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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	Chapter 11
Chrysler LLC, *et al.*,	:	Case No. 09-50002 (AJG)
Debtors.	:	(Jointly Administered)

DEBTORS' SUPPLEMENTAL MEMORANDUM OF LAW IN SUPPORT OF MOTION, PURSUANT TO SECTIONS 105, 363 AND 365 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 6004 AND 6006 FOR AN ORDER (A) AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' OPERATING ASSETS, FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, (B) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION THEREWITH AND (C) GRANTING CERTAIN RELATED RELIEF

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Chrysler LLC ("Chrysler") and certain of its affiliates, as debtors and debtors in possession (collectively with Chrysler, the "Debtors"), respectfully submit this supplemental memorandum of law in support of their motion (the "Sale Motion"),[1] pursuant to sections 105, 363 and 365 of title 11 of the United States Code (the "Bankruptcy Code") and Rules 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of an order (the "Sale Order") (a) authorizing the sale of substantially all of the Debtors' operating assets, free and clear of liens, claims, interests and encumbrances to the Successful Bidder (as such term is defined in the Bidding Procedures), (b) authorizing the assumption and assignment of certain executory contracts and unexpired leases in connection therewith and (c) granting certain related relief.

PRELIMINARY STATEMENT

The survival of Chrysler as a going concern is at stake in these proceedings, along with the fate of hundreds of suppliers and thousands of Chrysler dealers around the country. Only an expeditious sale of substantially all of the Debtors' assets will allow Chrysler to continue to exist as a going concern, and the Debtors to realize at least part of that going concern value. Otherwise, the Debtors face an immediate, piecemeal liquidation of their assets, and the economic devastation that the demise of Chrysler would cause for Chrysler's employees and retirees, its dealers and suppliers, and the country as a whole.

Recognizing the importance of timing here, on May 5, 2009, after three days of hearings, the Court approved an expeditious bidding and sales process that called for bids to be submitted by 5:00 p.m., eastern time, on May 20, 2009. Despite widespread publicity regarding Chrysler's situation both before and after these cases were filed, the only qualifying bid the Debtors

[1] Capitalized terms not defined herein shall have the meanings given to them in the Sale Motion.

received was the offer of New CarCo Acquisition LLC ("New Chrysler"), a newly-established Delaware limited liability company formed by Fiat S.p.A. ("Fiat"), to purchase substantially all of the Debtors' assets in exchange for a payment of $2 billion in cash (the "Proposed Sale" or "Fiat Transaction").

The Fiat Transaction would create the sixth-largest automaker in the world, and afford that new company the product mix, geographic diversity and overall size it needs to compete successfully in a global market. The transaction is being financially backed by the United States Department of the Treasury (the "U.S. Treasury") and Export Development Canada, an affiliate of the Canadian Government, which together are providing the Debtors with more than $4.9 billion of debtor-in-possession financing, and the new alliance with approximately $6 billion of funding to start up and maintain operations. In addition to this Government assistance, the Proposed Sale is supported by the UAW, Chrysler's Dealer Council, the Unsecured Creditors Committee and nearly all of Chrysler's other stakeholders.

Moreover, the Proposed Sale offers the Debtors and all of their creditors – including the first lien lenders – their best and only opportunity to realize some part of the going concern value of Chrysler's business. As discussed in more detail below, the Debtors' advisors now estimate that were an immediate, piecemeal liquidation to occur, the senior lenders would recover between zero and $1.2 billion. The Proposed Sale thus affords them the opportunity to realize a far greater return than they will receive if the transaction does not go forward. Indeed, as the Debtors' most recent analysis confirms, the senior lenders might get *nothing* in that scenario.

As set forth in the Debtors' Consolidated Reply to Objections to the Sale Motion (the "Debtors' Reply") the Debtors have received approximately 347 objections to the Sale Motion. Those objections fall into eight general categories: (1) retirees, (2) dealers, (3) tort and consumer

objections, (4) taxes and other state/local government issues, (5) mechanics' and other liens, (6) lessors, (7) cure, setoff and recoupment and (8) miscellaneous. In addition, certain objections challenge the Proposed Sale on due process grounds. The Debtors' Reply addresses specific issues raised by the objections. However, a number of issues either cut across many of the objections, or raise constitutional challenges that are more appropriately addressed in a separate memorandum of law. Accordingly, the Debtors submit this Supplemental Memorandum of Law in Support of the Sale Motion.

In particular, this Memorandum demonstrates that: (1) the Proposed Sale is authorized by section 363 of the Bankruptcy Code, (2) the Proposed Sale does not constitute an improper *sub rosa* plan of reorganization, (3) the Proposed Sale can be made free and clear of any interests in the property under the provisions of section 363(f) of the Bankruptcy Code, and (4) the bidding procedures – including notice to interested parties, and the Sale Motion hearing – fully satisfy the United States Constitution's due process requirement.

ARGUMENT

I. THE PROPOSED SALE IS AUTHORIZED BY SECTION 363(b) OF THE BANKRUPTCY CODE

As discussed in the Debtors' Memorandum of Law in Support of the Sale Motion ("Debtors' Mem."), the overriding objective of a chapter 11 reorganization is preservation of the debtor's business as a going concern. See Debtors' Mem. (Docket No. ("DN") 191) at 2-7 and cases cited therein. Indeed, the preserving-going-concern objective is *paramount*. See In re Ionosphere Clubs, Inc., 98 B.R. 174, 176 (Bankr. S.D.N.Y. 1989) ("paramount policy and goal of Chapter 11, *to which all other bankruptcy policies are subordinated*, is the rehabilitation of the debtor") (emphasis added); see also Fields Station LLC v. Capitol Food Corp. of Fields Corner (In re Capitol Food Corp. of Fields Corner), 490 F.3d 21, 25 (1st Cir. 2007) (primary

purposes of chapter 11 are preservation of businesses as going concerns and maximizing recoverable assets); cases cited in Debtors' Mem. at 4 n.2.

To serve that interest, debtors in bankruptcy have often been permitted to sell substantially all of their assets prior to the process of confirming a plan – frequently at the very initial stages of the case. See Florida Dep't of Revenue v. Piccadilly Cafeterias, Inc., 128 S.Ct. 2326, 2342 (2008) ("[O]ne major reason why a transfer may take place before rather than after a plan is confirmed is that the preconfirmation bankruptcy process takes time. . . . And a firm (or its assets) may have more value (say, as a going concern) where sale takes place quickly.") (7-2 decision) (Breyer, J., dissenting) (citations omitted); In re Trans World Airlines, Inc., No. 01-00056, 2001 WL 1820326, at *14 (Bankr. D. Del. Apr. 2, 2001) ("TWA") (approving sale of substantially all of TWA's assets at outset of chapter 11, noting "substantial public interest in preserving the value of TWA as a going concern"). See also cases cited in Debtors' Mem. at 7 n.3.

As a means of effectuating such sales, Congress enacted section 363(b) of the Bankruptcy Code, which provides in pertinent part that "the trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate . . . ." 11 U.S.C. § 363(b)(1) (2006). Section 363(b) thus expressly authorizes a debtor in possession to sell estate assets prior to and outside a confirmed plan of reorganization.

The leading Second Circuit case on the standard to be applied in reviewing a proposed section 363 sale is Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.) ("Lionel"), 722 F.2d 1063, 1070 (2d Cir. 1983). Under section 363, the Lionel court held, the relevant test is whether there is a "good business reason" for the sale. Id. at 1071. See also Licensing By Paolo, Inc. v. Sinatra (In re Gucci), 126 F.3d 380, 387 (2d Cir. 1997); Official Comm. of Unsecured

Creditors of LTV Aerospace & Def. Co. v. LTV Corp. (In re Chateaugay Corp.), 973 F.2d 141, 143 (2d Cir. 1992); In re Global Crossing Ltd., 295 B.R. 726, 743 (Bankr. S.D.N.Y. 2003); In re Ionosphere Clubs, Inc., 100 B.R. 670, 675 (Bankr. S.D.N.Y. 1989).

The "good business reason" on which reorganization courts have most often relied in allowing the sale of a debtor's property prior to plan confirmation is that delay will erode significantly the value of that property. Lionel, 722 F.2d at 1066-69; see also Flynn v. Brewery Mgmt. Corp. (In re V. Loewer's Gambrinus Brewery Co.), 141 F.2d 747, 749 (2nd Cir. 1944). As the Lionel court stated, "[i]n such cases . . . the bankruptcy machinery should not straightjacket the bankruptcy judge so as to prevent him from doing what is best for the estate." Lionel, 722 F.2d at 1069. Indeed, courts applying 363(b) have routinely authorized the sale of a debtor's operating assets in advance of the plan process where the debtor did not have enough money to continue operating, and shutting down was likely to deprive the debtor of the going concern value of its business. See cases cited in Debtors' Mem. at 9 n.4.

The record developed in this case since the filing of the Sale Motion only further confirms what was apparent from the Debtors' first day filings: Chrysler is in just that position, with an urgent need to complete the Proposed Sale as quickly as possible for a number of irrefutable reasons. First, any delay would deprive Chrysler of the financial support (from the U.S. and Canadian Governments) that is critical to allowing the Debtors to realize some going concern value. May 4, 2009 Hr'g Tr. 280:11-14 (Statement of Judge Gonzalez) ("There isn't going to be tomorrow if there's no DIP loan today. . . . That's what the record shows."). Moreover, if there is any material delay, it will take hundreds of millions of dollars to restart Chrysler's plants, Chrysler's workers will move on, and Chrysler's suppliers and dealers will likely fail. May 5, 2009 Hr'g Tr. 247:8-9 (Statement of Judge Gonzalez) ("The evidence shows

that the dealers and part suppliers are struggling with some failing."); May 4, 2009 Hr'g Tr. 143:14-144:9; 146:8-147:19 (Grady); 152:20–153:11 (Arrigo); 183:7-15; 188:10-25; 196:12-197:3 (Ewasyshyn); 218:11-218:21; 223:15–224:1 (Gaberding). In addition, a prolonged bankruptcy process will rapidly erode consumer confidence. May 5, 2009 Hearing Tr. 247:8-10 (Statement of Judge Gonzalez) ("[C]onsumer confidence may erode if the sale process is extended."); May 4, 2009 Hr'g Tr. 139:8-24; 141:13-142:6; 143:10-13 (Grady); 168:21-169:19 (Arrigo); 177:3-11 (Schenden).

In similarly dire situations, courts have recognized the importance of allowing a sale of substantially all of a debtor's assets on an expedited basis. In TWA, for example, TWA filed its chapter 11 petition on January 10, 2001, seeking an expeditious sale of most of its assets to American Airlines. 2001 WL 1820326, at *5. The bankruptcy court set February 28, 2001 as the deadline for the submission of competing bids. Id. at *7. American was the only bidder, and the sale was approved at a final sales hearing on March 9, 2001. Id. at *9.

A group led by Carl Icahn appealed the sales order and sought a stay. Denying that request, the court discussed the urgent need for a quick sale:

> In TWA's case, a sale pursuant to § 363 is the only viable alternative for preserving and capturing the enterprise value of TWA's assets. The Debtors cannot continue to operate the business for the time required to confirm and consummate a plan of reorganization without serious risk of immediate and material decline in the value of the business and its assets. In my experience, in a free fall large chapter 11 case the time lapse between the petition date and a plan confirmation is, at best, a six to nine month process. ***It is highly unlikely that TWA could survive in that context***. Consequently, the consummation of the sale of substantially all of TWA's assets to American is in the best interests of the TWA estate.

Id. at *12 (emphasis added). See also In re Decora Indus., No. 00-4459 JJF, 2002 WL 32332749, at *3 (D. Del. May 20, 2002) (approving sale of substantially all of debtor's assets where "net

revenues [we]re insufficient to support the ongoing operations and the necessary capital and other improvements," such that the estates' only options were to "proceed with the [p]roposed [sale] [t]ransaction . . . or terminate . . . business operations, employees and commence a liquidation of assets"); In re Summit Global Logistics, Inc., No. 08-11566, 2008 Bankr. LEXIS 896, at *30, 40 (D. N.J., Mar. 26, 2008) (approving section 363 sale of business because "the failure to consummate a sale at this juncture will result in a complete shut down of the debtor's operations" and "a going concern sale proves much more lucrative than a sale of a non-operational entity").

