit process is part of the overall Saturn VTi Special Reimbursement Policy 09280.

Customer Credit Program Summary

GM is offering Saturn owners the Customer Credit Program on vehicles equipped with the VTi transmission. ALL Saturn retailers/GM dealers are required to participate in offering the Customer Credit Program.

In lieu of GM paying eligible transmission repairs under this Special Reimbursement Policy at the 50% rate, the Customer Credit Program allows a Saturn owner to exchange their Saturn vehicle for a \$5,000 credit towards the purchase of a new GM vehicle from a Saturn retailer or GM dealer (excluding Saab, HUMMER, and Medium Duty vehicles).

The Saturn owner and the vehicle must meet certain eligibility requirements to participate in the Customer Credit Program. Those requirements are explained in this bulletin.

It is imperative that ALL GM dealers/Saturn retailers comply with ALL administrative processes

outlined in this bulletin. In addition, all GM dealers/Saturn retailers should take the necessary steps to ensure compliance with any state or local requirements and laws.

It is mandatory that ALL retailers/dealers execute ALL forms provided by the Customer Credit Program Team. The contact information for the Customer Credit Program Team is as follows:

Customer Credit Program

2717 Schust Rd

Saginaw, MI 48603

Phone: 877-738-9707

Fax: 866-802-6668

The customer credit is stackable with GM incentives at the time of purchase for the selected vehicle model.

Eligibility Requirements

Involved Vehicles:

- 2002-2005 Saturn VUE Equipped with VTi (RPO M75/M16)
- 2003-2004 Saturn ION Quad Coupe Equipped with VTi (RPO M75)

Vehicle Eligibility Requirements

- Vehicle must be presented for repair following expiration of the 5 year/75,000 miles limited transmission warranty and must be diagnosed as currently needing eligible repairs to the VTi transmission.
- The vehicle must be within the time and mileage guidelines as contained in Special Reimbursement Policy 09280.
- Purchased, leased, new, or used.

Owner Eligibility Requirements

- Vehicle must have been titled and registered to the current owner at the time that the program/bulletin was published to receive a customer credit. Customer credit is transferrable only within the current owner's household.
- The vehicle must currently be owned/leased by the retail purchaser applying for customer credit.
- Owner must return the vehicle within the time and mileage guidelines as contained in Special Reimbursement Policy 09280.
- Customer eligibility for the Customer Credit Program is limited to one customer credit per eligible vehicle in lieu of GM paying 50% of the cost of the first instance of transmission repair within the Special Reimbursement Policy 09280, following the expiration of the 5 year/75,000 mile (100,000 km) limited transmission warranty.
- Customer is responsible for all costs associated with the new vehicle purchase that exceed

the net value of the customer credit.

Exclusions

- Vehicles that, after proper diagnosis, do not demonstrate a need for a VTI transmission repair in accordance with Special Reimbursement Policy 09280.
- Fleet purchases and fleet leases.
- Vehicles used for livery, taxi, or delivery services.
- Vehicles previously returned under the Customer Credit Program.
- Vehicles with a powertrain warranty block.
- Retailer-owned used or demonstrator vehicles.
- Vehicles with scrap/salvage titles.

Vehicle Turn-In Process

The following outlines the steps necessary to successfully complete a vehicle turn-in. The process defined below MUST be followed to ensure the proper, timely processing of the program allowances. Failure to follow these steps could result in lengthy delays.

Customer Returns Vehicle for Customer Credit

The customer takes the eligible vehicle to the dealer/retailer with transmission concerns. At that point, the retailer/dealer opens a repair order to determine if the vehicle meets program guidelines. If the vehicle is eligible, the customer is offered the option of GM paying for 50% of the needed transmission repair under Special Reimbursement Policy 09280 or the vehicle customer credit. If the customer chooses the credit in lieu of the repair, the dealer/retailer will contact the Customer Credit Program Team to verify eligibility and start the process (see details below).

Verify Eligibility with Customer Credit Program Team

Before a customer exchanges a vehicle under the Customer Credit Program, the retailer/dealer must verify that the vehicle and owner are eligible by calling the Customer Credit Program Team at 1-877-738-9707. The Customer Credit Program Team will determine vehicle eligibility. The following documents will be required to confirm eligibility.

1. VIN of vehicle being turned in
2. Copy of the current registration
3. Copy of the title or other document that confirms ownership
4. Customer contact information (name, address, telephone)

The retailer/dealer must fax a copy of the document upon request from the Customer Credit Program Team.

