

**Hearing Date and Time: October 6<sup>th</sup>, 2009 at 10:00 a.m. (Eastern Time)**  
**Objection Date and Time: September 29, 2009 at 4:00 p.m. (Eastern Time)**

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*Attorneys for Johnson Controls, Inc.,  
Intertec Systems, LLC, and JCIM, LLC*

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

-----X  
In re: : Chapter 11  
: :  
: Case No. 09-50026 (REG)  
MOTORS LIQUIDATION COMPANY :  
(f/k/a General Motors Corporation), :  
: (Jointly Administered)  
Debtor. :  
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**JOHNSON CONTROLS, INC.'S MOTION TO COMPEL ARBITRATION  
PURSUANT TO CURE DISPUTE RESOLUTION PROCESS**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Johnson Controls, Inc., Intertec Systems, LLC, JCIM, LLC, on behalf of themselves and their subsidiaries, affiliates and related entities (collectively, "Johnson Controls"), through their undersigned attorneys, state as follows for their Motion to Compel Arbitration Pursuant to Cure Dispute Resolution Process:

### **Relief Requested**

1. Johnson Controls executed a Trade Agreement with Debtor Motors Liquidation Company (f/k/a General Motors Corporation) (the "Debtor") at the outset of this case. ("Trade Agreement," **Exhibit A**). Pursuant to the Trade Agreement, any dispute between Johnson Controls and the Debtor regarding the assumption and assignment of its executory contracts with the Debtor are to be submitted to binding arbitration as set forth in the Cure Dispute Resolution Process. After Johnson Controls filed a timely objection to the Debtor's Cure Notice, Johnson Controls and the Debtor completed all of the conditions precedent to binding arbitration under the Cure Dispute Resolution Process. Under the plain language of the Trade Agreement, the Debtor is now required to submit the parties' dispute to binding arbitration. The Debtor, however, has unreasonably failed to do so. Therefore, Johnson Controls respectfully seeks an order compelling the Debtor to submit Johnson Controls' objection to the Debtor's Cure Notice to binding arbitration pursuant to the Trade Agreement and the Cure Dispute Resolution Process.

### **Jurisdiction and Venue**

2. This Court has jurisdiction pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this district according to 28 U.S.C. §§ 1408 and 1409.

### **Background and Procedural History**

3. Johnson Controls, Inc. is (a) one of the world's leading manufacturers of interior systems for light vehicles, including seating, overhead, doors, instrument panels, storage and electronics ("Automotive Systems"), (b) the world's largest manufacturer of

lead acid automotive batteries and is a developer of advanced battery chemistries (“Power Systems”), and (c) the world's building efficiency leader in providing products and services that optimize energy use and improve comfort and security (“Building Efficiency Systems”).<sup>1</sup> Johnson Controls is a party to thousands of purchase orders and supply agreements with the Debtors for the supply of component parts and other services related to automotive systems, power systems, and building efficiency systems.

4. On June 5, 2009, in accordance with this Court's order,<sup>2</sup> the Debtors filed and served their *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* (the “Cure Notice”). The Cure Notice advised that the Debtors maintained a secure website that contained information about contracts to be assumed and cure amounts that the Debtors believe will satisfy their obligations under 11 U.S.C. § 365(b). The secured website provided that Debtors intended to assume various executory contracts (the “Executory Contracts”) with Johnson Controls, Inc., Intertec Systems, LLC, JCIM, LLC and tender a cure amount of \$60,997,855.65 to Johnson Controls, Inc., \$11,229.65, to Intertec Systems, LLC, and \$978,361.97 to JCIM, LLC (the “Debtors' Cure Amounts”).

5. Johnson Controls filed a timely objection to the Cure Notice (the “JCI Objection”) on June 15, 2009. Johnson Controls' primary objection was to the Debtors' Cure Amount. Based on the information available to Johnson Controls as of June 15,

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<sup>1</sup> Intertec Systems, LLC and JCIM, LLC are affiliates of Johnson Controls, Inc., and are also automotive component and parts suppliers to the Debtors.

<sup>2</sup> *Order Pursuant to 11 U.S.C. §§ 105, 363, and 365 and Fed. R. Bankr. P. 2002, 6004 and 6006 (I) Approving Procedures For Sale of Debtors' Assets Pursuant to Master Sale and Purchase Agreement With Vehicle Acquisition Holdings LLC, a U.S. Treasury-Sponsored Purchaser; (II) Scheduling Bid Deadline and Sale Hearing Date; (III) Establishing Assumption and Assignment Procedures; and (IV) Fixing Notice Procedures and Approving Form of Notice* (the “Order”).

2009, the amount required to pay the balance of the Executory Contracts and to cure defaults for all three companies was no less than \$103,411,665.00 (\$91,597,296.64 to Johnson Controls, Inc., \$377,525.84, to Intertec Systems, LLC, and \$11,436,842.97 to JCIM, LLC).

6. Pursuant to the Debtor's request, Johnson Controls withdrew the JCI Objection as set forth in a June 25, 2009 stipulation. This stipulation expressly reserved Johnson Controls' rights and provided that disputes would be determined in accordance with the Cure Dispute Resolution Process set forth in the Trade Agreement.

**The Debtor Should Be Compelled To Immediately Issue a Demand For Arbitration**

7. According to the Trade Agreement, the JCI Objection is to be resolved through the Cure Dispute Resolution Process. (**Exhibit B**). The Cure Dispute Resolution Process provides for a "Pre-Arbitration Procedure" as follows:

- (a) For a period of twenty (20) days from the date a Claimant files an Objection to a Proposed Cure Amount (the "Initial Meeting Period"), a representative of Claimant and a representative from Debtors' purchasing group will meet and confer, in person or by telephone, in good faith, and attempt to resolve the Disputed Cure Claim.
- (b) If at the end of the Initial Meeting Period, the Parties are unable to resolve the Disputed Cure Claim, unless the Parties agree in writing to extend the Initial Meeting Period, such matter will be elevated to the Debtors' purchasing group Executive Director level and the Parties will attempt to resolve the Disputed Cure Claim for an additional twenty (20) days.
- (c) If the parties are unable to resolve the Disputed Cure Claim at a business level pursuant to (a) and (b) above, the matter *will* be submitted to binding arbitration ("Arbitration") as set forth below.

