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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11
: :
GENERAL MOTORS CORP., *et al.*, : Case No. 09-50026 (REG)
: :
Debtors. : (Jointly Administered)
-----X

**OBJECTION OF AVL POWERTRAIN ENGINEERING, INC. TO NOTICE OF (I)
DEBTORS' INTENT TO ASSUME AND ASSIGN CERTAIN EXECUTORY
CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY, AND UNEXPIRED
LEASES OF NONRESIDENTIAL REAL PROPERTY
AND (II) CURE AMOUNTS RELATED THERETO**

AVL Powetrain Engineering, Inc. (hereinafter "AVL PEI"), a creditor and interested party, objects to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts and Unexpired Leases and (II) Cure Amounts Related Thereto ("Assumption Notice") served upon by the above captioned debtors and debtors-in-possession (collectively, the "Debtors") pursuant to the Court's Bidding Procedures Order (Docket No. 274). In support of the objection, AVL PEI states:

1. The Debtors purportedly mailed an Assumption Notice to AVL PEI on June 5, 2009. AVL PEI did not receive the Assumption Notice until June 17, 2009, two days after the day that objections to the Assumption Notice were due.

2. Because AVL PEI did not receive the Assumption Notice until June 17, 2009, and filed its objection as promptly as possible under the circumstances, AVL PEI asks that this Court consider the objection timely filed.

3. The Debtors are parties to executory contracts with AVL PEI.

4. The Debtors have proposed assuming and assigning certain of AVL PEI's executory contracts (the "Designated Contracts")¹.

5. AVL PEI is in the process of reviewing the Designated Contracts listed by GM on their contract notice website.

6. AVL PEI objects to the Assumption Notice to the extent that no Cure Amount is identified by the Debtors. AVL PEI is owed a substantial sum for pre-petition goods and/or services provided to the Debtors.

7. AVL PEI also objects to the extent that the Debtors' Notice would allow payment of less than all pre-petition and post-petition obligations owed by Debtors to AVL PEI, as is required by § 365 of the Bankruptcy Code. *In re Burger Boys*, 94 F.3d 755, 763 (2nd Cir. 1996).

8. AVL PEI further objects to the extent Debtors' Notice would allow assumption of executory contracts without satisfying the requirements in § 365(b)(1). *See also Aetna Casualty & Surety Co. v. Gamel*, 45 B.R. 345, 348 (N.D.N.Y. 1984) (citing *In re Luce Industries, Inc.*, 8 B.R. 100, 104 (Bankr. S.D.N.Y. 1980) *rev'd on other grds.*, 14 B.R. 529 (S.D.N.Y. 1981)).

9. AVL PEI reserves any and all rights arising from or associated with the Designated Contracts.

10. Because the legal and factual authority upon which AVL PEI relies are incorporated into this objection, AVL PEI respectfully requests that the Court deem satisfied or,

¹ The Debtors have also proposed to assume, as Designated Contracts, the executory contracts of another AVL related entity, AVL Instrumentation & Test Systems, Inc. AVL Instrumentation & Test Systems, Inc. has already appeared before this Court and objected to an Assumption Notice it received (Docket #856).

alternatively, waive any requirement of the filing of a separate memorandum of law contained in Local Bankruptcy Rule 9013-1(a).

11. Because AVL PEI files this objection before having all necessary information regarding the Designated Contracts or the proposed Cure Amounts, AVL PEI reserves the right to amend this objection to include additional facts or arguments as may be determined by further investigation and also to raise such other and further objections to any proposed assumption and assignment or Cure Amounts with respect to AVL PEI's Designated Contracts.

WHEREFORE, AVL PEI respectfully requests that the Court enter an order (a) sustaining this objection in its entirety, (b) reserving its rights in connection with any Designated Contracts or Cure Amounts listed and (c) providing AVL PEI with such other and further relief as is appropriate.

Respectfully submitted,

KERR, RUSSELL AND WEBER, PLC

By: /s/ P. Warren Hunt

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Dated: June 17, 2009

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CERTIFICATE OF SERVICE

I hereby certify that on June 17, 2009, I electronically filed the foregoing Objection to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts and Unexpired Leases and (II) Cure Amounts Related Thereto, and this Certificate of Service with the Clerk of the Court using the ECF system which will send notification of such filing to all ECF participants. A copy of this document was also served on the following parties on June 17, 2009 via Federal Express mail:

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/s/ P. Warren Hunt

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Dated: June 17, 2009