Vehicle Eligibility Confirmed

Dealer/retailers are to make the customer aware that they now have 30 days to select and

purchase a new and unused replacement vehicle at the dealer/retailer of their choice (excluding Saab, HUMMER, and Medium Duty vehicles). Once the vehicle selection has been made, the customer should advise the selling dealer they are eligible for the \$5,000 customer credit. The selling dealer/retailer is to contact the Customer Credit Program Team for further directions by calling 1 877-738-9707. *The Customer Credit Program Team telephone number is for dealer use only.*

Issuance of Customer Credit

Once the Customer Credit Program Team verifies eligibility, they will send a VIN specific credit to the retailer/dealer via email or facsimile. The Customer Credit Program Team will also send the following documents for titling purposes:

1. Cover Letter
2. Retailer/Dealer Power of Attorney
3. Customer Power of Attorney
4. Odometer Statement

Verification of Completed Customer Credit Transaction

Once the customer turns in their original vehicle for a new and untitled vehicle, the retailer/dealer must return the following documents in order to receive the customer credit payment.

1. Customer & retailer/dealer signed VIN specific customer credit form
2. Signed Bill of Sale for the new vehicle
3. Signed Retailer/Dealer Power of Attorney notarized
4. Signed Customer Power of Attorney notarized
5. Signed Customer Odometer Statement
6. Customer Title
7. Lien Release, if applicable

Dealers should retain a copy of all documents mailed to the Customer Credit Program Team.

Payment of Customer Credit

- Customer Credit Program Team will only release payment after verification that all documents received are valid.
- Customer Credit Program Team will send credit payment to retailer/dealer.
- Customer Credit Program Team will send stipend check (retailer/dealer admin fee) in the amount of \$100.00 to the retailer/dealer.

Vehicle Disposition

When a vehicle is exchanged under the Customer Credit Program, the exchanged vehicle will be titled by the Customer Credit Program Team to GM. Dealers/retailers are not to undertake any repairs to the vehicle's transmission. The Customer Credit Program Team will be responsible for the final disposition of the vehicle. The retailer/dealer will keep the vehicle on their lot until it can be picked up by GM for handling. The retailer/dealer will not sell the vehicle.

SATURN VTI TRANSMISSION CUSTOMER CREDIT PROGRAM For Canada Only (See Page 3 for US Vehicles)

GM is offering Saturn owners the opportunity for a customer credit on 2002-2005 Saturn VUE vehicles equipped with VTI (RPO M75/M16) and 2003-2004 Saturn ION Quad Coupe vehicles equipped with VTI (RPO M75) in lieu of GM paying for 50% of the transmission repairs. The purpose of this section is to communicate the customer credit process, including administrative processes, for paying program allowances. This customer credit process is part of the overall Saturn VTI Special Reimbursement Policy 09280.

Customer Credit Program Summary

GM is offering Saturn owners the Customer Credit Program on vehicles equipped with the VTI transmission. ALL Saturn retailers/GM dealers are required to participate in offering the Customer Credit Program.

In lieu of GM paying eligible transmission repairs under this Special Reimbursement Policy at the 50% rate, the Customer Credit Program allows a Saturn owner to exchange their Saturn vehicle for a \$5,000 credit towards the purchase of a new GM vehicle from a Saturn retailer or GM dealer (excluding Saab, HUMMER, and Medium Duty vehicles).

The Saturn owner and the vehicle must meet certain eligibility requirements to participate in the Customer Credit Program. Those requirements are explained in this bulletin.

It is imperative that ALL GM dealers/Saturn retailers comply with ALL administrative processes outlined in this bulletin. In addition, all GM dealers/Saturn retailers should take the necessary steps to ensure compliance with any provincial or local requirements and laws.

It is mandatory that ALL retailers/dealers execute ALL forms provided by the Executive Review Team. The contact information for the Executive Review Team is as follows:

Executive Review Team (CA1-163-005)

1908 Colonel Sam Drive

Oshawa, ON L1H8P7

Email: trade@cc.gm.ca

Fax: 905-440-2620

The customer credit is stackable with GM incentives at the time of purchase for the selected vehicle model.

Eligibility Requirements

Involved Vehicles:

- 2002-2005 Saturn VUE Equipped with VTi (RPO M75/M16)
- 2003-2004 Saturn ION Quad Coupe Equipped with VTi (RPO M75)

Vehicle Eligibility Requirements

- Vehicle must be presented for repair following expiration of the 5 year/100,000 km powertrain transmission warranty and must be diagnosed as currently needing eligible repairs to the VTi transmission.
- The vehicle must be within the time and mileage guidelines as contained in Special Reimbursement Policy 09280.
- Purchased, leased, new, or used

Owner Eligibility Requirements

1. Vehicle must have been titled and registered to the current owner at the time that the program/bulletin was published to receive a customer credit. Customer credit is transferrable only within the current owner's household.
2. The vehicle must currently be owned/leased by the retail purchaser applying for customer credit.
3. Owner must return the vehicle within the time and mileage guidelines as contained in Special Reimbursement Policy 09280.
4. Customer eligibility for the Customer Credit Program is limited to one customer credit per eligible vehicle in lieu of GM paying 50% of the cost of the first instance of transmission repair within the Special Reimbursement Policy 09280, following the expiration of the 5 year/100,000 km powertrain warranty.
5. Customer is responsible for all costs associated with the new vehicle purchase that exceed the net value of the customer credit.