There is an even greater need for an expeditious sale here. The Court recognized as much just a few days ago:

> The record clearly indicates that conducting the Sale Hearing on May 27, 2009 is imperative to the future of the Debtor and ***any delay could result in substantial and irreparable harm to the Debtor and the estate***. Moreover, staying the proceedings would vitiate several vital agreements negotiated amongst the Debtor and various constituents; thereby ***augmenting the harm to the estate*** should the Sale Hearing not go forward as contemplated. Based on these facts, the Court finds that the movant has not established that the imposition of a stay would not result in substantial harm to the Debtor.

Order Denying Emergency Motion of the Indiana Pensioners for Stay of Proceedings Pending Determination of Motion To Withdraw the Reference (DN 1343) at 4 (emphasis added).

Nor can there be any doubt that the Proposed Sale satisfies Lionel's "sound business judgment" standard. The negotiations that produced the Fiat Transaction were conducted with great care, in good faith and at arm's length. By stepping in to protect the public interest, the Governments of the United States and Canada have afforded the Debtors an extraordinary opportunity to realize value that is otherwise unavailable in the market – and that far exceeds

liquidation value. And in the end, the Fiat Transaction, which represents the only opportunity to preserve the Chrysler business, will maximize the Debtors' ability to pay claims.

In short, because the Proposed Sale is the product of sound business judgment and vital to the Debtors realizing some portion of the going concern value of their assets, the Sale Motion should be approved.

II. THE PROPOSED SALE IS NOT A *SUB ROSA* PLAN OF REORGANIZATION

Notwithstanding the foregoing, several objectors, most notably two dealer groups and the Indiana Pension Funds, argue that the Sale Motion should be denied because the Proposed Sale constitutes an improper *sub rosa* plan of reorganization.[2] These objections marry a fundamental misunderstanding of the Proposed Sale with an equally flawed interpretation of the applicable legal principles. Properly viewed, the Fiat Transaction is a straightforward sale of assets that is nothing at all like the arrangements that have been found to violate basic principles of bankruptcy law.

A. The Proposed Sale Is A Large, But Typical, Corporate Transaction

Like every buyer, New Chrysler identified the assets that it wanted to purchase, and negotiated the price it was willing to pay for those assets. Also as often occurs, New Chrysler specified those contracts that it would assume – including supplier contracts, dealer agreements and others – so that it could utilize the purchased assets as a going concern. New Chrysler then sought to resolve several issues important to its interests as the purchaser. For example, New Chrysler, Daimler and Chrysler have entered into an agreement (the "Tax Settlement Agreement") resolving certain tax issues and affording New Chrysler certain rights of indemnification relating to tax claims. In addition, because it is assuming the Chrysler Pension

[2] See, e.g., Objection of the Committee of Chrysler Affected Dealers (the "Dealer Comm. Obj.") (DN 1045) at ¶¶ 53-75; Supplemental Objection of the Affected Dealers ("Dealer Comm. Supp. Obj." (DN 1488) at ¶¶ 7-12; Corrected Objection of Indiana Pensioners ("Indiana Funds Obj.") (DN 1259) at ¶¶ 24-34.

Plans, New Chrysler has reached a settlement with Daimler, Chrysler and the Pension Benefit Guaranty Corporation (the "Daimler PBGC Settlement Agreement") that, among other things, imposes substantial pension funding obligations on Daimler, a previous sponsor of the Plans.

Not surprisingly, the ownership of New Chrysler has been a matter of much negotiation between Fiat (which is contributing valuable technology and expertise to the venture), the U.S. and Canadian Governments (which are committing billions of dollars to fund the venture), and Chrysler's employees (who are needed if the venture is to succeed). The Debtors have had little involvement in those discussions, however, as in the end the ownership structure of New Chrysler has no impact on the Debtor's estates. Whether New Chrysler is owned 100% by the employees, 100% by Fiat, or 100% by the U.S. and/or Canadian Governments simply does not affect the economic interests of the Debtors.

What *is* important to the Debtors is whether they are receiving fair value for their assets. On that point, the record could not be clearer: after months of effort and dozens of inquiries, the Fiat Transaction is the only offer on the table. As importantly, the Debtors' consultants have opined that the $2 billion New Chrysler will pay for the Debtors' assets ***far exceeds the value the secured lenders would recover in an immediate liquidation***. In particular, in a supplemental declaration filed on May 22, 2009, Robert Manzo of the Capstone Advisory Group opined that the recovery to the Debtors' lienholders in an immediate liquidation would be between zero and $1.2 billion. See Declaration of Robert Manzo Regarding Expert Report of May 20, 2009 (DN 1573), Ex. A at 7. Mr. Manzo's opinions are totally unrebutted. New Chrysler's offer is nearly double even the high end of his liquidation range for the Debtors' assets. The senior lenders are thus far better off with the Proposed Sale than without it.

Once the Proposed Sale is completed, (and even if it is not), the Debtors will proceed with the process of an orderly wind down of their estates. The Debtors have entered into a Transition Services Agreement with New Chrysler to assist in that process. The Debtors anticipate incurring expenses of $260 million to complete the wind-down (assuming the Proposed Sale is approved), and the U.S. Treasury has agreed to provide debtor in possession financing to assist in funding it. In a process that is expected to take many months, the Debtors will market their assets for sale and engage in the normal routine of filing schedules of assets and liabilities, establishing a claims process, identifying and evaluating prepetition claims, rejecting, assuming and assigning contracts, paying administrative claims, maintaining assets pending sale and otherwise administering their cases. They will monetize assets as appropriate and, when finished, seek confirmation of a plan that will provide for the distribution of the assets in the Debtors' estates. All of that, including how claims will be classified and paid, is wholly independent of the Proposed Sale.

B. The Proposed Sale Is Not A Disguised Plan Of Reorganization

1. *Sub Rosa* Plans and the Westpoint case

To be sure, courts have refused to allow debtors to implement what are, in effect, plans of reorganization under the guise of non-plan transactions that threaten to deprive creditors of the plan confirmation protections afforded them by the Bankruptcy Code. Such transactions, often referred to as *sub rosa* plans, have in most cases involved either asset sales under section 363(b) or settlement agreements under Bankruptcy Rule 9019. The lead Second Circuit case in the area is Lionel. Although that decision never uses the term "*sub rosa* plan," the court articulated as a factor that might be relevant to evaluating a section 363 sale "the effect of the proposed disposition on future plans of reorganization." 722 F.2d at 1071.

Other courts have likewise looked to whether a proposed transaction would usurp a final plan or deprive creditors of the rights associated with the plan confirmation process. In In re Iridium Operating LLC, No. 01 Civ. 5429, 2005 U.S. Dist. LEXIS 5483 (S.D.N.Y. 2005), for example, the debtor sought approval of a settlement agreement under Bankruptcy Rule 9019. The settlement agreement resolved issues that had arisen regarding the validity of the first lienholder's liens on the debtor's property. Id. at *6. Under the terms of the settlement, in exchange for the liens being allowed, the lienholder agreed to fund litigation against third parties – principally Iridium's former owner, Motorola. Id. Not surprisingly, Motorola challenged the proposed settlement arguing, among other things, that it was an improper *sub rosa* plan. Id. at *29.

Affirming the Bankruptcy Court's approval of the settlement, the District Court rejected Motorola's *sub rosa* argument. The court found that there was a business justification for the settlement and that it "does not interfere with any safeguards of disclosure and voting rights afforded creditors under the Bankruptcy Code." Id. at *33. The Second Circuit upheld the District Court's ruling on the *sub rosa* issue, quoting its finding that the settlement was in fact "a step towards possible confirmation of a plan of reorganization and not an evasion of the plan confirmation process." In re Iridium Operating LLC, 478 F.3d 452, 467 (2d Cir. 2007).

The *sub rosa* argument was also raised in Contrarian Funds, LLC v. Westpoint Stevens, Inc. (In re Westpoint Stevens Inc.), 333 B.R. 30 (S.D.N.Y. 2005) – the principal case relied upon by the objectors. There, a debtor with first and second lien lenders sought approval to sell substantially all of its assets under section 363 to a purchaser who held some of the debtor's first lien debt and nearly all of its second lien debt. In exchange, the debtor received stock in the

purchaser's parent, with the first lien and second lien creditors getting replacement liens in the transferred securities. 333 B.R. at 33-34.[3]

But the transaction at issue in Westpoint did not stop there. The sale order further provided that, upon closing, the first lien lenders would receive a specified portion of the securities in full satisfaction of their claim, and the second lien lenders would receive the remaining securities in partial satisfaction of theirs. In addition, the order directed that all liens would terminate upon distribution of the securities. Id. at 34. In essence then, the order sought to determine the value of the first and second lien lenders' claims, to allocate the sale proceeds between the claims, to direct that the lienholders' claims would be completely satisfied upon payment, and to then release the underlying security interest.

After the Bankruptcy Court approved the sales order in all respects, some of the first lien lenders appealed, arguing that the transaction constituted an impermissible *sub rosa* plan. The District Court began by noting that "[t]he first aspect of the transaction" – the sale of assets in exchange for stock and grant of a replacement lien – "*is clearly within the scope of authority granted to the bankruptcy court by section 363 of the Bankruptcy Code*." Id. at 51 (emphasis added). As to the other elements of the order, however, the court held that "[n]othing in the language of the relevant subsections of Bankruptcy Code section 363 . . . provides the Bankruptcy Court with authority to impair the claim satisfaction rights of objecting creditors or to eliminate the replacement liens." Id. at 51. Rejecting those provisions of the sale order, the court noted that "section 363(b) is not to be utilized as a means of avoiding Chapter 11's plan confirmation procedures." Id. at 52.

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[3] In addition, the purchaser agreed to make certain cash payments for outstanding financing and expenses of the debtor, and to assume certain of the debtors' liabilities.

"Where it is clear that the terms of a section 363(b) sale would preempt or dictate the terms of a Chapter 11 plan," the Westpoint court explained, "the proposed sale is beyond the scope of section 363(b) and should not be approved under that section." Id. In that regard, the court found that the infirm aspects of the sale amounted to a "utilization of sections 363(b) and 105(a) to overcome Appellants' anticipated objections to an attempt to cram down an equity-based plan of reorganization." Id. at 54. The fundamental flaw in the sales order at issue in Westpoint was thus that it sought to allocate the sales proceeds between the first and second lien lenders, to direct that the distributions would fully satisfy the underlying claims, and to terminate the lenders' security interests as to those claims – actions that are typically provided for only in a final chapter 11 plan.

2. To the extent Westpoint is relevant, it supports the Debtors' position

Even a cursory review suggests that the Proposed Sale bears little resemblance to the aspects of the Westpoint scheme that were rejected. As an initial matter, the Debtors will receive cash, not equity in the purchaser (thereby avoiding any valuation issues), and the purchaser is not also a secured creditor of the Debtors. More importantly, there will be no allocation or prioritization of the sale proceeds among creditors, as the $2 billion will go entirely to the Debtors' first lien lenders (who are owed $6.9 billion). The Sale Order will neither provide for the satisfaction of any creditor's claim, nor terminate the first lien lenders' security interest, which will attach to the proceeds of the sale. Nothing undertaken in connection with the Proposed Sale will either "impair the claim satisfaction rights of objecting creditors" or "eliminate the replacement liens" – the elements that the Westpoint court found impermissible. See 333 B.R. at 51. And neither the express terms of the Purchase Agreement nor the transactions it contemplates will dictate any of the terms of a plan of reorganization or impair any creditor's rights in connection therewith.

Although the Proposed Sale incorporates none of the *improper* elements of the transaction at issue in Westpoint, it very much resembles the part of the transaction that the District Court *upheld*. As in Westpoint, the Debtors are selling substantially all of their assets in exchange for valuable consideration. In Westpoint, the purchaser made commitments regarding financing and expenses of the debtor; here, those costs are being covered by the Governments' debtor-in-possession financing. Finally, like the purchaser in Westpoint, New Chrysler will assume certain of the Debtors' liabilities, and first lien lenders will have liens on the sale proceeds. As the District Court so clearly stated, all of these elements are "clearly within the scope of authority granted . . . by section 363 of the Bankruptcy Code." 333 B.R. at 56.