(Ex. B, ¶ 6) (emphasis added). These provisions unambiguously provide that, once the Pre-Arbitration Procedure has been completed, the dispute *must* be submitted to arbitration.

8. The Cure Dispute Resolution Process further provides:

Upon expiration of the applicable periods set forth in paragraph 6 above, if the Parties have not resolved the Disputed Cure Claim, the Debtors will serve a Demand for Arbitration (an "Arbitration Demand") on the Claimant and the Arbitration Association, thereby commencing the Arbitration Procedure. The arbitration of all Disputed Cure Claims under this ADR Procedure will be governed by this ADR Procedure.

(Ex. B, ¶ 7) (emphasis added). This language unambiguously provides that the Debtor is required to issue a Demand for Arbitration "[u]pon the expiration of the applicable periods set forth in paragraph 6" – language that clearly indicates the Debtor must do so as soon as the applicable periods set forth in Paragraph 6 have expired. This language must be enforced as written. *See, e.g., In re Delta Air Lines, Inc.*, 381 B.R. 57, 64 (Bankr. S.D.N.Y. 2008) ("The Court cannot make an agreement for the parties, nor can it fill in gaps in the parties' written contract in the guise of 'interpretation.' The Court must take the parties' contract as it is written and construe the words used by the parties in accordance with their common and usual meaning and usage.").

9. Johnson Controls and the Debtor have completed both of the 20-day negotiation periods required by the Pre-Arbitration Procedure and have been unable to resolve Johnson Controls' Disputed Cure Claim. Indeed, although the Cure Dispute Resolution Process requires the issuance of a Demand for Arbitration forty (40) days after the submission of a cure objection, well over *sixty* (60) days have passed since Johnson Controls filed its objection on June 15, 2009.

10. Accordingly, the Debtors are required to serve a Demand for Arbitration and initiate the arbitration process. The Cure Dispute Resolution Process is unequivocal on this point *See* Ex. B, ¶¶ 6-7, *supra*.

11. On August 7, 2009, Johnson Controls issued a written request that the Debtor issue a Demand for Arbitration and submit the JCI Objection to arbitration. (Letter, **Exhibit C**).

12. Despite Johnson Controls' letter and the mandatory language of the Trade Agreement, the Debtors have failed to submit Johnson Controls' Disputed Cure Claim to arbitration.

13. The Cure Dispute Resolution Process requires that the parties – including the Debtor – participate in good faith. (Ex. B, ¶ 3(a)). By failing to promptly issue a Demand for Arbitration when the period contemplated by the Pre-Arbitration Procedure expired and essentially ignoring Johnson Controls' August 7, 2009 correspondence, the Debtor has breached its duty to perform its obligations under the Trade Agreement in good faith.

14. Enforcement of the parties' arbitration agreement in this case will advance the widely recognized federal policy favoring arbitration. *See, e.g., PPG Industries, Inc. v. Webster Auto Parts, Inc.*, 128 F.3d 103, 107-108 (2d Cir. 1997) (noting strong federal policy in favor of arbitration); *In re Crysen/Montenay Energy Co.*, 226 F.3d 160, 162-163 (2d Cir. 2000) (same). In addition, compelling arbitration in this case would be consistent with the Federal Arbitration Act, "which mandates enforcement of valid arbitration agreements." *See, e.g., In re U.S. Lines, Inc.*, 197 F.3d 631, 639 (2d Cir. 1999).

15. Accordingly, Johnson Controls respectfully requests that this Court direct the Debtor to issue an arbitration demand and to promptly submit to the alternative dispute resolution process to which the Debtor stipulated in the Trade Agreement.

**Notice**

16. Notice of this Motion has been provided to (i) Weil, Gotshal & Manges LLP, attorneys for the Debtors, 767 Fifth Avenue, New York, New York 10153 (Attn: Harvey R. Miller, Esq., Stephen Karotkin, Esq., and Joseph H. Smolinsky, Esq.); (ii) the Debtors, c/o Motors Liquidation Company, 300 Renaissance Center, Detroit, Michigan 48265 (Attn: Ted Stenger); (iii) General Motors Company, 300 Renaissance Center, Detroit, Michigan 48265 (Attn: Lawrence S. Buonomo, Esq.); (iv) Cadwalader, Wickersham & Taft LLP, attorneys for the United States Department of the Treasury, One World Financial Center, New York, New York 10281 (Attn: John J. Rapisardi, Esq.); (v) the United States Department of the Treasury, 1500 Pennsylvania Avenue NW, Room 2312, Washington, D.C. 20220 (Attn: Matthew Feldman, Esq.); (vi) Vedder Price, P.C., attorneys for Export Development Canada, 1633 Broadway, 47th Floor, New York, New York 10019 (Attn: Michael J. Edelman, Esq. and Michael L. Schein, Esq.); (vii) Kramer Levin Naftalis & Frankel LLP, attorneys for the statutory committee of unsecured creditors (the "Committee"), 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth H. Eckstein, Esq., Thomas Moers Mayer, Esq., Adam C. Rogoff, Esq., and Gordon Z. Novod, Esq.); (viii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, (Attn: Diana G. Adams, Esq.); (ix) the U.S. Attorney's Office, S.D.N.Y., 86 Chambers Street, Third Floor, New York, New York 10007 (Attn: David S. Jones, Esq.

and Matthew L. Schwartz, Esq.), and (x) all entities that requested notice in these chapter 11 cases under Bankruptcy Rule 2002.