Exclusions

- Vehicles that, after proper diagnosis, do not demonstrate a need for a VTi transmission repair that in accordance with Special Reimbursement Policy 09280.
- Fleet purchases and fleet leases.
- Vehicles used for livery, taxi, or delivery services.
- Vehicles previously returned under the Customer Credit Program.
- Vehicles with a powertrain warranty block.
- Retailer-owned used or demonstrator vehicles.
- Vehicles with scrap/salvage titles.

Vehicle Turn-In Process

The following outlines the steps necessary to successfully complete a vehicle turn-in. The process defined below MUST be followed to ensure the proper, timely processing of the program allowances. Failure to follow these steps could result in lengthy delays.

Customer Returns Vehicle for Customer Credit

The customer takes the eligible vehicle to the dealer/retailer with transmission concerns. At that point, the retailer/dealer opens a repair order to determine if the vehicle meets program guidelines. If the vehicle is eligible, the customer is offered the option of GM paying for 50% of the needed transmission repair under Special Reimbursement Policy 09280 or the vehicle customer credit. If the customer chooses the credit in lieu of the repair, the dealer/retailer will contact the Executive Review Team to verify eligibility and start the process (see details below).

Verify Eligibility with Executive Review Team

Before a customer exchanges a vehicle under the Customer Credit Program, the retailer/dealer must verify that the vehicle and owner are eligible by emailing the following information to the Executive Review Team at trade@cc.gm.ca with "Saturn Customer Credit" in the subject line. The Executive Review Team will determine VIN eligibility.

1. VIN of the vehicle being turned in
2. Customer contact information (name, address, telephone)
3. A scanned copy of the customer title, current registration, and valid insurance slip. If scanning is not possible, these documents can be faxed to the Executive Review Team at 905-440-2620.

Vehicle Eligibility Confirmed

Dealer/retailers are to make the customer aware that they now have 30 days to select and purchase a new and unused replacement vehicle at the dealer/retailer of their choice (excluding Saab, HUMMER, and Medium Duty vehicles). Once the vehicle selection has been made, the customer should advise the selling dealer they are eligible for the \$5,000 customer credit. The selling dealer/retailer is to contact the Executive Review Team for further directions by calling 1 800-263-3777.

Issuance of Customer Credit

Once the Executive Review Team verifies eligibility, they will email/fax the following to the "Selling" dealer/retailer for titling purposes:

1. Cover Letter
2. Customer Credit Form for the vehicle being turned in
3. Vehicle Release Form for the vehicle being turned in
4. Customer contact information (name, address, telephone)

Verification of Completed Customer Credit Transaction

Once the customer turns in their original Saturn vehicle to the "Selling" retailer/dealer for a new and untitled vehicle, the "selling" retailer/dealer must courier the following "original" completed documents to the Executive Review Team in order to receive the customer credit payment.

1. Customer & retailer/dealer signed VIN specific customer credit form for the turned in vehicle
2. Customer & retailer/dealer signed Vehicle Release form for the turned in vehicle

3. Lien release for the turned in vehicle
4. Vehicle registration for the turned in vehicle showing GM of Canada as the owner, and the vehicle branded "scrap"
5. Signed Bill of Sale for the new GM vehicle
6. A copy of the customer title and registration for the new GM vehicle

The "Selling" dealer should retain a copy of all documents sent to the Executive Review Team.

Payment of Customer Credit

- Executive Review Team will only release payment to the "selling" dealer/retailer after verification that all documents received are valid.
- Executive Review Team will send a credit payment for \$5,000 (less any lien) to the "Selling" retailer/dealer's open account (BARS).
- Executive Review Team will send a credit payment of \$100 (retailer/dealer admin fee) to the "selling" retailer/dealer's open account (BARS).

Vehicle Disposition

When a vehicle is exchanged under the Executive Review Team, the exchanged vehicle title will be transferred to GM by the selling dealer/retailer. Dealers/retailers are not to undertake any repairs to the vehicle's transmission. The Executive Review Team will be responsible for the final disposition of the vehicle. The retailer/dealer will keep the vehicle on their lot until disposal arrangements have been made.

Service Procedure

Note: Before proceeding with this service procedure, refer to the instructions above for details.

Step	Question	Yes	No
1	Does the vehicle exhibit transmission concerns?	Proceed to Step 2	This Special Reimbursement Policy does not apply.
2	Is the vehicle within 5 years/75,000 miles (100,000 km), whichever occurs first, from the date the vehicle was originally placed in service, regardless of ownership?	Refer to Special Reimbursement Policy 04020A for US vehicles; cover under normal powertrain warranty for Canadian vehicles	Proceed to Step 3.
	Is the vehicle within 8 years/100,000 miles	The customer has the option of having GM pay 50% of the transmission repair at the dealer/retailer's approved warranty parts and labor rates (customer is responsible for the remaining 50%)	This Special

3	(160,000 km), whichever occurs first, from the date the vehicle was originally placed in service, regardless of ownership?	or At the first instance of needed repair, the vehicle may be traded in for a \$5,000 credit (less any lien) towards the purchase of a new GM vehicle (vehicle must be selected and purchased within 30 days) Proceed to Step 4.	Reimbursement Policy does not apply. Repairs are to be customer-pay.
4	Does the customer want to trade in their vehicle for a \$5,000 customer credit (less any lien) towards the purchase of a new GM vehicle?	See the appropriate Saturn VTI Transmission Customer Credit Program (US or Canada) in this bulletin.	Proceed to Step 5.
5	Does the customer want GM to pay for 50% of the transmission repair?	Diagnose and service the transmission as outlined in the applicable Saturn Service Manual or Technical Service Bulletin. GM will pay for 50% of the approved warranty parts and labor costs; the customer will pay the remaining 50%.	No further assistance is available.