Arguing otherwise, the Funds assert that the Proposed Sale will somehow result in "distributions" to creditors that violate the Bankruptcy Code's priority rules. Indiana Funds Obj. (DN 1259) at ¶¶ 32-34. The Dealer Committee is a bit less disingenuous. Recognizing that the Proposed Sale says nothing about "distributions," it instead accuses it of improper "diversions." Dealer Comm. Obj. (DN 1045) at ¶ 71 ("but if [a] transaction effects distributions (or, *as here, diversions*) of value . . . it may be disallowed as a *sub rosa* plan") (emphasis added).

The objectors' argument fails to address two key points. First, the Fiat Transaction is the only deal on the table. If it is not approved, the Debtors will face immediate liquidation. Second, the $2 billion the Debtors will receive as consideration for the Proposed Sale far exceeds the liquidation value of the assets being sold, which benefits all stakeholders, including the Debtors' secured lenders. Indeed, it is difficult to argue – and so the objectors do not – that value is somehow being taken from the Debtors' estates and given to others when the Debtors are receiving far more for their assets than is otherwise available to them.

Moreover, whether referencing "distributions" or "diversions," the objectors' arguments are premised on the notion that the benefits *New Chrysler* has chosen to offer to constituencies which are critical to its creation and ultimate success (i.e., the Governments that are financing the undertaking, employees who comprise the skilled workforce that New Chrysler needs, and suppliers without whom cars cannot be built), somehow reflect an impermissible flow of value out of *the Debtors'* estates. See, e.g., Indiana Funds Obj. (DN 1259) at ¶ 24 ("the proposed sale transaction is part of a multi-faceted plan that would allocate the value of the on-going enterprise and virtually all of its assets among creditor classes"), ¶ 33 ("substantially all the value of the Debtors' estates is distributed out to other stakeholders in satisfaction of their claims"); Dealer Comm. Obj. (DN 1045) at ¶ 70 (referencing "the transaction's channeling of an undisclosed amount of value to the New VEBA and perhaps the U.S. Treasury").

These claims fail to come to grips with the nature of the Proposed Sale. Like any purchaser acquiring assets for a new venture, New Chrysler has made the deals necessary to get the resources it must have to succeed. That is neither remarkable, nor a scheme to undermine the protections of the Bankruptcy Code. New Chrysler needs the expertise and technology that Fiat brings to the venture. It needs the financing that the Governments are providing for the venture. And it needs the workforce upon whose shoulders the success of the venture will largely rest. In order to attract those resources, New Chrysler presumably made economic accommodations in accordance with its own best interests. But the receipt of an ownership interest in New Chrysler is not by any rational analysis a distribution from *the Debtors' estates*, a diversion of value from *the Debtors' assets*, or an allocation of *the Debtors' proceeds* of the Proposed Sale.

So it is with New Chrysler's assumption of some – but not all – of Chrysler's contracts. A viable supplier chain and strong dealer network are critical to the success of New Chrysler.

New Chrysler has every right to identify those contracts that are important to its supplier and dealer operations, and to direct that those contracts be assumed and assigned. To that end, courts have long understood that section 365 of the Bankruptcy Code gives debtors nearly unbridled power to pick which contracts they want to perform. See, e.g., New York Typographical Union No. 6 v. Maxwell Newspapers, Inc. (In re Maxwell Newspapers, Inc.), 981 F.2d 85, 89 (2d Cir. 1992) (recognizing that collective bargaining agreement may be rejected to serve interests of asset purchaser); DB Structured Products, Inc. v. Amer. Home Mortgage Holdings, Inc. (In re Amer. Home Mortgage Holdings, Inc.), 402 B.R. 87, 98 (Bankr. D. Del. 2009) (finding under section 365 of Bankruptcy Code that buyer could pick which contracts to assume and which to reject); In re Adelphia Bus. Solutions, Inc., 322 B.R. 51, 55 (Bankr. S.D.N.Y. 2005) (finding agreements could be assumed or rejected separately as long as contracts in question were divisible under state law); In re Ames Dep't Stores, Inc., 287 B.R. 112, 115 (Bankr. S.D.N.Y. 2002) (approving debtor's sale of rights to select which unexpired leases the debtor should reject, assume or assign).

The debtor's right to assume or reject is frequently exercised in contemplation of an assignment to a purchaser. Indeed, section 365(f) gives a chapter 11 trustee broad authority to assign contracts – even nullifying contract provisions that would otherwise limit or bar assignment. See 11 U.S.C. § 365(f)(1). It is thus neither unusual nor improper for a purchaser to play a role in the selection process. See In re G Survivor Corp., 171 B.R. 755, 759 (Bankr. S.D.N.Y. 1994) (recognizing that selection of contracts for assumption or rejection in connection with debtor's asset sale is fundamental component of economic value of transaction, and that purchaser's participation in such selections is not inappropriate).

Nor does the fact that the assumption/assignment process will inevitably favor some creditors over others violate priority rules or somehow turn a sale of assets into a *sub rosa* plan. To the contrary, it is a bedrock principle of bankruptcy law that counterparties who have their contracts assumed (and thus benefit from the Bankruptcy Code's cure provisions) often fare better than other classes of creditors and other creditors within their class. See In re Chateaugay Corp., 10 F.3d 944, 955 (2d Cir. 1993) ("estate's election to assume a contract or lease under Section 365 entitles the other contracting party to assert its claims on a priority basis").

3. Neither the Tax Settlement Agreement, the Daimler PBGC Settlement Agreement, nor proposed changes to the Debtors' corporate governance render the Proposed Sale a *sub rosa* plan

Lastly, the Affected Dealers point to the Tax Settlement Agreement, the Daimler PBGC Settlement Agreement, and the Debtors' request to make certain modifications to their corporate governance as evidence that the Proposed Sale is really a *sub rosa* plan. See Dealer Comm. Supp. Obj. (DN 1488) at ¶¶ 7-12. But that is clearly not so.

First, each of those matters is the subject of a separate motion that is scheduled for a separate hearing. Moreover, the Tax Settlement Agreement and the Daimler PBGC Settlement Agreement are connected to the Proposed Sale only insofar as they address issues any rational purchaser would want resolved in connection with an asset acquisition. For example, it is eminently sensible that New Chrysler wants certainty with respect to its right to indemnification regarding potentially significant tax claims associated with the assets it is purchasing. Similarly, it is difficult to question the desire of New Chrysler, which is taking over as sponsor of the underfunded Chrysler Pension Plans, to negotiate an arrangement whereby a previous sponsor of the Plans has certain ongoing obligations with respect to their funding. Neither the Tax

Settlement Agreement nor the Daimler PBGC Settlement Agreement in any way usurp any part of the normal plan confirmation process.[4]

Even less persuasive is the reference to certain corporate governance changes that the Debtors are seeking to make when the Fiat Transaction closes. See Dealer Comm. Supp. Obj. (DN 1488) at ¶ 9. If the Proposed Sale is approved, the Debtors will be in a position to implement a much simpler and less expensive corporate governance structure to oversee the wind-down process. That will serve the best interests of the Debtors and their creditors. Why it would somehow render the Proposed Sale Transaction a *sub rosa* plan is left unexplained.[5]

* * * *

In the end, the Proposed Sale is precisely that – a sale of assets for a price that far exceeds liquidation value to a purchaser who wants to use the assets in a productive enterprise. It thus looks very much like the myriad transactions that have been permitted in the face of *sub-rosa*-plan allegations like those being made here. See, e.g., In re Iridium Operating LLC, 478 F.3d at 467 (approving settlement agreement in face of claim it was *sub rosa* plan because it "cleared the way for implementation of a reorganization plan"); In re Decora Indus., Inc., No. 00-4459, 2002 WL 32332749, at *3 (D. Del. May 20, 2002) (rejecting argument that 363(f) sale of substantially all assets was *sub rosa* plan where debtor had no source of future financing: "Debtors have two alternatives: (1) proceed with the Proposed Transaction, or (2) terminate business operations, employees and commence a liquidation of assets. . . . All parties agree that an asset sale, as

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[4] While the Daimler PGBC Settlement Agreement does include a release, it is a release *by the Debtors* of claims *of the Debtors*. Giving this release as consideration for a settlement through which $2 billion of secured claims against the Debtors' estates are being released is neither outside the business judgment rule nor an impermissible *sub rosa* plan. See, e.g., In re Iridium Operating LLC, 478 F.3d 452 (2nd Cir. 2007); In re Delta Airlines, Inc., 370 B.R. 537 (Bankr. S.D.N.Y. 2007).

[5] Any argument premised on the Debtors' request for the approval of officer and director releases, see Dealer Comm. Supp. Obj. (DN 1488) at ¶¶ 9-10, is misplaced. That request is independent of the Sale Motion, and is set for hearing on the Court's regular docket on June 18, 2009.

opposed to liquidation, will provide more money to the estate to satisfy the creditors' claims, as well as maintaining the going concern value of Debtors. . . . [T]he Proposed Transaction, as with any sale, preserves the going-concern value of Debtors' business and the jobs of Debtors' employees."); In re Drexel Burnham Lambert Group, Inc., 130 B.R. 910, 926-27 (Bankr. S.D.N.Y. 1991) (holding that settlement between debtor and claimants that resolved multi-billion dollar claims was not de facto plan because "the Settlement is the necessary first step toward confirmation of the Plan," and did not lock up terms of the plan by being conditioned upon plan confirmation); In re Tower Auto., Inc., 342 B.R. 158, 164 (Bankr. S.D.N.Y. 2006) (holding that settlement plan modifying retiree benefits payable to debtors' former employees was not *sub rosa* plan because it did not "dictate any of the terms of a future plan of reorganization, [did] not restructure the Debtors' business or finances generally, and [did] not restrict any rights afforded to creditors in the chapter 11 process, such as the right to vote on a proposed plan").

III. THE SALE OF THE DEBTORS' ASSETS FREE AND CLEAR OF ANY INTERESTS IN THE PROPERTY IS AUTHORIZED BY SECTION 363(F) OF THE BANKRUPTCY CODE

A. Section 363(f) Authorizes The Sale Free And Clear Of The Liens Held By The Collateral Trustee Pursuant To The First Lien Credit Agreement

1. Section 363(f)(2) authorizes the sale free and clear of the liens

The Indiana Pension Funds are holders of approximately $42 million of the $6.9 billion of outstanding debt under the First Lien Credit Agreement. They argue that section 363(f)(2) does not authorize the sale of the Purchased Assets free and clear of the liens on that property imposed by the First Lien Credit Agreement and related documents because the Indiana Pension Funds "are parties in interest and have not consented." Indiana Funds Obj. (DN 1259) at ¶ 72. As detailed below, their argument fails because the holder of the liens, the Collateral Trustee, has consented to the sale and because the Indiana Pension Funds do not have standing to object to the sale of the property free and clear of those liens.

a. The relevant provisions of the loan documents

Pursuant to the original first lien credit agreement dated August 3, 2007, the original first lien lenders made loans to Chrysler totaling $10 billion. That agreement was amended and restated on November 29, 2007 by the First Lien Credit Agreement to reflect the fact that Chrysler had repaid $3 billion of those loans.[6] JPMorgan Chase Bank N.A. is a party to the First Lien Credit Agreement as the Administrative Agent (the "Administrative Agent"). The agreement permits the original lenders, with the consent of Chrysler and the Administrative Agent, to assign all or a portion of their debt to assignees, in which case each assignee becomes "a party" to the First Lien Credit Agreement. First Lien Credit Agreement § 9.6(b)(iii). A

[6] See First Lien Credit Agreement (copy attached hereto, without subsequent amendments, as Exhibit A) at p.1. The First Lien Credit Agreement was further amended on January 2, 2009, on April 6, 2009, and again on April 24, 2009, to reflect junior loans to Chrysler by the U.S. Treasury. None of these amendments have modified any of the relevant provisions discussed herein.

representative of the Indiana Pension Funds is a registered assignee pursuant to section 9.6(b)(iv), and the Indiana Pension Funds are thus parties to that agreement and, together with the other institutions holding first lien loans, are referred to therein as "Lenders." Id. at p.1 (preamble).

Chrysler's obligation to repay the loans made under the First Lien Credit Agreement is secured by liens on most of its assets. Accordingly, the First Lien Credit Agreement is accompanied by an Amended and Restated Collateral Trust Agreement, also dated November 29, 2007 (as amended, the "CTA").[7] Wilmington Trust Company is a party to the CTA as the Collateral Trustee (the "Collateral Trustee"). Pursuant to the Security Agreement that accompanied the original collateral trust agreement (the "Security Agreement," attached hereto as Appendix C), Chrysler granted a security interest in most of its assets, as well as the proceeds thereof (the "Collateral") to the Collateral Trustee:

> Each Grantor hereby ***grants to the Collateral Trustee***, for the benefit of the [the Lenders under the First Lien Credit Agreement], a security interest in, all of the following property now owned or at any time hereafter acquired by such Grantor . . . (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's First Priority Secured Obligations: [most of the assets of Chrysler, including] all Proceeds . . . of any and all of the foregoing . . . .