17. Johnson Controls submits that, in view of the facts and circumstances, such notice is sufficient and no other or further notice need be provided.

**No Prior Request**

18. No previous request for the relief sought in this Motion has been made by Johnson Controls to this or any other Court.

WHEREFORE Johnson Controls respectfully requests entry of the proposed order attached as **Exhibit D** granting the relief requested herein and such other and further relief as is just.

Dated: September 1, 2009  
New York, New York

Respectfully submitted,

HODGSON RUSS LLP  
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Deborah J. Piazza  
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New York, N.Y. 10165  
(646) 218-7560

DICKINSON WRIGHT PLLC  
By: /s/ James A. Plemmons  
James A. Plemmons  
Michael C. Hammer  
Trent B. Collier  
500 Woodward Ave., Suite 4000  
Detroit, Michigan 48226  
(313) 223-3500  
*Attorneys for Johnson Controls, Inc.,  
Intertec Systems, LLC, and JCIM, LLC*

# EXHIBIT A



Global Purchasing and Supply Chain

Global Purchasing

and Supply Chain

1000 Lakeside Drive

Warren, MI 48090-1600

June 10, 2009

Insert Name of Supplier and all Supplier's related entities (subsidiaries and affiliates) doing business with the Company:

JOHNSON CONTROLS, INC. (SEE ALSO ATTACHMENT A)

Insert ultimate DUNS number:

006092860

Dear Valued Supplier:

As you are no doubt aware, General Motors Corporation, and certain of its direct and indirect subsidiaries (collectively, the "Company"), filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Case" and the "Bankruptcy Court," respectively) on June 1, 2009 (the "Commencement Date"). On the Commencement Date, the Company requested the Bankruptcy Court's authority to pay certain of its suppliers in recognition of the importance of its relationship with such suppliers to its ongoing operations. On June 1, 2009, the Bankruptcy Court entered an order (the "Order") authorizing the Company to pay the prepetition claims of certain suppliers, subject to such suppliers agreeing to the terms set forth below in this agreement (the "Trade Agreement").

In order to receive payment on prepetition claims, each selected supplier must agree to enter into a Trade Agreement, the provisions of which are outlined below, including agreeing to continue supplying goods to the Company based on "Customary Trade Terms." In the Order, Customary Trade Terms are defined as (a) MNS-2 payment terms or such other more favorable payment terms as may be customary between a supplier and the Company,<sup>1</sup> (b) the terms and conditions embodied in the Company's general terms and conditions or such other more

<sup>1</sup> "MNS-2" refers to the most common payment terms in the Company's industry, whereby payment for goods supplied is generally due on the second business day of the second month following the receipt of such goods. For example, under these terms, payment for goods received by the Company during the month of May 2009 is due on July 2, 2009.

favorable trade terms, practices and programs in effect between a supplier and the Company in the twelve months prior to the Commencement Date and (c) those other terms that ensure the continued flow of goods and services, the expeditious resolution of claim disputes, and the transfer of suppliers' relationships to the Purchaser of the Company's business.

For purposes of administration of the essential supplier program, as authorized by the Bankruptcy Court, and payment of your prepetition claim, the Company and you agree as follows:

1. The Company will make payment of the amount existing as validly due and owing for shipments received by the Company prior to the Commencement Date (a "Trade Claim") on the next regularly scheduled MNS-2 payment date or otherwise applicable contract payment date, provided the Company has received, as directed herein, a copy of this Trade Agreement executed by a duly authorized representative of your company within seven (7) business days following the Bankruptcy Court's entry of the Order.
2. Payment of your Trade Claim will be applied first against the most recent outstanding prepetition amounts owing to you from the Company.
3. You will continue to supply goods or provide services, as applicable, to the Company, on the terms set forth in the applicable contracts or purchase orders between you and the Company, including the purchase price for such goods or services, except as modified by this Trade Agreement, (A) for contracts not assumed and assigned as part of the Section 363 sale, at the Company's election, the later of (i) the Company's emergence from chapter 11, or (ii) the expiration of the applicable contract between you and the Company, or (B) for contracts assumed and assigned as part of the Section 363 sale, at the Company's election, the later of (i) 120 days after the closing of the Section 363 sale or (ii) the expiration of the applicable contract between you and the Company (the "Term").
4. You consent to (i) the assignment of any or all of the contracts and purchase orders between you and the Company, as modified by this Trade Agreement, to New GM, and (ii) in connection with the assumption and assignment of any one or more of the contracts or purchase orders between you and the Company, the "Cure Dispute Resolution Process," a copy of which is available at [www.gmsupplypower.com](http://www.gmsupplypower.com). You further agree that any dispute you have regarding the proposed cure amount related to the contracts and purchase orders between you and the Company will be subject to the Cure Dispute Resolution Process.
5. You will continue to supply goods or provide services, as applicable, to any non-Debtor affiliate of the Company with which you do business, on the terms set forth in the applicable contracts or purchase orders between you and such non-Debtor affiliate, including the purchase price for such

goods and services, during the Term. Further, you will use reasonable commercial efforts to cause your affiliates and/or subsidiaries who are doing business with any non-Debtor affiliate of the Company to continue to supply goods or provide services, as applicable, to such non-Debtor affiliate, on the terms set forth in the applicable contracts or purchase orders between such parties, including the purchase price for such goods and services, during the Term.