Claim Information

1. Submit a claim using the table below.

Labor Code	Description	Labor Time	Net Item
T5736	Diagnose Transmission for Needed Repair Only-Customer Opts for Customer Credit in Lieu of Repair	*	N/A
T5737	Transmission Case Cover Assembly Repair (50% to be paid by GM) - Vehicle Not Traded-In	N/A	**
T5738	Transmission Replacement (50% to be paid by GM) - Vehicle Not Traded-In	N/A	**
T5739	Reimbursement (not for use by US GM dealers)	0.2	***

* Submit the actual straight time required to diagnose cost of transmission repairs.

** The amount submitted in Net Item should represent 50% of the cost of the repair (approved warranty parts and labor costs). Determine the appropriate labor time from the electronic Labor Time Guide

*** Submit the dollar amount reimbursed to the customer for previous eligible transmission repairs in Miscellaneous Net Item. Do not submit for the \$5,000 customer credit.

Customer Reimbursement - For Canada

Customer requests for reimbursement of previously paid repairs to the VTI transmission assembly

are to be submitted to the dealer/retailer prior to or by November 30, 2010. Repairs must have occurred within the 8 years of the date the vehicle was originally placed in service, or 160,000 km, whichever occurs first. Reimbursement is limited to 50% of the dealer/retailer approved warranty parts and labor rates.

When a customer requests reimbursement, they must provide the following:

- Proof of ownership at time of repair.
- Original paid receipt confirming the amount of unreimbursed repair expense(s) (including Service Contract deductibles), a description of the repair, and the person or entity performing the repair.

If the work was done by someone other than a GM dealership/facility, the amount of reimbursement will be limited to 50% of the amount that the repair would have cost GM to have it completed by a GM dealership/facility.

Customer Reimbursement - For US

All customer requests for reimbursement for previous repairs for this condition are handled by submitting a reimbursement claim form directly to Saturn retailers or Saturn Customer Assistance Center for processing. Reimbursement is limited to 50% of the retailer approved warranty parts and labor rates.

A Saturn Customer Reimbursement Procedure and Claim Form are Included with the customer letter.

November 2009 (Letter for U.S. Customers)

Dear Saturn Customer:

As the owner of a 2002, 2003, 2004, or 2005 model year Saturn VUE, or a 2003 or 2004 model year Saturn ION Quad Coupe, equipped with a Variable Transmission with Intelligence (VTi), your satisfaction with our product is very important to us.

This letter is intended to make you aware that some 2002, 2003, 2004, and 2005 model year Saturn VUE, and some 2003 and 2004 model year Saturn ION Quad Coupe vehicles, equipped with a VTi, may exhibit excessive transmission noise or reduced performance.

Do not take your vehicle to your Saturn retailer, or GM dealer if a Saturn retailer is not available, as a result of this letter unless you believe that your vehicle has the condition as described above.

What We Have Done: General Motors has already provided Saturn owners with additional express warranty coverage for the VTi transmission.

- If this condition occurs on your 2002, 2003, 2004, or 2005 model year Saturn VUE; 2003 or 2004 model year Saturn ION Quad Coupe, equipped with a VTi, within 5 years of the date your vehicle was originally placed in service or 75,000 miles, whichever occurs first, the condition will be repaired for you at *no charge*. Diagnosis or repair for conditions other than the condition described above is not covered under this Special Reimbursement Policy.
- If your vehicle is no longer eligible for the coverage above, but is within 8 years or 100,000 miles, whichever occurs first, from the date the vehicle was originally placed in service, regardless of ownership, General Motors will pay 50% of the cost of the eligible repair to the

vehicle's transmission; you will be responsible for the remaining 50% of the repair cost. In lieu of this assistance, at the first instance of a needed repair within these time and mileage limits, a \$5,000 customer credit is available to you. If you elect this option, your vehicle will be purchased for a \$5,000 customer credit (less any lien) towards the purchase of a new GM vehicle within 30 days. Your servicing dealer/retailer will assist you in the \$5,000 customer credit process. If you select this option, a copy of your current vehicle registration and title will be required at this time.

What You Should Do: If your vehicle should require repairs to the VTi within the time and mileage limits listed above, contact your Saturn retailer. If a Saturn retailer is not available, please call the Saturn Customer Assistance Center for assistance.