Security Agreement § 2(a) (emphasis added). See also First Lien Credit Agreement § 3.14 ("the Security Agreement and each Mortgage will be effective under applicable law to create ***in favor of the Collateral Trustee***, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral described therein") (emphasis added). Similarly, the CTA defines "Collateral" as "all collateral in which ***the Collateral Trustee*** is granted a security

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[7] The CTA replaced the original collateral trust agreement entered into in connection with the original first lien credit agreement on August 3, 2007. The CTA was further amended and restated as of January 2, 2009 (copy attached hereto as Appendix B) to reflect the junior loan made by the U.S. Treasury, again without any material modification to the relevant provisions discussed herein.

interest pursuant to any Trust Security Document." See CTA § 1.1 (emphasis added).[8] Thus, although the liens that secure the Lenders' loans are "for the benefit" of those Lenders, the liens themselves were granted to, and are currently held by, the Collateral Trustee. See CTA at p.1.[9]

Pursuant to the First Lien Credit Agreement, each Lender, including each of the Indiana Pension Funds, irrevocably designated the Administrative Agent to act as the Lender's agent in exercising the powers delegated to the Administrative Agent, and to be bound by such actions:

> 8.1 Appointment. (a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under . . . [the] Loan Documents and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf . . . and to exercise such powers . . . as are expressly delegated to the Administrative Agent . . . , together with such other powers as are reasonably incidental thereto. . . .
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> * * *
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> 8.4 Reliance by Administrative Agent. . . . The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other group of Lenders specified in this Agreement) as it deems appropriate. . . . ***The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, . . . in accordance with a request of the Required Lenders*** (or, if so specified by this Agreement, all Lenders or any other group of Lenders specified in this Agreement), ***and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans***.

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8 The First Lien Credit Agreement defines "Collateral" as "all property of the Loan parties, now owned or hereafter acquired . . . in which a Loan party has granted a Lien pursuant to any Loan Document," and defines "Loan Document" to include all security documents, including the Security Agreement, "granting a Lien on any property of any Person to secure" Chrysler's repayment obligations under the First Lien Credit Agreement. See First Lien Credit Agreement § 1.1.

9 See id. ("Declaration of Trust: . . . the Collateral Trustee does hereby declare that ***it holds and will hold*** as trustee in trust under this Collateral Trust Agreement all . . . the collateral granted to the Collateral Trustee" under the Security Agreement and related documents) (emphasis added); id. § 1.1 (defining "First Priority Secured Parties" as including "the Collateral Trustee (***in its capacity as the holder of the Lien on the Collateral*** securing the First Priority Secured Obligations)") (emphasis added).

First Lien Credit Agreement §§ 8.1 and 8.4 (emphasis added). Thus, the Indiana Pension Funds have agreed to be bound by actions taken (or not taken) by the Administrative Agent at the request of lenders holding a majority of the indebtedness under the First Lien Credit Agreement (the "Required Lenders"). Id. § 1.1.[10]

The Debtors' commencement of these chapter 11 cases was an "Event of Default" under the First Lien Credit Agreement, id. § 7(e)(i)(A), and the Administrative Agent was deemed to deliver a "Notice of Event of Default" to the Collateral Trustee. Id. § 7(i). The CTA defines the Administrative Agent as the "Controlling Party" and states that, upon receipt of a Notice of Event of Default, "the Collateral Trustee shall exercise the rights and remedies provided in" the CTA and in the related security documents, "subject to the direction of the Controlling Party." CTA § 2.1(a). Specifically, while a Notice of Event of Default is in effect, the Collateral Trustee is granted the power "to do, at its option . . . , all acts and things which the Collateral Trustee deems necessary to . . . realize upon the Collateral," including initiating a lawsuit "to ***sell all*** or, from time to time, any of the Collateral" and taking any other "Collateral Enforcement Actions" permitted under the security documents. Id. §§ 2.2 and 2.3 (emphasis added). A "Collateral Enforcement Action" is defined to mean, "with respect to any Secured party, . . . ***to exercise . . . any rights or remedies with respect to any Collateral***, including . . . exercising any other right or remedy under the Uniform Commercial Code of any applicable jurisdiction or ***under any Bankruptcy Law*** or other applicable law." Id. § 1.1 (emphasis added).

The language of section 2.5 of the CTA leaves no doubt as to the parties' intent to confer on the Collateral Trustee the exclusive right to pursue all rights and remedies of each Lender

[10] Similarly, each Lender "irrevocably designate[d] and appoint[ed] the Collateral Trustee as its agent under" the CTA and other Loan Documents, "irrevocably authorize[d] the Collateral Trustee, in such capacity, to" take action "on its behalf" and to exercise powers "expressly delegated" and "reasonably related thereto," and "agree[d] to be bound by the terms of the [CTA] to the same extent as if it were a party thereto . . . ." First Lien Credit Agreement § 8.1(b).

with respect to the Collateral, and to confer on the Administrative Agent, as the Controlling Party, the exclusive authority to direct the Collateral Trustee's actions in that regard:

2.5 Exercise of Powers; Instructions of the First Priority Agent.

(a) All of the powers, remedies and rights of the Collateral Trustee as set forth in this Collateral Trust Agreement may be exercised by the Collateral Trustee in respect of any Trust Security Document as though set forth in full therein and ***all of the powers, remedies and rights of*** the Collateral Trustee, ***each Holder Representative and the other Secured Parties*** as set forth in any Trust Security Document may be exercised from time to time as herein and therein provided.

(b) The Controlling Party shall at all times have the right . . . to direct the time, method and place of conducting any proceeding for any right or remedy available to the Collateral Trustee, or of exercising any trust or power conferred on the Collateral Trustee, or for the appointment of a receiver, or ***to direct the taking or the refraining from taking of any action authorized by this Collateral Trust Agreement or any Trust Security Document***; provided that (i) such direction shall not conflict with any Requirement of Law or this Collateral Trust Agreement or any Trust Security Document, . . . and (iii) no Collateral Enforcement Action may be taken unless a Notice of Event of Default is in effect. In the absence of such direction, the Collateral Trustee shall have no duty to take or refrain from taking any action unless explicitly required herein.

(c) Whether or not any Insolvency Proceeding has been commenced by or against any Grantor, ***no Holder Representative or any other Secured Party shall do*** (and no such Holder Representative or Secured Party (other than the Controlling Party) shall direct the Collateral Trustee to do) ***any of the following without the consent of the Controlling Party***: (i) ***take any Collateral Enforcement Action*** or commence, seek to commence or join any other Person in commencing any Insolvency Proceeding; or (ii) ***object to, contest or take any other action that is reasonably likely to hinder (1) any Collateral Enforcement Action initiated by the Collateral Trustee***, (2) any release of Collateral permitted under Section 6.12, whether or not done in consultation with or with notice to such Secured Party or (3) any decision by the Controlling Party to forbear or refrain from bringing or pursuing any such Collateral Enforcement Action or to effect any such release.

Collateral Trust Agreement § 2.5 (emphasis added). Accordingly, pursuant to these provisions, only the Collateral Trustee has the authority to exercise any rights with respect to the Collateral under the Bankruptcy Code, including the right to consent (or withhold consent) to the sale of the Collateral under section 363(f)(2). And only the Administrative Agent has the right to direct the Collateral Trustee to take (or refrain from taking) such actions with respect to the Collateral.[11]

b. The holder of all liens under the First Lien Credit Agreement has consented to the sale of the Purchased Assets

The assertion of the Indiana Pension Funds that they have not consented to the sale is irrelevant because they do not hold the liens on the Collateral that Chrysler pledged under the First Lien Credit Agreement and related security documents. As detailed above, the liens were granted to, and are currently held by, the Collateral Trustee. See First Lien Credit Agreement § 3.14; Security Agreement § 2(a). While the liens were granted "for the benefit of" the Lenders, they were granted "to" the Collateral Trustee, which is a distinction that deprives the Lenders of standing to enforce the liens in these chapter 11 cases. See In re Enron Corp, 04 Civ. 1367, 2005 U.S. Dist. LEXIS 2134, at *26-*29 (S.D.N.Y. Feb. 14, 2005) (where collateral was pledged "to" a collateral trustee "for the benefit of" a bank group, bank group did not have standing to proceed against collateral in bankruptcy: "That the grant was made 'for the benefit of' the Bank Group is not sufficient to warrant the conclusion that the parties intended to give the Bank Group standing to proceed individually against the Pledged Collateral. If this were not so, the agreement's distinction between 'to' and 'for the benefit of' would be rendered meaningless, a result that would be inconsistent with well established rules of contract interpretation."). In short, the Collateral Trustee, not the Indiana Pension Funds (or any other Lender), is the lienholder.

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[11] Although the CTA expressly precludes each Lender from enforcing any right with respect to the Collateral without the consent of the Administrative Agent, it does preserve the right of each Lender "to exercise any other remedy it may have as an unsecured creditor against" Chrysler. CTA § 2.10.

Moreover, and in any event, the Collateral Trustee has consented to the Fiat Transaction pursuant to the direction of the Administrative Agent. Pursuant to section 2.5(b) of the CTA, the right under section 363(f)(2) of the Bankruptcy Code to consent to the sale of the Collateral is afforded to the Collateral Trustee, as it constitutes the exercise of a right "under Bankruptcy Law" with respect to the Collateral, and thus constitutes a Collateral Enforcement Action under the CTA. CTA §§ 1.1 and 2.5(b). As counsel for the Administrative Agent has repeatedly advised this Court in prior hearings in these chapter 11 cases, the Administrative Agent has received – from Lenders holding approximately $6.376 billion (92.5%) of the outstanding principal amount of the loans under the First Lien Credit Agreement – a consent and direction to consent to the Proposed Sale. Thus, the Administrative Agent's consent to the sale, and its direction to the Collateral Trustee to consent to the sale under section 363(f)(2) of the Bankruptcy Code, is sufficient to permit the transfer of the Purchased Assets free and clear of the liens on that property held by the Collateral Trustee.[12]

Indeed, even if one were to pretend that the consent of the Indiana Pension Funds to the sale is required for purposes of section 363(f)(2) – which it is not, because they do not hold any liens – the fact is that they ***already*** have consented, as a matter of law pursuant to the terms of the contract under which they claim their interest in the property, because the Administrative Agent has already consented to the sale "as [their] agent" and "on [their] behalf," and that action

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12 Counsel for the Administrative Agent has provided the Debtors with a formal "Consent To Sale and Liquidation of Collateral," a copy of which is attached as Appendix D hereto (the "Administrative Agent Consent"). That document, which recites that "the Administrative Agent has received from First Lien Lenders holding approximately $6,376 billion (92.5%) of the outstanding principal amount of the Loans under the First Lien Credit Agreement, a consent and ***direction to consent*** to the Sale," has not yet been executed by the Administrative Agent. Administrative Agent Consent at ¶ 9 (emphasis added). Nevertheless, the Administrative Agent did not file an objection to the sale, and it (presumably) did not instruct the Collateral Trustee to do so, because the Collateral Trustee did not file an objection to the sale either. Accordingly, both parties should be deemed to have consented to the sale for purposes of section 363(f)(2). See Debtors' Memorandum in Support of Sale Motion (DN 191) at 23 and cases cited therein.

is "binding" on the Indiana Pension Funds because it was taken pursuant to the request of the Required Lenders. First Lien Credit Agreement §§ 8.1(a) and 8.4.

c. The Indiana Pension Funds do not have standing to object to the sale of the Purchased Assets free and clear of the liens

The objection of the Indiana Pension Funds to the sale of Collateral free and clear of the liens held by the Collateral Trustee is a clear violation of their contractual obligation under section 2.5(c) of the CTA, which expressly commands that no Lender shall "object to, contest or take action that is reasonably likely to hinder (1) any Collateral Enforcement Action initiated by the Collateral Trustee . . . ." CTA § 2.5(c). The only justification the Indiana Pension Funds proffer for such conduct is their reference to section 9.1(a) of the First Line Credit Agreement, which they construe as prohibiting the Administrative Agent from consenting to the sale of substantially all of the Collateral free and clear of liens under section 363(f)(2) of the Bankruptcy Code without the consent of all Lenders. Their construction of that section has no merit.