6. The following trade terms will apply during the Term:
  - a. The Company will make payment to you for all goods shipped or services provided by you to the Company on MNS-2 payment terms or such other more favorable payment terms as may be customary between you and the Company;
  - b. You will not impose any credit limit or cap on the Company's purchases from you;
  - c. Any specific, favorable commercial or credit terms in effect between GM and the supplier during the 12 months prior to the bankruptcy;
  - d. Except as provided in this Trade Agreement, the Company's general terms and conditions will apply to all the Company's purchases from you; and
  - e. All terms and conditions of the applicable contracts or purchase orders between you and the Company will remain in full force and effect except as specifically modified by this Trade Agreement.
7. You acknowledge and agree that, to the extent you have terminated or attempted to terminate any contract between you and the Company prepetition, such contract is hereby reinstated and, as a consequence of such reinstatement, you are deemed to have waived any defaults which may have occurred under any contract between you and the Company; provided, however, that outstanding commercial claims related to the contracts and purchase orders between you and the Company, if any, are not waived and, if the applicable contract or purchase order is assumed, will be subject to the Cure Dispute Resolution Process.
8. This paragraph intentionally deleted.

9. You acknowledge that other than “Unpaid Tooling”<sup>2</sup> all “Tooling”<sup>3</sup> being utilized by you to manufacture parts for the Company, whether under direct agreements between you and the Company or agreements between you and third parties, is owned by the Company and is being held by you and, to the extent that you have transferred such Tooling to third parties, by such third parties, as bailees-at-will. Upon payment in full of the applicable purchase order price for any item of Unpaid Tooling, less any amounts necessary to satisfy outstanding liens of third-parties on such Tooling, if any, such item shall thereafter be included in the definition of Tooling and be acknowledged to be owned by the Company;

In the event of a dispute between you and the Company as to whether any Tooling is Unpaid Tooling, pending resolution of the dispute the Tooling subject to the dispute will be presumed to be owned by the Company, the Company will have the right to take immediate possession of such Tooling and you will not withhold delivery of possession of such Tooling; provided, however, such Tooling will remain subject to any claim or right to payment you may have for the disputed amounts (despite your relinquishment of possession).

The rights and obligations contained in this paragraph 9 are in addition to (and not in lieu of) the rights of the Company under its respective purchase orders, including its global terms and conditions of purchase, and any other agreements between you and the Company, and will continue in full force and effect notwithstanding the expiration or termination of this Trade Agreement.

10. You will not file or otherwise assert against any of the Debtors, their estates or any other person or entity or any of their respective assets or property (real or personal) any lien (regardless of the statute or other legal authority upon which such lien is asserted) related in any way to any prepetition amounts allegedly owed to you by the Company including, but not limited to, the Trade Claim. Furthermore, if you have taken steps to file or assert such a lien prior to entering into this Trade Agreement, you agree to immediately take any actions required to remove such lien.
11. You will not assert any reclamation claim or similar claim, including any claim under section 503(b)(9) of the Bankruptcy Code, on account of any

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<sup>2</sup> The term “Unpaid Tooling” means Tooling for which Company has not paid the purchase price set forth in the applicable purchase order for such Tooling to a supplier or any of its predecessor(s) in interest.

<sup>3</sup> The term “Tooling” means collectively all tooling (including primary tooling and secondary tooling), dies, test and assembly fixtures, gauges, jigs, patterns, casting patterns, cavities, molds, and any documentation including engineering specifications, PPAP books and test reports, together with any accessions, accessories, attachments, parts, substitutions, replacements and appurtenances thereto, used by a supplier in connection with its manufacture of parts for the Company, but limited to only such items which are covered by purchase orders previously issued by the Company.

goods shipped to the Company prepetition and for which you have not been paid.

12. If you fail or refuse, at any time, to continue to supply goods or provide services, as applicable, to the Company on the terms set forth in this Trade Agreement, any payments received by you on account of your Trade Claim will be deemed to have been in payment of then outstanding postpetition obligations owed to you. Furthermore, you will immediately repay to the Company any payments made to you on account of your Trade Claim to the extent that the aggregate amount of such payments exceed the outstanding postpetition obligations owed to you, without giving effect to any rights of setoff, reclamation or otherwise.
13. You acknowledge you have reviewed the terms and provisions of the Order and you consent to be bound by all such terms.

You further agree that you will keep the terms of this Trade Agreement, together with all related settlement discussions between you and the Company, strictly confidential. You may disclose the terms of this Trade Agreement only to your management personnel that need to know such information to implement the terms of this Trade Agreement, legal counsel and other advisors with whom you have a recognized legal privilege and your working capital lender, if so requested; provided that all such parties have been informed of the confidentiality restrictions contained herein and have agreed in writing to abide by such restrictions. You agree that you will be responsible and directly liable for any breach of the confidentiality provisions set forth in this Trade Agreement by your management personnel, legal counsel, other advisors and, if applicable, working capital lender. You acknowledge that failure to honor the confidentiality provisions contained herein would cause irreparable harm to the Company. Any discussions by you with any third parties, including the press or media or consultants, regarding this Trade Agreement and its terms are expressly prohibited.

The Company expressly reserves all of its rights at law and in equity, including without limitation, all of its rights as debtor-in-possession under the Bankruptcy Code. Without limiting the generality of the foregoing sentence, this Trade Agreement, and any payment made hereunder, does not constitute (a) a waiver of the Company's rights (i) to dispute any claim, (ii) to reject any agreement, contract, purchase order or other document under section 365 of the Bankruptcy Code, or (iii) to take, or refrain from taking, any other action under any applicable section of the Bankruptcy Code or any other applicable law or (b) an approval, adoption, or assumption of any agreement, contract, purchase order, or other document under section 365 of the Bankruptcy Code or any other applicable law, all of the Company's rights with respect to which are expressly reserved.

This Trade Agreement may be executed in any number of originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and together will constitute one and the same instrument. The parties agree that their respective signatures can be delivered by facsimile or e-mail, and that facsimile and e-mail signatures will be treated as originals for all purposes. The individual signing this Trade Agreement on behalf of each party

represents and warrants that he or she has all power and authority necessary to execute this Trade Agreement on such party's behalf.