If your vehicle does not require repairs to the VTi, keep this letter with your other important glove box literature for future reference.

Reimbursement: The enclosed form explains what reimbursement is available and how to request reimbursement if you have paid for eligible repairs for the VTi transmission. These repairs must have been performed on your vehicle on or after July 10, 2009. Your request for reimbursement, including the information and documents mentioned on the enclosed form, must be received by GM by November 30, 2010 (November 30, 2011 for California residents).

If you have any questions related to this Special Reimbursement Policy or a potential reimbursement, please contact the Saturn Customer Assistance Center at 1-800-972-8876 or 1 800-833-6000 (TTY).

We are sorry for any inconvenience you may have experienced; however we have taken this action in the interest of your continued satisfaction with our products.

Scott Lawson

Director,

Customer and Relationship Services

Enclosure

09280

November 2009 (Letter for Canadian Customers)

Dear Saturn Customer:

As the owner of a 2002, 2003, 2004, or 2005 model year Saturn VUE, or a 2003 or 2004 model year Saturn ION Quad Coupe, equipped with a Variable Transmission with Intelligence (VTI), your satisfaction with our product is very important to us.

This letter is intended to make you aware that some 2002, 2003, 2004, and 2005 model year Saturn VUE, and some 2003 and 2004 model year Saturn ION Quad Coupe vehicles, equipped with a VTi transmission, may exhibit excessive transmission noise or reduced performance.

Do not take your vehicle to your Saturn retailer as a result of this letter (or GM dealer if no Saturn retailer is available) unless you believe that your vehicle has the condition as described above.

What We Have Done: General Motors of Canada Limited provided a standard 5-year, 100,000 km powertrain warranty for these vehicles. If this condition occurs on your 2002, 2003, 2004, or 2005 model year Saturn VUE; 2003 or 2004 model year Saturn ION Quad Coupe, equipped with a VTI transmission, within 5 years of the date your vehicle was originally placed in service or 100,000 km, whichever occurs first, the condition will be repaired under the original warranty for you at *no charge*. Diagnosis or repair for conditions other than the condition described above is not covered under this Special Reimbursement Policy.

If your vehicle is no longer eligible for the coverage under the original warranty, but is within 8 years or 160,000 km, whichever occurs first, from the date the vehicle was originally placed in service, regardless of ownership, General Motors will pay 50% of the cost of the eligible repair to the vehicle's transmission. You will be responsible for the remaining 50% of the repair cost. In lieu of this assistance, at the first instance of a needed repair within these time and mileage limits, a one time \$5,000 customer credit is available to you. If you elect this option, your vehicle will be purchased for a \$5,000 customer credit (less any lien) towards the purchase of a new GM vehicle within 30 days. Your servicing dealer/retailer will assist you in the \$5,000 customer credit process. If you select this option, you must be the registered owner of the vehicle and a copy of your current vehicle registration and title will be required at the time of vehicle exchange.

What You Should Do: If your vehicle should require repairs to the VTI transmission within the time and mileage limits listed above, contact your Saturn retailer. If a Saturn retailer is not available, please call the GM Customer Communication Centre for assistance at 1-800-263-3777.

If your vehicle does not require repairs to the VTI transmission, keep this letter with your other important glove box literature for future reference.

Reimbursement: Contact your dealer/retailer for details on what reimbursement is available and how to request reimbursement if you have previously paid for eligible repairs for the VTI transmission. Your request for reimbursement, including the information and documents mentioned above, must be received by your dealer/retailer by November 30, 2010. If the work was done by someone other than a GM dealer/Saturn retailer, the amount of reimbursement will be limited to 50% of the amount that the repair would have cost GM to have it completed by a GM dealer/Saturn retailer.

If you have any questions related to this Special Reimbursement Policy, please contact the GM Customer Communication Centre at 1-800-263-3777.

We are sorry for any inconvenience you may have experienced; however we have taken this action in the interest of your continued satisfaction with our products.

Customer Support Department

09280

GM bulletins are intended for use by professional technicians, NOT a "do-it-yourselfer". They are written to inform these technicians of conditions that may occur on some vehicles, or to provide information that could assist in the proper service of a vehicle. Properly trained technicians have the equipment, tools, safety instructions, and know-how to do a job properly and safely. If a condition is described, DO NOT assume that the bulletin applies to your vehicle, or that your vehicle will have that condition. See your GM dealer for information on whether your vehicle may benefit from the information.