Section 9.1(a) sets forth the circumstances in which parties may amend, modify or supplement the Loan Documents, and then sets forth certain categories of waivers, amendments, supplements or modifications that require the written consent of the affected parties, including those that would "release all or substantially all of the Collateral . . . (except as provided in the Loan Documents)":

> provided, however, that no such waiver and no such amendment, supplement or modification shall . . . (iii) reduce any percentage specified in the definition of Required Lenders, consent to the assignment or transfer by or release of the Company of any of its rights and obligations under this Agreement and the other Loan Documents, ***release all or substantially all of the Collateral*** or release all or substantially all of the Subsidiary Guarantors or Holdings from their obligations under the Guarantee or the Security Agreement (***except as otherwise provided in the Loan Documents***), in each case ***without the written consent of all Lenders.***

First Lien Credit Agreement § 9.1(a) (emphasis added). The suggestion by the Indiana Pension Funds that this provision requires any party to obtain their written consent to accomplish the Fiat Transaction is erroneous, for three reasons.

First, the Debtors' proposed transfer of the Purchased Assets "free and clear" of liens is not a *release* of the Collateral at all, but rather a sale or liquidation of that Collateral. The Collateral in which the Collateral Trustee holds liens is comprised of ***both*** the Debtors' operating assets ***and*** the "Proceeds" thereof. See Security Agreement §§ 2.(a)(xv) and 3.4. Thus, the sale of assets constituting Collateral does not "release" the Collateral, nor does it discharge the lien on those assets. Rather, the lien attaches to the proceeds of the sale, which remain as the Collateral securing the loan made by the Lender. See id. § 3.5.

Second, the transfer of the Purchased Assets to New Chrysler in a section 363 sale does not require any "amendment, supplement or modification" to the Loan Documents. Once an Event of Default occurs, the CTA expressly grants the Collateral Trustee the right to "realize upon the Collateral" and "to sell ***all*** . . . of the Collateral." CTA §§ 2.2 and 2.3 (emphasis added). Because the Collateral Trustee already has the power under the Loan Documents to sell all of the Collateral, it necessarily has the right to consent to such a sale under section 363 of the Bankruptcy Code without the necessity of amending or modifying any agreements. See CTA §§ 1.1 and 2.2 (Collateral Trustee has right to take any "Collateral Enforcement Action" with respect to the Collateral, which includes exercising any right under "any Bankruptcy Law").

Third, even if one were to contort the otherwise plain meaning of the language in section 9.1(a)(iii) to mischaracterize the sale of the Collateral to New Chrysler as an "amendment" of the Loan Documents to "release all or substantially all of the Collateral," the consent of all Lenders still would not be required because such an "amendment" would be

"otherwise provided [for] in the Loan Documents . . . ." First Lien Credit Agreement § 9.1(a)(iii). See CTA §§ 1.1, 2.2, 2.5(c), 2.11(b) and 6.12.

The recent decision in In re GWLS Holdings, Inc., No. 08-12430, 2009 Bankr. LEXIS 378 (Bankr. D. Del. Feb. 23, 2009), is directly on point and dispositive. In GWLS, a dissenting first lien lender owed $1 million objected to the first lien agent's decision to credit bid the $366 million of outstanding first lien debt to purchase the debtors' assets, pursuant to section 363(k) of the Bankruptcy Code. Id. at *2-*4. The dissenting lender relied on section 11.1(a) of the credit agreement in that case, which was identical in all material respects to the provision in section 9.1(a)(iii) of the First Lien Credit Agreement on which the Indiana Pension Funds rely in this case:

> 11.1 Amendment and Waiver. . . . [N]o Credit Document nor any terms thereof may be amended, supplemented or modified [except] in accordance with the provisions of this subsection 11.1 . . . . (a) [N]o such waiver and no such amendment, supplement or modification shall (i) release all or substantially all of the Collateral . . . without the written consent of *all* Lenders . . . .

Id. at *4-*5 (emphasis by the court). Section 6.6 of the collateral agreement in GWLS, however, authorized the first lien agent to "sell . . . or otherwise dispose of and deliver the Collateral or any part thereof," id. at *7, much like the provisions of sections 2.2 and 2.3 of the CTA in this case. The court held that the collateral agreement authorized the first lien agent to credit bid under section 363(k) and rejected the dissenting lender's argument that section 11.1(a) of the credit agreement prohibited such action without its consent. Id. at *15-*16.

Critical to the court's analysis was that the two agreements in that case "came into existence at the same time" and that, because they "are effectively contemporaneous," section 6.6 of the collateral agreement was not a "waiver, amendment, supplement, or

modification" of the credit agreement that was contemplated by section 11.1(a) of the credit agreement. Id. at *12. The court concluded:

> It is abundantly clear, when interpreting both the Credit Agreement and the Collateral Agreement according to the plain meaning of their terms and giving force and effect to all provisions of each agreement, that the provision in the Collateral Agreement which allows the First Lien Agent to enter into the proposed credit bid on behalf of the First Lien Lenders is not overridden by Section 11.1(a) of the Credit Agreement. Rather, it is only waivers, amendments, supplements, or modifications taking place after the agreements were executed . . . that must be made with written consent of all the First Lien Lenders.

Id. at *14.

Similarly, in Beal Sav. Bank v. Sommer, 8 N.Y.3d 318 (2007), the New York Court of Appeals also held that an individual lender could not seek to enforce a credit agreement that vested in the administrative agent the power "for the enforcement of the Lenders' rights and remedies." Id. at 327. Like the Indiana Pension Funds here, the dissenting lender in Beal argued that a provision in the credit agreement, which stated that "no amendment, modification or waiver can be made to the Loan Documents so as to 'release the Sponsors . . . without the consent of all Lenders,'" was sufficient to grant the lender standing to object to the administrative agent's settlement of lenders' claims against a sponsor. Id. at 330. As in GWLS, however, the Beal court rejected that argument because the enforcement action "did not release the Trust of its obligations by amending, modifying or waiving any provision in the agreements." Id. at 330. Holding that the dissenting lender did not have standing to object, the court emphasized the distinction between an enforcement action – there a settlement – and the release of the sponsor contemplated by the unanimous consent provision:

> the issue concerns a default and, under the Credit Agreement, even if the Settlement has a 'similar effect' to a release, the supermajority of Lenders exercised their rights by restructuring the debt of a financially troubled Borrower. Thus, the provisions

> concerning amendment, modification and waiver of the agreements do not preclude the Administrative Agent and 95.5% of the Lenders from attempting to recover on as much of the Trust's obligations as they could.

Id. at 330-31 (citations omitted).

The bottom line is that the Collateral Trustee's consent to sale of Collateral to New Chrysler under section 363(f)(2) in this case is a Collateral Enforcement Action designed to realize and liquidate the Collateral after an Event of Default, which action is already expressly provided for in the CTA. It does not constitute an "amendment" or "modification" of the Loan Documents that would "release all or substantially all of the Collateral" under section 9.1(a)(iii) of the First Lien Credit Agreement.

Indeed, here, as in many other cases in which courts have denied a dissenting lender standing to assert rights with respect to liens held by an agent for the benefit of all the lenders, "the overall scheme" established by the relevant provisions of the First Lien Credit Agreement, CTA, and Security Agreement was to have the Administrative Agent and the Collateral Trustee "act for the benefit of" the Lenders as a group. See, e.g., In re Enron Corp, 302 B.R. 463, 475 (Bankr. S.D.N.Y. 2003), aff'd 04 Civ. 1496, 2005 U.S. Dist. LEXIS 2134 (S.D.N.Y. Feb. 14, 2005); In re Delta Air Lines, 370 B.R. 537, 548 (Bankr. S.D.N.Y. 2007), aff'd 374 B.R. 516, 528 (S.D.N.Y. 2007), aff'd sub nom. Ad Hoc Comm. v. Delta Air Lines, Inc., 07-3979-bk, 2009 U.S. App. LEXIS 2464 (2d Cir. Feb. 9, 2009); Friedman v. Chesapeake & Ohio Ry. Co., 261 F. Supp. 728, 730 (S.D.N.Y. 1966); Credit Francais Int'l S.A. v. Sociedad Financiera de Comercio, C.A., 128 Misc. 2d 564, 582 (Sup. Ct. New York County 1985). As this Court observed in In re Enron, such schemes are critical to the efficient operation of such lending arrangements:

> When dealing with such lending arrangements, the purpose of contracting in advance to restrict enforcement to a single agent is to prevent the chaos that would ensue if multiple lawsuits were initiated by each lending bank with, possibly, divergent interests.

> Allowing the agent to pursue collective enforcement in the event of a default allows for unified action and prevents any single lender from being preferred over another.

In re Enron Corp., 302 B.R. at 472-73.

Moreover, in this case, unlike in many of the past cases, there is a clear and unmistakable expression of the parties' intent to preclude an individual dissenting lender, such as the Indiana Pension Funds, from interfering with the enforcement actions of the Collateral Trustee. In Beal, for example, the New York Court of Appeals observed: "Had the parties intended that an individual have a right to proceed independently, the Credit Agreement . . . should have expressly so provided." Beal Sav. Bank, 8 N.Y.3d at 332. The court then recognized that "the contrary argument also can be made: had the parties intended to *preclude* the right to proceed individually, they should have said so explicitly. And surely, for the future, parties should expressly state their intentions in this regard." Id. at n.3 (emphasis by the court). Less than five months after the Beal decision was rendered, Chrysler and the Collateral Trustee entered into the CTA and expressly provided, in section 2.5(c), that "no Holder Representative or any other Secured Party" shall, without the consent of the Administrative Agent, "take any Collateral Enforcement Action" or "object to, contest or take any other action that is reasonably likely to . . . hinder" the manner in which the Collateral Trustee exercises its rights with respect to the Collateral.

Given this language, the parties' intent is unmistakable. The Indiana Pension Funds have no standing to pursue any objection to the sale of the Collateral free and clear of the liens held by the Collateral Trustee under the First Lien Credit Agreement and related documents.

2. Section 363(f)(3) authorizes the sale free and clear of the liens

A sale can be made free and clear of liens pursuant to section 363(f)(3) of the Bankruptcy Code so long as the purchase price exceeds "the aggregate value of all liens on such property."

In their initial Memorandum of Law, the Debtors noted that this Court has on a number of occasions – most notably in the seminal case of In re Beker Indus., Inc., 63 B.R. 474, 476 (Bankr. S.D.N.Y. 1986) – confirmed that "value of the liens" for purposes of (f)(5) means the actual economic value placed on the liens – not the face amount of the liens. Debtors' Mem. (DN 191) at 24-26. Under that construction, the Debtors' estates will clearly receive value that exceeds the "aggregate value of all liens" on the property to be sold. The purchase price here is an *immediate* cash payment from New Chrysler in the amount of $2 billion, in addition to the value of the liabilities that the Debtors will be relieved of in connection with the Fiat Transaction. In contrast, as noted above, the Debtors' advisors have calculated that the total proceeds eventually available for recovery by the first lien holders, should their collateral be liquidated, would be from zero to $1.2 billion.

In response, the Indiana Pension Funds urge this Court to construe section 363(f)(3) as requiring the purchase price for the assets sold free and clear of liens to be greater than the nominal amount of the liens. Indiana Funds Obj. (DN 1259) at ¶ 78. They rely on a handful of poorly-reasoned decisions from other jurisdictions that fail to properly account for the meaning of the term "value" as it is used in other related sections of the Code, and fail to consider the policies that are served by permitting the estate to realize value for all its junior creditors when assets can be sold free and clear for a price that exceeds the economic value of the liens. They do so without even mentioning, much less discussing, Beker, or the many other decisions from bankruptcy courts throughout this Circuit that have followed it. Rather than address the compelling reasoning of Beker, the Indiana Pension Plans instead simply choose to ignore it.

With respect to the assertion by the Indiana Pension Funds that the first lien lenders "could be better off in a straight liquidation of the Debtors' assets," Indiana Funds Obj. (DN

1259) at ¶ 84, they offer no evidence to support that assertion, and the evidence at the hearing on the Sale Motion will clearly establish that the $2 billion immediate cash payment by New Chrysler is substantially greater than any amount the Debtors' could recover from any other transaction or series of transactions should the Fiat Transaction not be consummated. Accordingly, under section 363(f)(3), the property can be transferred free and clear of any liens.