This Trade Agreement is made in the State of Michigan and will be governed by, and construed and enforced in accordance with the laws of the State of Michigan, without regard to conflicts of law principles. The parties acknowledge that the Bankruptcy Court will have exclusive jurisdiction over any case or controversy arising out of or relating to this Trade Agreement or its subject matter and that all litigation arising out of or relating to this Trade Agreement or its subject matter must be commenced in the Bankruptcy Court.

Please sign below to acknowledge your consent to the terms of this Trade Agreement and return an executed copy to the Company either by email to [SupplierCallCenter@gm.com](mailto:SupplierCallCenter@gm.com) or by facsimile to 1-248-312-7191.

If you have any questions about this Trade Agreement or our financial restructuring, please do not hesitate to call Supplier Information Call Center toll free at 1-888-409-2328 or 1-586-947-3000.

Sincerely,  
**GENERAL MOTORS CORPORATION**

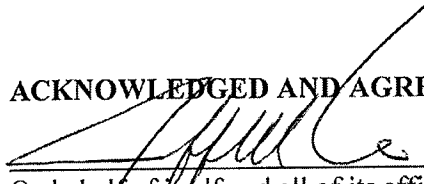
\_\_\_\_\_/s/ Bo Andersson\_\_\_\_\_

By: Bo Andersson

Title: Group Vice President –  
General Motors Corporation

Date: June 1, 2009

**ACKNOWLEDGED AND AGREED:**

  
\_\_\_\_\_  
On behalf of itself and all of its affiliates and subsidiaries  
listed on the first page to this Trade Agreement

By: JEFF WILLIAMS

Title: GROUP VICE PRESIDENT AND GENERAL MANAGER, NORTH AMERICA

Date: JUNE 10, 2009

Johnson Controls and Affiliates  
Supplier Aid Remittance Summary

"Attachement A"

May 14, 2009

<u>Entity Name</u>	<u>Remit To:</u>	<u>Remit To</u>		<u>Ship From</u>
		<u>Duns:</u>	<u>Mfg Duns:</u>	<u>Duns</u>
Bridgewater Interiors, LLC EIN: 38-3406010	Wells Fargo Bridgewater Interiors LLC Acct# 4121530430 ABA# 121000248	013881706	013881706	013881706
		788777592	788777592	788777592
		619350957	788777592	619350957
Intertec Systems, LLC EIN: 38-3277028	Comerica Bank Intertec Systems LLC Acct# 1851446524 ABA# 072000096	804439305	804439305	804439305
Intertec Systems, LLC EIN: 38-3277028	Comerica Bank Intertec Systems LLC Acct# 1850843432 ABA# 072000096	154518278	000176206	000176206
			000176198	000176198
			000152462	000152462
			000154211	000154211
Johnson Controls, Inc. EIN: 39-0380010	Wells Fargo Johnson Controls, Inc. Acct# 98883795 ABA (Wire)# 121000248 ABA (ACH)# 075911988	878178888	878178888	878178888
		027898576	027898576	027898576
		808097971	808097971	808097971
		808098011	808098011	808098011
		006545438	006545438	159046
		042065586		
		147359699		
		206986049		
		243218927		
		243426967		
251008355				
812834653				
Johnson Controls, Inc. EIN: 39-0380010	Wells Fargo Johnson Controls, Inc. d/b/a Johnson Controls Power Solution Acct# 98883787 ABA (Wire)# 121000248 ABA (ACH)# 075911988	840652580	038709341	038709341
		840652580	037815961	037815961
JCIM US, LLC EIN: 26-2485989	Wells Fargo Johnson Controls Injection Mold Acct# 4121717805 ABA (Wire)# 121000248	134306625	134306625	134306625
		603397204	603397204	603397204
		621287999	621287999	621287999
		827022877	009411849	009411849
		827022877	158444120	158444120
		827022877	134307235	134307235
		827022877	827384418	827384418
		827022877	827022877	621287999
		827022877	084562370	084562370
		827022877	031622033	031622033
827022877	827384178	827384178		

## EXHIBIT B

## **CURE DISPUTE RESOLUTION PROCESS**

### **General Provisions**

1. This alternative dispute resolution procedure (the “ADR Procedure”) is designed to achieve expedited, economical and equitable resolution of Disputed Cure Claims, as defined herein. This ADR Procedure shall be construed so as to further these goals.
2.
  - (a) “Arbitration Association” shall mean a nationally recognized arbitration group or association to be selected by GM.
  - (b) “Bankruptcy Cases” shall mean the jointly administered cases under chapter 11, Title 11, of the United States Code, In re General Motors Corporation, et al., Chapter 11 Case No. 09-50026 (REG) pending before the United States Bankruptcy Court for the Southern District of New York.
  - (c) “Bankruptcy Court” shall mean the United States Bankruptcy Court for the Southern District of New York.
  - (d) “Claimant” shall mean a person or persons asserting a Disputed Cure Claim.
  - (e) “Debtors” shall mean each of the debtors in the Bankruptcy Cases, individually and collectively, as appropriate.
  - (f) “Disputed Cure Claim” shall mean the amount in excess of the Proposed Cure Amount to any executory contracts or unexpired leases to which the Debtors are a party and which the Purchaser or the Debtors have designated as a contract or lease for assumption and assignment, which a Claimant asserts to be owing pursuant to a timely filed Objection.
  - (g) “Objection” shall mean an objection to a Proposed Cure Amount filed by a Claimant, which results in a Disputed Cure Claim.
  - (h) “Parties” shall mean collectively the Debtors and the Claimant.
  - (i) “Party” shall mean the Debtors or the Claimant.
  - (j) “Proposed Cure Amount” shall mean the cure amount asserted by the Debtors in relation to any executory contracts or unexpired leases to which the Debtors are a party and which the Purchaser or the Debtors have designated as a contract or lease for assumption and assignment.
3.
  - (a) The Parties shall participate in this ADR Procedure in good faith.
  - (b) The administration of this ADR Procedure shall be coordinated by the Arbitration Association, and such other persons as may be designated by the Debtors, subject to any necessary Court approvals.