WE SUPPORT
VOLUNTARY
TECHNICIAN
CERTIFICATION

Date: 09/29/2009

Ref. number: Service / Service Operations / G_0000039020

Subject: Saturn VTI Transmission Settlement Clarification

GM SERVICE AND PARTS OPERATIONS
DCS2303
URGENT - DISTRIBUTE IMMEDIATELY

Date: September 28, 2009

Subject: Saturn VTI Transmission Settlement Clarification

Models: Certain 2002 - 2005 Saturn VUE
Certain 2003 - 2004 Saturn ION
Equipped with VTI Transmission

To: All Saturn Retailers

Attention: Dealer Operator, General Manager, Sales Manager,
Service Manager, Used Car Manager, Parts Manager
and Warranty Administrator

As you know, General Motors Corporation (now Motors Liquidation Company or "MLC") previously entered into a class wide settlement agreement of certain litigation involving the VTI transmission in 2002-2005 model year Saturn VUE and 2003-2004 model year Saturn ION vehicles. Without admitting liability for any claims made in the litigation and to avoid the costs and expenses of further litigation, MLC agreed that after the effective date of the settlement it would reimburse customers for certain VTI transmission related expenses incurred after the expiration of the of the 5 year/75,000 mile limited warranty applicable to this transmission. In addition, as a customer good will matter prior to the effective date of the settlement, as contained in GM Administrative Message G_0000020717, MLC put in place a practice of reimbursing eligible claims pursuant to the time, mileage and percentage reimbursement schedule contained in the settlement. However, before the effective date of the settlement, MLC was forced to file for bankruptcy protection.

When it emerged from the bankruptcy proceedings, General Motors Company ("GM") did not assume liability under the settlement or otherwise for any reimbursement obligations with respect to the VTI transmission. The Bankruptcy Court's order approving the 363 sale of MLC assets to GM specifically provides that such sale was free and clear of any MLC liabilities unless expressly assumed by GM. Therefore, the responsibility, if any, to provide reimbursement to customers under the settlement remains with MLC subject to the normal procedures of the Bankruptcy Court. Thus, GM Administrative Message G_0000020717 is no longer effective and no reimbursement of VTI transmission related expenses should be made or will be honored by GM pursuant to the terms of the prior policy outlined in that message.

Going forward, repair of VTI transmissions in the subject vehicles should be addressed only pursuant to the terms of the 5 year / 75,000 mile limited express warranty extension issued via Saturn Special Coverage Bulletin 04020 dated March 2004 and superseded by Bulletin 04020A in January 2008.

END OF MESSAGE
GM SERVICE AND PARTS OPERATIONS

EXHIBIT 2

I, Julie A. Dolosic, hereby state:

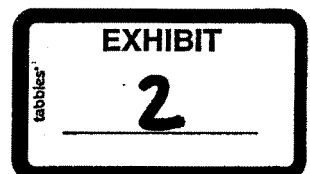
1. I am over eighteen years of age and have personal knowledge of the facts stated herein.

2. I am a litigation specialist employed by LakinChapman, LLC ("LC"). During my employment with LC, I have worked on the case styled *Castillo, et. al. v. General Motors Corporation*, U.S. Dist. Ct. E.D. of Cal., Case No. 2:07-CV-02142, since its inception including efforts to obtain declaratory relief regarding New GM's assumption of Old GM's obligations under the judgment.

3. After notice of preliminary approval of the Saturn VTi settlement was mailed to class members, one of my responsibilities included receiving and responding to class member inquiries about the settlement.

4. On November 6, 2009, I was contacted by Eric Breece about the Saturn VTi settlement and a transmission failure on his 2003 Saturn Vue with approximately 91,000 miles. Mr. Breece informed me that his vehicle was currently in a Saturn repair shop, and he was originally quoted approximately \$6,000 to replace the VTi transmission, but the Saturn repair shop was willing to "cut him a deal" and replace the VTi transmission for \$4,300. I suggested that Mr. Breece contacted GM Customer Assistance at 1-800-553-6000.

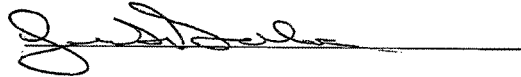
5. On November 13, 2009, I received another call from Eric Breece. Mr. Breece informed me that he was contacted by GM Customer Assistance Center and was offered GM's New Special Reimbursement Policy #09280. According to Eric Breece, he was offered either being responsible for 50% of the VTi replacement costs, or \$5,000 credit toward the purchase of a new GM vehicle.



6. When GM made the offer for GM's New Special Reimbursement Policy #09280, Mr. Breece told me that the GM Customer Assistance Center representative informed him that the Saturn VTi "court case was thrown out" and the GM Customer Assistance Center representative "then implied" that the New Special Reimbursement Policy #09280 "was his only option."

7. Mr. Breece also informed me, that the GM Customer Assistance Center representative told Mr. Breece that the Saturn VTi case was not against GM, but rather against the manufacturer of the VTi transmission who is now "out of business."

Executed on this 16th day of November, 2009.



Sworn to and subscribed before me
this 16th day of November, 2009.



Notary Public

Commission Expires: 3/7/2012



EXHIBIT 3

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re GENERAL MOTORS CORP., *et al.*,
Debtor,

KELLY CASTILLO, NICHOLE
BROWN, BRENDA ALEXIS
DIGIANDOMENICO, VALERIE
EVANS, BARBARA ALLEN,
STANLEY OZAROWSKI, and
DONNA SANTI, *Individually and on
behalf of all others similarly situated*,

Plaintiffs,
v.
GENERAL MOTORS COMPANY,
f/k/a NEW GENERAL MOTORS
COMPANY, INC.,
Defendant.