B. Section 363(f)(5) Authorizes The Sale Of The Purchased Assets Free And Clear Of Successor Liability Claims

Various individuals and groups, all of whom purport to have tort claims of one form or another against Chrysler,[13] object to the Proposed Sale, claiming that approving the transfer of assets "free and clear" will deprive them of substantive rights that they would otherwise have against whoever acquires the assets. They are correct that section 363(f) will prevent them from asserting any of their claims against the purchaser, but they are wrong to suggest that this gives them any cognizable interest in preventing the transaction from going forward. Thus, as more fully explained in the Response to Various Objections Relating To Successor Liability Issues filed by Fiat S.p.A. and New CarCo Acquisition LLC (the "Response to Various Objections"), these objections provide no basis for the Court to deny approval of the Proposed Sale free and clear of all interests.

As the Response to Various Objections explains, section 363(f) broadly cuts off all interests that exist in the transferred property, thereby preventing Chrysler's creditors or

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[13] As more fully described in the Response To Various Objections Relating to Successor Liability filed by Fiat S.p.A. and New CarCo Acquisition LLC, the parties advancing this objection include: (1) Kathy Profitt, who alleges she has a tort claim based on a defective Chrysler automobile (DN 992), (2) John Bussian, Intervenors, and a Class of Similarly Situated Persons, who claim that they purchased Dodge Durango vehicles that have defective ball joints (DN 1120); (3) Unsecured Creditors Committee Member, Patricia Pascale, who asserts a wrongful death action based on exposure to asbestos (DN 1175); (4) Ad Hoc Committee of Consumer-Victims of Chysler LLC, which is a group of plaintiffs who currently are or in the future may be asserting personal injury claims against Chrysler (DN 1197), and (5) Tort Creditor (DN 1366), which is a group comprised of holders of personal injury tort judgments against Chrysler. See Response to Various Objections at 1-2.

claimants from asserting any rights in that property once it is in the transferee's hands. This cutoff occurs so long as the interest at issue meets any one of the five separate sub-parts of section 363(f). If so, the bar on asserting the right against transferees based on their ownership of the property applies, and does so whether the underlying right arises *in rem* or *in personam*. Indeed, the bar effect of 363(f) extends broadly to any "obligation that may from ownership of the property." See Response to Various Objections at 6 (quoting In re Trans World Airlines, Inc., 322 F.3d 283, 289 (3d Cir. 2003), and citing a whole host of other cases). Thus, so long as the interest to be asserted falls into one of the five 363(f) subcategories, that interest cannot be asserted against the transferee post-transfer.

Of particular importance here, section 363(f)(5) provides that property can be transferred free and clear of an entity's interest if "such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest." 11 U.S.C. 363(f)(5). As all of the objectors discussed here are tort claimants of one form or another, their interests are clearly subject to "money satisfaction." Indeed, not only *could* these entities be "compelled" to "accept a money satisfaction," but *that is precisely the remedy that each would seek*, save for the fact that the Debtors do not have sufficient assets to provide recompense to them. Accordingly, the transfer here will be free and clear of any interest that they could otherwise assert. Thus, as more fully described in the Response to Various Objections, this class of objections provides no impediment to a sale of the assets free and clear.

C. The Objecting Dealers Do Not Have Any Interest In The Purchased Assets

Certain Dealers have argued that the Proposed Sale cannot be made free and clear under section 363(f), relying on state Dealer Statutes (buttressed by their claim that bankruptcy law does not preempt those statutes) as the basis for their objection. See, e.g., Dealer Comm. Obj. (DN 1045) at ¶¶ 114-30; Objection and Joinder of Performance Dodge, LLC, *et al.* (DN 1189)

(the "Performance Dodge Obj.") at ¶¶ 18-29; Objection of the Affected Dealers (DN 1529) (the "Affected Dealers Obj.") at ¶¶ 15-39. Their argument proceeds from a false assumption, and thus arrives at a faulty conclusion. They contend that they have an "interest in property" (that is not preempted by bankruptcy law), and that a free and clear sale of that property in the Proposed Sale improperly deprives them of that interest (either by failing to provide sufficient process, or by failing to comply with § 363(f)). The central problem with that argument, however, is that ***the state Dealer Statutes do not create such an interest.***

Even if they did, all of the Dealers' interests, even those under the Dealer Statutes, ultimately arise from, and are dependent upon, their agreements with Chrysler (the "Dealer Agreements"). Once the Debtors filed for relief under Chapter 11, however, settled law provides that those contracts are not enforceable against the Debtors ***unless and until the Debtors assume them***. That has not occurred; indeed, the Debtors intend to ***reject*** those contracts at the upcoming Rejection Hearing. Thus, the Debtors cannot rely on the Dealer Agreements (or on state law rights that they assert attach to those contracts) as a basis for advancing their objections here. Nor can the Dealers cure that problem by relying on state law prohibitions on terminating dealer agreements; the Supremacy Clause preempts any such state law as it interferes with the operation of the Bankruptcy Code.

The Affected Dealers' real claim is that New Chrysler can somehow be forced to purchase the Debtors' assets subject to the claims arising out of those Dealer Agreements, even though the agreements are remaining with the Debtors instead of being assumed and assigned to New Chrysler. Neither statutory language nor case law precedent supports that result, which would dramatically undermine the effectiveness of a section 363 sale as a mechanism for providing maximum value to the Debtors' creditors.

1. The State Dealer Statutes do not provide any basis for the Dealers to object

The Dealers' claim that they would be hurt by a free and clear sale founders on a threshold issue – the Dealers lack any "interest in property" as that term is used in section 363, and thus are not hurt by a transfer of the property free and clear of such interests. The fundamental characteristic of an "interest in property" is that it can be asserted against a subsequent owner based merely on the ownership of the property. Robert M. Fishman & Matthew A. Swanson, What Is Your "Interest" in Section 363(f)?, I Norton Annual Survey of Bankruptcy Law 315 (2008) ("interest in property" encompasses "obligations that may flow from ownership of the property, including claims as defined in section 101(5) of the Bankruptcy Code"). The Dealers have failed to show the existence of any such interest here.

The Dealers have not cited a single case that has held, or a single statute that provides, that a motor vehicle dealer has an enforceable right which follows the manufacturer's property after the sale of that property to another. The closest they come to even trying to do so is a citation (in the Affected Dealers' Opposition) to a Minnesota statute that they claim creates such an interest. The statute they cite, however, Minn. Stat. Ann. 80C.17(3), see Affected Dealers Obj. (DN 1529) at ¶ 36, says ***nothing*** of the sort. The full text of that provision reads:

> Any suit authorized under this section may be brought to recover the actual damages sustained by the plaintiff together with costs and disbursements plus reasonable attorney's fees.

Minn. Stat. Ann. 80C.17(3) (2008).

Nothing in the statute's language remotely suggests the existence of an interest that travels with the transfer of the manufacturer's property. In fact, case law interpreting the statute confirms that the statute does ***not*** create such an interest. In Dunn v. Nat'l Beverage Corp., 729 N.W.2d 637, 646 (Minn. Ct. App. 2007), a franchisee claimed it could assert its franchise law

rights against the entity that had purchased the franchisor's assets. The court ultimately ruled that the franchisee could do so, ***but expressly found that the Minnesota franchise statutes do not provide for claims against purchasers.*** Id. at 644. Rather, the franchisee could proceed in Dunn ***only*** because of language in the asset sale agreement between the franchisor and the purchaser through which the purchaser had assumed the contracts. Thus, it was the language of the asset sale agreement, not the language of the statute, that created transferee liability (language that will not be present in the "free and clear" asset sale here). Other courts have arrived at the same conclusion under various state laws. See, e.g., Mitchell Mach., Inc. v. Ford New Holland, Inc., 918 F.2d 1366, 1369-70 (8th Cir. 1990) (holding that asset purchaser did not become liable for dealership contracts under state dealer law where purchase agreement expressly excluded sales and service agreements with terminated dealers); Ernst v. Ford Motor Co., 813 S.W.2d 910, 916-17 (Mo. Ct. App. 1991) (holding as a matter of law that asset purchaser did not assume obligation for terminated dealership contracts where record did not demonstrate that purchaser assumed liability for such contracts).

The statutes and case law that the Dealer Committee cites are even farther from the mark. The Dealer Committee claims, for example, that state law prevents "retaliation" and/or the use of certain "metrics" "such as advertising, parts ordering, and carrying other lines when deciding whether to close a franchise." Dealer Comm. Obj. (DN 1045) at ¶ 122. Even to the extent that such rights exist (and are not preempted, see below), neither the statutes nor case law suggest in any way that these rights would allow Dealers to assert liability against *purchasers* of the manufacturers' property. Similarly, the buy-back statutes the Dealers cite (which in some instances require a manufacturer to buy back unsold new vehicles, parts, etc.), see Dealer Comm. Obj. (DN 1045) at ¶ 116, or the wrongful termination causes of action, id. at ¶ 118, even if not

preempted, at most give rise to a claim for money damages *against the Debtors*. Again, the Dealers cite nothing that suggests that this liability would run against a new entity merely because that entity purchased some or all of the Debtors' assets at a fair price.

Simply put, the legal authority that the Dealers cite for their alleged "interest in property" under the state Dealer Statutes provides them no support. In fact, as noted above, see Dunn, Mitchell, and Ernst, that authority runs against them. Absent a viable theory of successor liability, the Dealers simply are not harmed by the fact that the property is being sold free and clear. Their failure to meet this threshold issue obviates the need for any further consideration of the Dealers' objections.

2. The Dealers do not have any rights under their contracts unless and until the Debtors assume the Dealer agreements.

The Dealers' objections fails for another independent reason as well. All of the Dealers' interests, including those based on the Dealer Statutes, ultimately arise from, and are derivative of, their executory Dealer Agreements with the Debtors. Indeed, the Dealers appear to concede as much – contending only that "the rights of the Affected Dealers ***in the agreements*** will be breached," Affected Dealer Obj. (DN 1529) at ¶ 3 (emphasis added), or that approval of the Fiat Transaction will "trample on [their] due process rights . . . by effectively accomplishing ***the rejection of their contracts.***" Dealer Comm. Obj. (DN 1045) at ¶ 52 (emphasis added).

The problem that this poses for the Dealers is that, as described in Section II above, the Bankruptcy Code affords a debtor the right to assume or reject contracts on a contract-by-contract basis. Moreover, under basic bankruptcy principles, once the Chapter 11 petition is filed, and until the Debtors assume a particular contract, ***the contract creates no rights against the Debtors at all.*** Thus, the Dealers simply cannot rely on their unassumed contracts as the basis for their objections here. "After a debtor commences a Chapter 11 proceeding, but before

executory contracts are assumed or rejected under § 365(a), those contracts remain in existence, enforceable by the debtor but not against the debtor." U.S. Postal Serv. v. Dewey Freight Sys., Inc., 31 F.3d 620, 624 (8th Cir. 1994). See also In re McLean Indus., Inc., 96 B.R. 440, 448 (Bankr. S.D.N.Y. 1989) ("an assumable but unassumed executory contract cannot be enforced against a debtor-in-possession post-petition.")(emphasis omitted); NLRB v. Bildisco & Bildisco, 465 U.S. 513, 532 (1984) (same); Pub. Serv. Co. of N.H. v. N.H. Elec. Coop. (In re Pub. Serv. Co. of N.H.), 884 F.2d 11, 14 (1st Cir. 1989) (same).

In short, as their contracts have not yet been either assumed or rejected, the Dealer Agreements give the Dealers no cognizable right that they could assert in connection with the Proposed Sale.

3. The Bankruptcy Code preempts any state law that purports to preclude termination or require assumption.

The Dealers do not improve their argument by in essence asserting that rejection of their contracts under section 365 is a de facto termination of their Dealer Agreements, and arguing that this termination violates certain non-termination provisions in the state Dealer Statutes. To start with, rejections under section 365(a) are not "terminations" at all and thus are not subject to the state statutes. But, even if they were, while the state Dealer Statutes may limit the Debtors' ability to terminate the contracts ***outside*** of bankruptcy, the Bankruptcy Code preempts the operation of those state statutes ***within*** bankruptcy.