- (c) Each Disputed Cure Claim shall be deemed to be a disputed claim for all purposes in connection with the Bankruptcy Cases until such time as the Disputed Cure Claim is resolved through the ADR Procedure or through further order of the Bankruptcy Court.

4. Nothing contained herein shall affect the Debtors' rights with respect to any Disputed Cure Claim not conclusively resolved through settlement or the ADR Procedure.

5. Nothing contained herein shall be inconsistent with the Order Pursuant to 11 U.S.C. §§ 105, 363(b), (f), (k) and (m), and 365 and Fed. R. Bankr. P. 2002, 6004, and 6006, to (I) Approve (A) the Sale Pursuant to the Master Sale and Purchase Agreement with Vehicle Acquisition Holdings LLC, a U.S. Treasury-Sponsored Purchaser, Free and Clear of Liens, Claims, Encumbrances, and other Interests; (B) the Assumption and Assignment of Certain Other Interests; (B) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (C) Other Relief; and (II) Schedule Sale Approval Hearing (the "Sale Motion") or any order granting the Sale Motion (the "Sale Order") or the sale procedures set forth in the Sale Motion (the "Sale Procedures Order"). To the extent of any inconsistencies between the Sale Motion, Sale Order or Sale Procedures Order and these ADR Procedures, the Sale Motion, Sale Order or Sale Procedures Order, as applicable, will govern and control.

#### Pre-Arbitration Procedure

- 6. (a) For a period of twenty (20) days from the date a Claimant files an Objection to a Proposed Cure Amount (the "Initial Meeting Period"), a representative of Claimant and a representative from Debtors' purchasing group will meet and confer, in person or by telephone, in good faith, and attempt to resolve the Disputed Cure Claim.
- (b) If at the end of the Initial Meeting Period, the Parties are unable to resolve the Disputed Cure Claim, unless the Parties agree in writing to extend the Initial Meeting Period, such matter will be elevated to the Debtors' purchasing group Executive Director level and the Parties will attempt to resolve the Disputed Cure Claim for an additional twenty (20) days.
- (c) If the Parties are unable to resolve the Disputed Cure Claim at a business level pursuant to (a) and (b) above, the matter will be submitted to binding arbitration ("Arbitration") as set forth below.

#### Arbitration Procedure

7. Upon expiration of the applicable periods set forth in paragraph 6 above, if the Parties have not resolved the Disputed Cure Claim, the Debtors will serve a Demand for Arbitration (an "Arbitration Demand") on the Claimant and the Arbitration Association, thereby commencing the Arbitration Procedure. The arbitration of all Disputed Cure Claims under this ADR Procedure will be governed by this ADR Procedure.

8. Except as otherwise provided, the Arbitration Procedures are governed by the Federal Arbitration Act, 9 U.S.C.A. § 1 *et seq.* Any motion to vacate or modify a binding award by an arbitrator shall be subject to 9 U.S.C.A. §§ 10 and 11, except that such motion may not be filed by any Party after the expiration of 10 days from issuance of the determination.

9. Any person appointed by the Arbitration Association as an arbitrator hereunder shall be an impartial, disinterested, neutral person; shall have no financial or personal interest in the matter to be arbitrated or any related matter; shall, upon appointment, make written disclosure of any circumstances that could lead to a reasonable inference of bias; and shall be a retired judge or attorney experienced in commercial law.

10. Within seven (7) days of the service of the Arbitration Demand, the Arbitration Association will select three (3) arbitrator candidates with appropriate experience from its panel of arbitrators and shall notify the Parties of its selections. Within three (3) business days of receipt of the notification that such selection has been made, each Party shall strike one (1) candidate and the remaining candidate will be appointed to arbitrate the matter. In the event the Parties strike the same candidate, the Arbitration Association will appoint one of the remaining candidates as the sole arbitrator.

11. Unless otherwise permitted by written order of the arbitrator due to the complexity of the matter or amount at issue, or as otherwise agreed between the Parties: (a) each Party shall be limited to calling four (4) witnesses to testify, which includes the Parties themselves and any expert witnesses; (b) each Party shall have in total eight (8) hours for its direct and cross-examination of witnesses, excluding time the arbitrator determines constitutes unresponsive testimony, unnecessary objections or unnecessary argument of opposing counsel, plus a total of one (1) hour in the aggregate for opening and closing statements.

12. The Arbitration will be scheduled for a specific time and date at the discretion of the Arbitration Association, taking into consideration the convenience of the parties; and the Arbitration shall be held in either Detroit, Michigan or New York, New York, at the Debtors' election, at a location designated by the Arbitration Association.

13. No Party shall have any *ex parte* communications with the arbitrator. All submissions, other than those made at any hearing, shall be made to the Arbitration Association. Copies of all submissions to the Arbitration Association shall be simultaneously served on the other Party using the same means of dispatch.

14. Notice of any pre-hearing dispute or motion shall be filed with the Arbitration Association no less than five (5) days prior to the Arbitration hearing.

15. Not less than fifteen (15) days after service of an Arbitration Demand, the Claimant shall file and serve on the Debtors the names of all witnesses the Claimant intends to call to testify at the Arbitration hearing and a summary of their expected testimony and the name of each expert who may be called to testify or whose report may be introduced at the Arbitration hearing. Within fifteen (15) days of service of the Claimant's witness list and expert identification, the Debtors shall file and serve on the Claimant the names of all witnesses the Debtors intend to call to testify at the Arbitration hearing and a summary of their expected

testimony and the name of each expert who may be called to testify or whose report may be introduced at the Arbitration hearing.