Chapter 11 Case No.

09-50026 (REG)

(Jointly Administered)

Adv. Proc. No. 09-00509

Declaration of Attorney Mark L. Brown

I, Mark L. Brown, pursuant to 28 U.S.C. 1746, hereby declare as follows:

1. I am over eighteen years of age and have personal knowledge of the facts stated herein.
2. I am an attorney employed by LakinChapman, LLC ("LC"), which was appointed class counsel in *Castillo, et. al., v. General Motors Corporation*, U.S. Dist. Ct. E.D. of Cal., Case No. 2:07-CV-02142.
3. Pursuant to Fed. R. Civ. P. 65(b) and Case Management Order #1 at ¶¶ 37-38 (Doc. 157), on November 11, 2009, notice of Plaintiffs' Motion and Memorandum in Support of Plaintiffs' Motion for Temporary Restraining Order was provided to Gregory Oxford, Counsel for General Motors Company, by way of a letter transmitted via e-mail at approximately 5:25 p.m. Eastern. A true and correct copy of that letter is attached as Exhibit A hereto.



4. At approximately 12:25 p.m. on November 12, 2009, I received via e-mail a letter from Mr. Oxford acknowledging receipt of my letter to him.

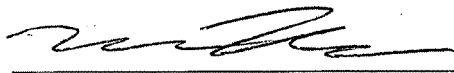
5. Mr. Oxford spoke with my colleague (Robert Schmieder) and me via telephone later in the afternoon of November 12. Mr. Oxford represented during our telephone call that GM would not be obtaining releases or waivers from those customers who chose to accept GM's offer to provide 50% reimbursement for their transmission repairs. However, he also indicated that he understood Plaintiff's position that those customers who traded in their vehicles for a \$5000 credit toward a new GM vehicle would risk irreparable harm if not also informed of this pending adversary proceeding / declaratory judgment action. I offered to work with GM to draft neutral, non-controversial clarifying language to be included in the "customer letter" referenced in Ex. 1-A to Plaintiff's Memorandum, *i.e.*, language informing class members of this adversary proceeding.

6. Mr. Oxford represented that he had spoken with GM's in-house counsel earlier in the day, and that in-house counsel did not know whether the proposed "customer letter" from GM to the class members had been transmitted yet or not. Mr. Oxford agreed to relay to GM's in-house counsel our proposal for adding clarifying language to the "customer letter," and we requested that if Mr. Oxford determined that the mailing of the customer letter was imminent, he contact us so that the filing of Plaintiff's Motion for Temporary Restraining Order could be filed prior to the transmittal of the customer letter.

7. Subsequent communications between counsel are described in the Declaration of Robert W. Schmieder II.

8. On November 16, 2009 after obtaining hearing date from the Court, by electronic mail I forwarded Greg Oxford a letter attaching copies of the pleadings associated with the Motion For Temporary Restraining Order and advising him that a hearing on the motion would be held Wednesday, November 18, 2009 at 2:00 p.m. eastern time before Judge Gerber. A true and correct copy of that correspondence (without enclosures) is attached as Exhibit B hereto.

I declare under penalty of perjury that the foregoing is true and correct. Executed on November 16, 2009.



LAKINCHAPMAN_{LLC}

ST. LOUIS (METRO EAST) • CHICAGO
www.LakinChapman.com

MARK L. BROWN
LICENSED IN IL AND MO
EMAIL: markb@LakinChapman.com

300 EVANS AVENUE
WOOD RIVER, IL 62095-0229
MAIN: (618) 254-1127
DIRECT DIAL: (618) 251-2402
FAX: (618) 254-0193

November 11, 2009

Mr. Gregory Oxford, Esq.
Isaacs Clouse Crose & Oxford LLP
21515 Hawthorne Boulevard
Suite 950
Torrance, CA 90503

Re: *Castillo, et. al. v. General Motors Corporation*, S.D.N.Y. Bankr. Ct.,
Adv. Proc. No. 09-00509
Castillo, et. al. v. General Motors Corporation, U.S. Dist. Ct. E.D. of Cal.,
Case No. 2:07-CV-02142

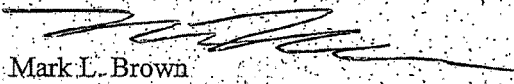
Dear Greg:

It has come to our attention that your client, General Motors Company, is engaged in *ex parte* communications with the certified class of Saturn owners whose vehicles are equipped with VTI transmissions, apparently in an attempt to entice them to compromise their claims, individually, for compensation far less than is provided in the final judgment entered by the District Court in California. Specifically, we are referring to New Special Reimbursement Policy #09280 and the communications it contemplates through dealers and via direct mail to the class members. A copy of the document is included in the pleadings we have enclosed.