The only cases that squarely address the specific issue raised here conclude that Dealer Statutes limiting termination must yield in the face of conflicting bankruptcy provisions. See, e.g., In re Tom Stimus Chrysler-Plymouth, Inc., 134 B.R. 676, 679 (Bankr. M.D. Fla. 1991) (holding that section 365 of Bankruptcy Code governs assumption or rejection of a contract, even if agreement otherwise would have been terminated under Florida dealer laws);

Volkswagen of Am., Inc. v. Dan Hixson Chevrolet Co. (In re Dan Hixson Chevrolet Co.), 12 B.R. 917, 923 (Bankr. N.D. Tex. 1981) (holding that section 365 of Bankruptcy Code preempted Texas law requiring "good cause" hearing if dealer protests manufacturer's attempted termination of dealer agreement, because permitting "good cause" proceeding to continue might frustrate purposes of federal bankruptcy law).

The Dealers have no response to these cases. For example, they concede that Dan Hixson "ostensibly held that section 365 preempted the Texas statute." Dealer Comm. Obj. (DN 1045) at ¶ 115. Conversely, they seek to dismiss In re Tom Stimus Chevrolet on the grounds that there was insufficient discussion of the preemption issue – a surprising charge in light of their inability to find ***any*** discussion in ***any*** case going the other way. Id.

Moreover, these cases are merely automobile-dealer specific reflections of a more general, established principle that bankruptcy law preempts state laws that purport to restrict, curtail or otherwise modify rejection rights. See, e.g., In re City of Vallejo, 403 B.R. 72, 77 (Bankr. E.D. Cal. 2009) (holding that debtor's authority to reject contracts "preempts state law by virtue of the Supremacy Clause [and] the Bankruptcy Clause"); In re New England Fish Co., 19 B.R. 323, 329 (Bankr. W.D. Wa. 1982) (stating that state law impediments to sale of assets "are far out-weighed by policy of encouraging bankruptcy sales, subject only to claims of specific and recognized nature in subject property"); see also Hillsborough County v. Automated Med. Labs, Inc., 471 U.S. 707, 712 (1985); In re Loranger Mfg. Corp., 324 B.R. 575, 582 (Bankr. W.D. Pa. 2005) ("state laws that interfere with or are contrary to federal law are preempted and are without effect pursuant to the Supremacy Clause . . . ."). Typically discussed in terms of "conflict preemption," see In re Loranger, 324 B.R. at 582, the point is clear: bankruptcy law gives debtors the right to reject (and thereby extinguish) executory contracts, and "where a state law

unduly impedes the operation of federal bankruptcy policy, the state law will have to yield." In re City of Vallejo, 403 B.R. at 77 (quotations omitted).

The Dealers' only response to cases such as these is to claim that one of them, In re City of Vallejo, is "devoid of reasoning, beyond a reference to section 365 and the Supremacy Clause." See Dealer Comm. Obj. (DN 1045) at ¶ 115. That claim, however, is quickly belied by a review of the Vallejo opinion, which contains a seven-paragraph discussion of why preemption arises, replete with references to, and explanations of, Supreme Court cases, the Supremacy, Bankruptcy and Contracts Clauses, relevant academic literature, and a leading bankruptcy treatise (Collier). In any event, the Dealers' aspersions do little to address the fact that In re City of Vallejo is but one of myriad cases that have found such preemption.

In light of these cases, the bottom line is that the state statutes and cases that the Dealers cite as limiting a manufacturer's right to terminate dealers outside of bankruptcy simply play no role. The timing and notice requirements that Dealers raise, for example, see Dealer Comm. Obj. (DN 1045) at ¶ 117, directly conflict with the ability to reject the contracts in the timely fashion that bankruptcy sometimes requires so that a debtor can maximize the value of its estate. Similarly, the case and statutes that the Dealer Committee cites, see id. at ¶ 122, as limiting the methods that a Debtor can use in deciding which contracts to assume or reject goes directly to the heart of the rejection power in bankruptcy.

In short, the Dealers' only interest here arises from the Dealer Agreements. Under bankruptcy law, the Debtors are free to reject or assume any or all of those contracts, as the circumstances warrant, in an effort to maximize the going concern value that they realize for their creditors. To the extent State laws purport to interfere with this power, they are preempted.

Thus, the state Dealer Statutes provide no legitimate basis for the Dealers to object to the Proposed Sale.[14]

IV. THE BIDDING PROCESS AND PROPOSED SALE SATISFY DUE PROCESS

A number of objections wrongly allege that the timing and procedures for the Court's review of the Sale Motion violate the Due Process Clause.[15] Those assertions are not well taken.

Due process requires that a party be "informed that the matter is pending and can choose for himself whether to appear or default, acquiesce or contest." Mullane v. Central Hanover Bank & Trust Co., 339 U.S. 306, 314 (1950). It is well settled that claimed denials of due process are evaluated in the context of the exigencies associated with any particular situation. Kaufman v. S & C Corp., 171 B.R. 38, 40 (S.D. Tex. 1994) (noting that "[w]ith his usual utilitarian focus, Justice Holmes simply said that 'what is due process depends on circumstances.'") (quoting Moyer v. Peabody, 212 U.S. 78, 84 (1909)).

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14 Even if the Dealers could show that they had an interest in the Debtors' property for purposes of section 363(f) that existed independent of contract, the property could still be sold free and clear of that interest under section 363(f)(5). Section 363(f)(5) provides that a transfer of property is free and clear of the interest of another entity in that property if "such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest." This condition is satisfied whenever the debtor can show the existence of a legal proceeding through which the holder of the interest in question could be compelled to accept money in satisfaction of the interest. Here, if the Proposed Sale is not approved, the Debtors will be forced to liquidate their assets on a piecemeal basis. Outside of bankruptcy, or if the automatic stay is modified in these cases to let the DIP Lenders exercise on their collateral, the end result would likely be a mixture of real property and Article 9 foreclosure sales by the Debtors' secured creditors. The purchasers in such sales would not be liable to the dealers on account of the Dealership Agreements under applicable non-bankruptcy law, see, e.g., Mich. Comp. Statutes § 440.9617 (providing good faith transferee in Article 9 foreclosure sale takes property free of interests in property); Ohio Rev. Code § 1309.617 (same), and thus the Dealers would be compelled to accept a money in satisfaction or their interests. Thus, under section 363(f)(5), the Debtors can transfer their assets free and clear of the Dealers' interest.

15 See, e.g., Dealer Comm. Obj. (DN 1045) at ¶¶ 76-82; Performance Dodge Obj. (DN 1189) at ¶¶ 30-35; Dealer Comm. Supp. Obj. (DN 1488) at ¶¶ 1-6; Objection of Eugene F. Vollmer (DN 1075) at 2; Objection of Gerald L. Beverman (DN 1077) at 2; Objection of Timothy J. Madden (DN 1079) at 2; Objection of Fred V. Luss (DN 1086) at 2; Objection of Christopher A. Taravella (DN 1090) at 2; Objection of Piero DiMambro (DN 1094) at 2; Objection of Timothy P. Dykstra (DN 1098) at 2; Limited Objection of NCRO to the Debtors' Termination Of Non-Union Benefit Plans In Connection With The Sale Of Substantially All Of Debtor's Assets (DN 1195) at 2; Objection of Claude W. Miller (DN 1219) at 2; Objection of David A. & Marilyn J. Robison (DN 1223) at 2; Objection of Retiree Group: Charles G. Brasili, Judith Stopak, Thomaas Ziemczyk and Rosalind Pewitt (DN 1367) at 1; Objection of Donald C. Miltz (DN 1414) at 2; Objection of Thomas C. McAlear (DN 1416) at 2.

In other words, the Due Process Clause does not impose a bright-line rule, but rather "depends upon the facts and circumstances of each particular case." Matter of Robintech, Inc., 863 F.2d 393, 396 (5th Cir. 1989) (holding that 13 day notice was adequate given the circumstances in that case). If circumstances demand, even shortening a response period from thirty days ***to one day*** has been held to be consistent with due process requirements. See Matter of Holtkamp, 669 F.2d 505, 509 (7th Cir. 1982) (holding that Bankruptcy Court did not deny defendant due process by shortening time in which debtor was to respond to request to lift automatic stay from 30 days to one day).

Indeed, in the legislative history accompanying section 102(1), which defines notice and hearing as that which "is appropriate in the particular circumstances," Congress acknowledged that "[i]n very limited emergency circumstances, there will be insufficient time for a hearing to be commenced before an action must be taken. The action sought to be taken may be taken if authorized by the court at an ex parte hearing of which a record is made in open court. A full hearing after the fact will be available in such an instance." 124 CONG. REC. 33993 (1978).

Given the dire circumstances, including the very real prospect that if the Proposed Sale does not go forward quickly, it will not go forward at all, due process requirements have easily been satisfied here. The Debtors provided notice of the Sale Motion to all necessary parties in accordance with the procedures this Court approved for doing so.[16] In particular, the Bidding Procedures Order provides:

> [N]o other or further notice of the proposed sale, the Bidding Procedures [and] the Sale Hearing . . . shall be required except as follows: (a) within two business days after entry of this Order . . . the Debtors shall serve the Sale Notice by first-class mail, postage

[16] The Court was not required to hold a hearing on the form of the notice or the bidding procedures that would be used. In re Action Drug Co., Inc., 110 B.R. 149, 149-50 (Bankr. D. Del. 1989). ("There is nothing in § 363 of title 11, United States Code, which requires a hearing to be held to approve the form of notice or the procedures which are to be followed in connection with any proposed sale.")

> prepaid upon: . . . all entities that have requested notice in these chapter 11 cases under Bankruptcy Rule 2002; and . . . any other party identified on the creditor matrix in these cases.

Bidding Procedures Order at ¶ 13.

As the Bidding Procedures Order requires, the Debtors mailed the Sale Notice to each party identified on the Debtors' creditor matrix on Monday, May 11, 2009 – just one business day after entry of the Order. See Affidavit of Service of Regina Amporfro (DN 930); see also Dealer Comm. Obj. (DN 1045) at ¶ 77 (conceding that Debtors provided Sale Notice to Affected Dealers on May 11, 2009); Dealer Comm. Supp. Obj. (DN 1488) at ¶ 1 (same). Accordingly, with respect to notice, the Debtors satisfied due process and provided fair notice of the relief being sought in the Sale Motion – including that the Proposed Sale contemplates the assumption and assignment of various contracts.[17]

That interested parties have been "informed that the matter is pending" and given an opportunity to "choose whether to appear" is confirmed by the filing of some 347 objections to the Proposed Sale. For example, while the dealers complain the loudest about the claimed lack of due process, three different dealer groups have filed lengthy objections to both the Sale Motion and the Rejection Motion. In fact, hundreds of dealers have already filed approximately 30 objections – even though the response deadline for the Rejection Motion does not expire until 4:00 p.m. on May 26, 2009.

In short, parties have received fair notice, and taken full advantage of their opportunity to be heard. The Court apparently shares that view, as on May 19, 2009 it rejected the Dealer Committee's request for a continuance, which was based on many of the same due process

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[17] Similarly, the Dealers were provided ample notice with regard to the Rejection Motion. That Motion was filed on May 14, 2009 and served the same day by overnight mail. See Affidavit of Mailing of Eleni Manners (DN 1588). The Dealers were given until May 26, 2009 to object to that Motion, and the hearing is not scheduled until June 3, 2009.

assertions. See Motion of Certain Affected Dealers to Amend Sales Procedure Order (DN 1071) at ¶ 18 (arguing that Bidding Procedures Order "den[ies] due process to the Affected Dealers"); Dealer Comm. Supp. Obj. (DN 1488) at n.2.

Moreover, in judging the adequacy of the notice, the presence of media reports and otherwise general knowledge of a debtor's distress can reduce the need for formal notice. See In re Action Drug Co., Inc., 110 B.R. at 150 (recognizing that "street or common knowledge" before bankruptcy of likelihood of an asset sale in bankruptcy can contribute to interested parties' adequate notice of sale and procedures; stating that because "the news is out about [the debtor's] difficulties, any interested party could start making inquiries" about the sale). Here, no one can dispute that strong speculation of a possible Chrysler filing was swirling long before that filing ever occurred. As early as mid-February, the media was reporting that "[t]he administration asked GM and Chrysler to address bankruptcy as part of their plans." Justin Hyde, GM, Chrysler now say they need billions more: Automakers to cut 50,000 more jobs, speed plant closings, DETROIT FREE PRESS, Feb. 18, 2009. In a similar vein, "Standard & Poor's said . . . there was high probability GM and Chrysler could file for bankruptcy this year or next. Another rating agency, Moody's, put the probability at 70 percent." Ted Evanoff, GM health-fund at heart of concession talks, THE INDIANAPOLIS STAR, Feb. 22, 2009, at 1D.