16. Document requests shall be in writing and served on the other Party not more than twenty-one (21) days after service of the Arbitration Demand, and a response to the requests and all non-privileged documents shall be produced within fifteen (15) days of such service. Interrogatories and requests for admission shall not be available to either Party. Any objection to document requests shall be filed and served with the Arbitration Association within ten (10) days of service of the document requests.

17. Each Party shall have the right to take depositions of the other Party and the designated expert witnesses and any non-Party witnesses, as identified in paragraph 15 above, at such Party's own cost.

18. No later than thirty (30) days prior to the scheduled Arbitration hearing, any Party may file with the Arbitration Association and serve on the other Party a motion for summary judgment. The non-moving Party may file a response within fifteen (15) days from service of the motion for summary judgment. The moving Party may thereafter file a reply no later than five (5) days before the Arbitration hearing. The arbitrator shall rule on the motion in writing prior to the commencement of the Arbitration hearing.

19. In the event that the Disputed Cure Claim is not resolved as a result of a motion for summary judgment, no later than fourteen (14) days prior to the scheduled Arbitration hearing, each Party may file and serve on the other Party a pre-arbitration statement which shall state the claims and defenses of the Party.

20. (a) Except as agreed to in writing by the Parties, the Arbitration hearing shall be held within one hundred and twenty (120) days of the date of service of the Arbitration Demand; provided, however, that the arbitrator may reduce or extend this period upon a finding of good cause, with the foregoing subject to the availability of the arbitrator. The Arbitration hearing shall be open only to the Parties, including their parent, subsidiary and affiliated corporations, and their counsel, and third parties invited to participate in the ADR Procedure. Nonparty witnesses shall be sequestered.
- (a) The arbitrator shall require witnesses to testify under oath and shall have such powers to compel the attendance of witnesses as are set forth in Section 7 of the Federal Arbitration Act. The arbitrator shall consider evidence found to be relevant and material, giving the evidence such weight as the arbitrator deems appropriate. The arbitrator will follow the Federal Rules of Evidence, except as modified by this ADR Procedure. The Parties shall not offer as evidence, and the arbitrator shall neither admit nor consider, any of the Parties' settlement offers or demands. Nothing contained in this ADR Procedure shall prevent the arbitrator from attempting to facilitate a settlement provided that neither Party objects.

21. Post-hearing briefs and reply briefs may be filed on or before dates to be set by the arbitrator at the close of the Arbitration hearing.

22. The arbitrator shall issue a written, reasoned award, signed by the arbitrator, no later than ten (10) days after the conclusion of the arbitration hearing and submission of all briefs.

23. The arbitration award issued by the arbitrator will be dispositive of the Disputed Cure Claim in its entirety.

24. A judgment may be rendered on the award of the arbitrator in a court of competent jurisdiction, namely the Bankruptcy Court.

25. The award may be appealed, and on such appeal vacated, modified or corrected, only on the grounds set forth in the Federal Arbitration Act. The Parties shall have ten (10) days from the date a binding award is served upon the Parties to serve and file a notice of appeal.

26. The Debtors and Claimant shall each be responsible for one-half of the fees of the Arbitration Association and the arbitrator. Each of the Parties shall bear their own attorneys' fees, expert fees, and costs, and the arbitrator shall not be permitted to award any Party attorneys' fees, expert fees, or costs.

27. All discovery documents and affidavits exchanged, depositions taken or other materials produced in connection with the ADR Procedure shall be confidential and, except as otherwise provided herein or as required by legal process, shall not be disclosed to any person not necessary to the resolution of the Disputed Cure Claim and shall not be used for any purpose other than the resolution of the Disputed Cure Claim pursuant to the ADR Procedure. Notwithstanding the foregoing, such materials may be utilized in connection with an avoidance action against a Claimant holding a Disputed Cure Claim and/or an objection to any claim filed by a Claimant in the Bankruptcy Cases, including, without limitation, in support of any motion. In such case, some or all of such materials may be filed under seal at the request of the Debtors or the Claimant with the approval the Bankruptcy Court. All settlement proposals exchanged in connection with the ADR Procedure shall be confidential and shall not be used for any purpose other than settlement of the Disputed Cure Claim.

28. The Parties may modify this ADR Procedure only by mutual written agreement.

## EXHIBIT C



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August 7, 2009

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660 Woodward Avenue  
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**Re: GM/JCI Cure Amount**

Dear Tricia, Kimberly and Bob:

As you are likely aware, Johnson Controls and GM entered into a certain Trade Agreement as authorized by the Bankruptcy Court whereunder the parties agreed to a certain Cure Dispute Resolution Process. Also, JCI filed an Objection to GM's proposed cure amount on June 15, 2009 and at the request of GM withdrew that Objection as documented in a June 25, 2009 Stipulation. That Stipulation reserved JCI's rights and provides that disputes would be determined in accordance with the Cure Dispute Resolution Process. That Cure Dispute Resolution Process provides:

6. (a) For a period of twenty (20) days from the date a Claimant files an Objection to a Proposed Cure Amount (the "Initial Meeting Period"), a representative of Claimant and a representative from Debtors' purchasing group will meet and confer, in person or by telephone, in good faith, and attempt to resolve the Disputed Cure Claim.
- (b) If at the end of the Initial Meeting Period, the Parties are unable to resolve the Disputed Cure Claim, unless the Parties agree in writing to extend the Initial Meeting Period, such matter will be elevated to the Debtors' purchasing group Executive Director level and the Parties will attempt to resolve the Disputed Cure Claim for an additional twenty (20) days.
- (c) If the parties are unable to resolve the Disputed Cure Claim at a business level pursuant to (a) and (b) above, the matter will be submitted to binding arbitration ("Arbitration") as set forth below.