As you are aware from the Complaint currently pending before the Bankruptcy Court in the Southern District of New York, General Motors Company has assumed the liability of its predecessor, General Motors Corp., with respect to the California judgment. Consequently, General Motors Company's *ex parte* attempt to undermine the judgment is prohibited by legal theories ranging from Rule 24 to the ethical rules governing attorney conduct.

But for the Court being closed due to today's holiday, the enclosed Motion for Temporary Restraining Order seeking to prevent General Motors Company from continuing its efforts to contact class members *ex parte* would have been filed today, and we intend to file it as soon as is practicable Thursday following the holiday. Should General Motors Company continue to contact class members improperly prior to the time this motion can be heard, particularly through the anticipated mass mailing to class members, it does so with the understanding that the costs of remedying the improper mailing are its own to bear.

Yours very truly,



Mark L. Brown

cc: Cory Kandestin, Esq.
S. Alyssa Young, Esq.

LAKINCHAPMAN LLC

ST. LOUIS (METRO EAST) • CHICAGO

www.LakinChapman.com

MARK L. BROWN
LICENSED IN IL AND MO
EMAIL: markb@LakinChapman.com

300 EVANS AVENUE
WOOD RIVER, IL 62095-0229
MAIN: (618) 254-1127
DIRECT DIAL: (618) 251-2402
FAX: (618) 254-0193

November 16, 2009

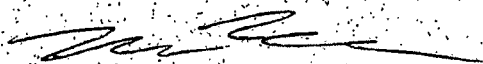
Mr. Gregory Oxford, Esq.
Isaacs Clouse Crose & Oxford LLP
21515 Hawthorne Boulevard
Suite 950
Torrance, CA 90503

Re: *Castillo, et. al. v. General Motors Corporation*, S.D.N.Y. Bankr Ct.,
Adv. Proc. No. 09-00509
Castillo, et. al. v. General Motors Corporation, U.S. Dist. Ct. E.D. of Cal.,
Case No. 2:07-CV-02142

Dear Greg:

Please be advised that the Court has set our Motion for Temporary Restraining Order for hearing on Wednesday, November 18, 2009 at 2:00 p.m. eastern time. Attached please find a revised copy of our Motion for Temporary Restraining Order and Memorandum in Support of Motion for Temporary Restraining Order.

Yours very truly,



Mark L. Brown

Enclosures

EXHIBIT 4

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re GENERAL MOTORS CORP., *et al.*,
Debtor,

KELLY CASTILLO, NICHOLE
BROWN, BRENDA ALEXIS
DIGIANDOMENICO, VALERIE
EVANS, BARBARA ALLEN,
STANLEY OZAROWSKI, and
DONNA SANTI, *Individually and on
behalf of all others similarly situated,*

Plaintiffs,

v.

GENERAL MOTORS COMPANY,
f/k/a NEW GENERAL MOTORS
COMPANY, INC.,
Defendant.

Chapter 11 Case No.

09-50026 (REG)

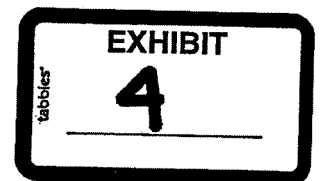
(Jointly Administered)

Adv. Proc. No. 09-00509

Declaration of Attorney Robert W. Schmieder II

I, Robert W. Schmieder II, pursuant to 28 U.S.C. 1746, hereby declare as follows:

1. I am over eighteen years of age and have personal knowledge of the facts stated herein.
2. I am an attorney employed by LakinChapman, LLC ("LC"), which was appointed class counsel in *Castillo, et. al., v. General Motors Corporation*, U.S. Dist. Ct. E.D. of Cal., Case No. 2:07-CV-02142.
3. On Friday, November 13, 2009, at approximately 4:00 p.m. Eastern, I spoke via telephone with GM's outside counsel, Gregory Oxford.
4. Mr. Oxford relayed to me that GM had rejected Plaintiffs' offer of the previous day to work together to draft neutral, non-controversial clarifying language to the "customer

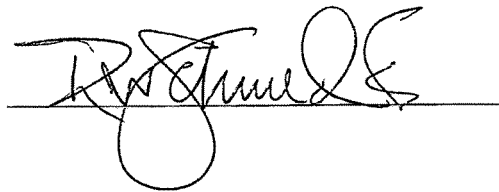


letter” referenced in Exhibit 1-A to Plaintiffs’ Memorandum, informing class members of this pending adversary proceeding.

5. Mr. Oxford also informed me, despite the request on the previous day to inform us if the mailing of the “customer letter” was imminent so that we could file a Motion for Temporary Restraining Order prior to the transmittal of the customer letter, that the mailing had taken place on November 12 and 13.

6. I informed Mr. Oxford that, in light of GM’s response, and in light of the late hour when we spoke on Friday, Plaintiffs would seek a temporary restraining order on Monday, November 16.

I declare under penalty of perjury that the foregoing is true and correct. Executed on November 16, 2009.

A handwritten signature in black ink, appearing to read "R. J. Stuebel", is written over a horizontal line. The signature is stylized with large, overlapping loops and a prominent flourish at the end.