C o u n s e l o r s   A t   L a w

DETROIT   NASHVILLE   WASHINGTON, D.C.   TORONTO   PHOENIX  
BLOOMFIELD HILLS   ANN ARBOR   LANSING   GRAND RAPIDS

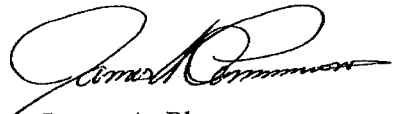
Robert B. Weiss, Esq.  
Tricia A. Sherick, Esq.  
Kimberly A. Yourchock, Esq.  
August 7, 2009  
Page 2

Both twenty day periods have lapsed and the claim has not been resolved. In accordance with the Cure Dispute Resolution Process, "if the parties have not resolved the Disputed Cure Claim, the Debtors will serve a Demand for Arbitration (an "Arbitration Demand") on the Claimant and the Arbitration Association, thereby commencing the Arbitration Procedure."

As far as the open issue between JCI and GM, under a certain March 25, 2008 Commercial Agreement between JCI and GM relating to the Plastech acquisition, GM was to provide JCI with an annual price adjustment of \$11 million per year. GM provided price increases of only approximately \$5.8 million during the initial year of the Commercial Agreement – July 1, 2008 to June 30, 2009, leaving a shortfall of approximately \$5.2 million for the year. Further, because GM has not yet provided the increase due for the current contract year – July 1, 2009 to June 30, 2010, GM now owes an additional \$11 million uplift on top of what is already past due from the previous year. GM, through Chris Naegela, on July 20, 2009 made an offer to settle this dispute for \$850,000 which was rejected by JCI. JCI requested that the matter be turned over to arbitration in a correspondence dated July 28, 2009 to Mr. Ralf Huenerfel of GM. I have been asked by JCI to contact GM's bankruptcy counsel and make a similar request. Accordingly, I would ask that you discuss the matter with GM and ask that they provide the Arbitration Notice as required by the Cure Dispute Resolution Process so we can proceed through binding arbitration, as contemplated by the Cure Dispute Resolution Process.

Thank you very much for your attention to this matter.

Very truly yours,



James A. Plemmons

JAP/ktb

DETROIT 21407-222 1123686v1

C o u n s e l o r s   A t   L a w

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## EXHIBIT D

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

-----X  
In re: : Chapter 11  
: :  
: Case No. 09-50026 (REG)  
MOTORS LIQUIDATION COMPANY :  
(f/k/a General Motors Corporation), :  
: (Jointly Administered)  
Debtor. :  
-----X

**ORDER COMPELLING ARBITRATION PURSUANT  
TO CURE DISPUTE RESOLUTION PROCESS**

Upon the filing by Johnson Controls, Inc., Intertec Systems, LLC and JCIM, LLC (collectively, “Johnson Controls”) of their Motion to Compel Arbitration Pursuant to Cure Dispute Resolution Process (the “Motion”), which seeks entry of an order compelling Debtor Motors Liquidation Company (f/k/a General Motors Corporation) (the “Debtor”) to submit Johnson Controls' cure amount dispute to binding arbitration pursuant to the parties' Trade Agreement, as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and in consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. §157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§1408 and 1409; and due and proper notice of the Motion having been provided to (i) Weil, Gotshal & Manges LLP, attorneys for the Debtor, 767 Fifth Avenue, New York, New York 10153 (Attn: Harvey R. Miller, Esq., Stephen Karotkin, Esq., and Joseph H. Smolinsky, Esq.); (ii) the Debtor, c/o Motors Liquidation Company, 300 Renaissance Center, Detroit, Michigan 48265 (Attn: Ted Stenger); (iii) General Motors Company, 300 Renaissance Center, Detroit, Michigan 48265 (Attn: Lawrence S. Buonomo, Esq.); (iv) Cadwalader, Wickersham & Taft LLP,

attorneys for the United States Department of the Treasury, One World Financial Center, New York, New York 10281 (Attn: John J. Rapisardi, Esq.); (v) the United States Department of the Treasury, 1500 Pennsylvania Avenue NW, Room 2312, Washington, D.C. 20220 (Attn: Matthew Feldman, Esq.); (vi) Vedder Price, P.C., attorneys for Export Development Canada, 1633 Broadway, 47th Floor, New York, New York 10019 (Attn: Michael J. Edelman, Esq. and Michael L. Schein, Esq.); (vii) Kramer Levin Naftalis & Frankel LLP, attorneys for the statutory committee of unsecured creditors (the "Committee"), 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth H. Eckstein, Esq., Thomas Moers Mayer, Esq., Adam C. Rogoff, Esq., and Gordon Z. Novod, Esq.); (viii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, (Attn: Diana G. Adams, Esq.); (ix) the U.S. Attorney's Office, S.D.N.Y., 86 Chambers Street, Third Floor, New York, New York 10007 (Attn: David S. Jones, Esq. and Matthew L. Schwartz, Esq.), and (x) all entities that requested notice in these chapter 11 cases under Bankruptcy Rule 2002; and it appearing that no other or further notice need be provided; and hearing having been held to consider the relief requested in the Motion (the "Hearing"); and upon the record of the Hearing and all of the proceedings before this Court; and the Court having found and determined that the relief sought in the Motion is warranted and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore,

IT IS ORDERED that:

- (1) The Motion is granted as provided herein.

(2) The Debtor shall submit a Demand for Arbitration pursuant to the Cure Dispute Resolution Process within three (3) days of the entry of this Order.

(3) Having submitted the Demand for Arbitration, the Debtor shall proceed with arbitration without delay.

(4) Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6006(a) and Local Rule 6006-1 are satisfied.

(5) This Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: \_\_\_\_\_  
\_\_\_\_\_, New York /s/ \_\_\_\_\_