Nearly daily reports followed, here and around the world, that the Treasury was lining up potential funding to support a bankruptcy transaction. See, e.g., James Quinn, US mulls $40bn Chapter 11 plan for car makers, DAILY TELEGRAPH (London), Feb. 24, 2009, at 1 ("The US government is considering providing up to $40bn (pounds 27.5bn) [sic] to smooth the passage of General Motors and Chrysler into Chapter 11 bankruptcy protection."); Susan Tompor, Car buyers fret about warranties, DETROIT FREE PRESS, Feb. 26, 2009 ("As bankruptcy buzz builds,

consumers wonder what will happen to their warranty or their ability to get parts if the automaker that built their car goes under . . . . The U.S. Treasury Department also is exploring how it might fund a court-protected bankruptcy by GM and Chrysler, if necessary."); Harry Maurer & Cristina Lindblad, A Detroit Milestone?, BUSINESSWEEK, March 9, 2009, at 5 ("Meanwhile, the Treasury Dept. is quietly looking to line up at least $40 billion for the biggest bankruptcy loan ever if Chrysler and GM go under."); Bill Vlasic and Nick Bunkley, President's Task Force Takes a Close Look at G.M. and Chrysler Plants, N.Y. TIMES, March 10, 2009, at B3 (noting "that the president saw the need for a fundamental reorganization of G.M. and Chrysler," and that "[a]t issue is whether the government extends up to $21.6 billion in additional loans to G.M. and Chrysler, or arranges federally financed bankruptcies for the companies.").

In sum, while Chrysler was working its hardest to avoid a filing, no one can dispute that bankruptcy was a real possibility, and that suppliers and other creditors, as well as Chrysler's dealers, were almost certainly considering the ramifications that a Chrysler filing would have for them. Their claim of inadequate time must be evaluated against this backdrop.

The Dealers argue further that the Debtors have "failed to comport with due process" because the Sale Motion will be heard before the Rejection Motion, which the Dealers claim "may be dispositive of the Affected Dealers' contractual rights under their dealer agreements." Dealer Comm. Obj. (DN 1045) at ¶ 77. The Dealers offer no legal support for the remarkable proposition that proceeding with an asset sale under section 363 before a hearing on rejection under section 365 somehow violates due process. Indeed, that sequencing is neither unprecedented nor improper. See, e.g., In re G Survivor Corp., 171 B.R. 755, 759 (Bankr. S.D.N.Y. 1994) (rejection hearing took place after sale hearing).

Similarly flawed is any claim that due process requires broader discovery than has been possible in the necessarily short time frame under which the parties have been working. See, e.g., Dealer Comm. Obj. (DN 1045) at ¶ 81; Dealer Comm. Supp. Obj. (DN 1488) at ¶ 1. First, there is no due process right to *any* discovery in a civil case. See Batagiannis v. W. Lafayette Cmty. Sch. Corp., 454 F.3d 738, 742 (7th Cir. 2006) ("There is no constitutional right to discovery even in criminal prosecutions.") (citing Wardius v. Oregon, 412 U.S. 470 (1973)). And, contrary to any suggestion that very little information has been provided, in fact the Debtors have produced nearly 350,000 pages of documents and are making 13 witnesses available for deposition, including Messrs. Nardelli, Kolka, Ewasyshyn, Grady, Lasorda, Robins, and Manzo. Interested parties are thus being afforded discovery that is more than sufficient to protect their interests.

To be sure, the exigencies of this case, including the need to close the transaction by June 15, 2009 on pain of losing funding, have placed everyone concerned – the Debtors, their creditors and, perhaps most of all, the Court – under time pressure. But there was simply no other choice if Chrysler was going to be allowed to survive and the Debtors given an opportunity to realize at least some of the going concern value of their assets. In dozens of cases, similar timeframes have been imposed. See, e.g., In re Fortunoff Holdings, LLC, No. 09-10497 (RDD) (Bankr. S.D.N.Y. Feb. 25, 2009) (sale of substantially all of department store's assets allowed within 20 days of petition date); In re Lehman Brothers Holdings Inc., No. 08-13555 (JMP) (Bankr. S.D.N.Y. Sept. 19, 2008) (sale of substantially all of investment bank's operations allowed within four days of petition date); In re Sababa Group, Inc., No. 08-13174 (Bankr. S.D.N.Y. Sept. 29, 2008) (sale of substantially all of toy merchandising company's assets allowed within 16 days of petition date); In re Steve & Barry's Manhattan LLC, No. 08-12579 (ALG) (Bankr. S.D.N.Y. August 22, 2008) (sale of substantially all of apparel retailer's assets

allowed within 44 days of petition date); In re Interlake Material Handling, Inc., No. 09-10019 (KJC) (Bankr. D. Del. Mar. 5, 2009) (sale of substantially all of heavy-duty storage and display rack manufacturer's assets allowed within 59 days of petition date); In re Netversant Solutions, Inc., No. 08-12973 (PJW) (Bankr. D. Del. Dec. 19, 2008) (sale of substantially all of network infrastructure services provider allowed within 30 days of petition date); In re Archway Cookies LLC, No. 08-12323 (CSS) (Bankr. D. Del. Dec. 3, 2008) (sale of substantially all of bakery products producer's assets allowed within 58 days of petition date); In re Boscov's Inc., No. 08-11637 (KG) (Bankr. D. Del. Aug. 15, 2008) (store closing sale of full service department store chain allowed within 11 days of petition date); In re Goody's Family Clothing, Inc., No. 08-11133 (CSS) (Bankr. D. Del. June 13, 2008) (store closing sale of apparel retail chain allowed within four days of petition date).

CONCLUSION

For the reasons set forth above, in the Sale Motion and Memorandum of Law in Support of the Sale Motion, and in the Debtors' Reply in Support of the Sale Motion, the Fiat Transaction is authorized under section 363 of the Bankruptcy Code. Accordingly, the Debtors' respectfully request that the Sale Motion be approved.

Dated: May 26, 2009
New York, New York

Respectfully submitted,

/s/ Corinne Ball

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

Execution Copy

$7,000,000,000

AMENDED AND RESTATED FIRST LIEN CREDIT AGREEMENT

among

CARCO INTERMEDIATE HOLDCO II LLC

CHRYSLER LLC,

The Several Lenders from Time to Time Parties Hereto,

JPMORGAN CHASE BANK, N.A.
as Administrative Agent,

GOLDMAN SACHS CREDIT PARTNERS L.P., and CITIBANK, N.A.
as Syndication Agents,

BEAR, STEARNS & CO. INC., and MORGAN STANLEY SENIOR FUNDING, INC.,
as Documentation Agents

Dated as of November 29, 2007

J.P. MORGAN SECURITIES INC. | GOLDMAN SACHS CREDIT PARTNERS L.P. | CITIGROUP GLOBAL MARKETS INC.

. As Lead Arrangers,

and

J.P. MORGAN SECURITIES INC. | CITIGROUP GLOBAL MARKETS INC. | GOLDMAN SACHS CREDIT PARTNERS L.P.

BEAR, STEARNS & CO. INC. | MORGAN STANLEY SENIOR FUNDING, INC.

as Bookrunners

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SCHEDULES:

EXHIBITS:

AMENDED AND RESTATED FIRST LIEN CREDIT AGREEMENT (this "Agreement"), dated as of November 29, 2007, among CARCO INTERMEDIATE HOLDCO II LLC, a Delaware limited liability company ("Holdings") CHRYSLER LLC, a Delaware limited liability company (the "Company"), the several banks and other financial institutions or entities from time to time parties hereto (the "Lenders"), GOLDMAN SACHS CREDIT PARTNERS L.P., and CITIBANK, N.A., as syndication agents (in such capacity, the "Syndication Agents"), and JPMORGAN CHASE BANK, N.A., as administrative agent.

WHEREAS, pursuant to the Credit Agreement dated as of August 3, 2007 among the parties hereto (as the same was amended prior to the date hereof, the "Existing Credit Agreement"), the Company requested that the Lenders make loans to the Company in the amount of $10,000,000,000;

WHEREAS, on the Closing Date the Lenders made loans to the Company in the amount of $10,000,000,000 and whereas certain of such loans have been repaid and the Company has requested that the Lenders amend and restate the Existing Credit Agreement to reflect such repayments and certain other amendments.

As of the Restatement Date (as defined herein), this Agreement amends and restates in its entirety the Existing Credit Agreement.

NOW THEREFORE, the parties hereto hereby agree effective as of the Restatement Date, as follows:

SECTION 1 DEFINITIONS

1.1. Defined Terms. As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

"ABR": for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greater of (a) the Prime Rate in effect on such day and (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1%. Any change in the ABR due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"ABR Loans": Loans the rate of interest applicable to which is based upon the ABR..

"Acquisition": as defined in Section 4.1(b)(i).

"Acquisition Agreement": the Contribution Agreement dated as of May 14, 2007 among the Investor, DaimlerChrysler North America Finance Corporation, DaimlerChrysler Holding Corporation and Daimler Chrysler AG.

"Acquisition Documentation": collectively, the Acquisition Agreement and all schedules, exhibits and annexes thereto and all side letters and agreements affecting the terms thereof or entered into in connection therewith (including, without limitation, agreements documenting any transition service arrangements).

"Acquisition True-Up Obligations": the obligation, if any, of the Company and its Subsidiaries to make payments to the DC Contributors (i) in accordance with Section 2.07(b) of the Acquisition Agreement, in the event that the Estimated Headquarters Reimbursement Amount (as defined

in the Acquisition Agreement) exceeds the final Headquarters Reimbursement Amount (as defined in the Acquisition Agreement), in an amount equal to such excess, and (ii) in accordance with Section 6.07(c) of the Acquisition Agreement, to the event that the Estimated Company Equity Award Holder Payments (as defined in the Acquisition Agreement) exceed final aggregate amount of the Company Equity Award Holder Payments (as defined in the Acquisition Agreement), in an amount equal to such excess.

"Addendum": an Addendum Agreement, substantially in the form of Exhibit K.

"Additional Subsidiary Guarantor": each Domestic Subsidiary (including, subject to Section 5.7(c), each JV Subsidiary) of the Company (other than any Excluded Subsidiary) that has Consolidated Total Assets with a Net Book Value in excess of $250,000,000.

"Administrative Agent": JPMorgan Chase Bank, N.A., as the administrative agent for the Lenders under this Agreement and the other Loan Documents, together with any of its successors in such capacity.

"Affiliate": as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For the avoidance of doubt, if the Acquisition is consummated in accordance with the Acquisition Agreement, on the Closing Date, neither the DC Contributors nor DaimlerChrysler AG (or their respective Subsidiaries) shall be Affiliates of any Group Member for the purposes of any transactions contemplated by the Acquisition Documentation.

"Agents": the collective reference to the Collateral Trustee and the Administrative Agent.

"Aggregate Exposure": with respect to any Lender at any time, an amount equal to the aggregate then unpaid principal amount of such Lender's Term Loans.

"Aggregate Exposure Percentage": with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender's Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

"Agreement": as defined in the preamble hereto.

"Applicable Lending Office": for any Lender, with respect to the Company, such Lender's office, branch or affiliate designated for Eurodollar Loans or ABR Loans, as applicable, as notified to the Administrative Agent and the Company or as otherwise specified in the Assignment and Assumption pursuant to which such Lender became a party hereto, any of which offices may, subject to Section 2.13, be changed by such Lender upon 10 days' prior written notice to the Administrative Agent and the Company.

"Applicable Margin": (A) 3.00% per annum in the case of ABR Loans and (B) 4.00% per annum in the case of Eurodollar Loans.

"Applicable Premium": as of any date upon which a prepayment (as to which a premium is payable) is payable, the present value at such date, computed using a discount rate equal to the Treasury Rate plus 50 basis points, of (a) the prepayment premium applicable to the Term Loans of the applicable Term Lenders on the first day after the first anniversary of the Closing Date, plus (b) all interest that would accrue on such Term Loans from such date to the first day after the first anniversary of the Closing Date, computed using the Eurodollar Rate for an Interest Period of three months plus the Applicable Margin for the Term Loans on such date.

"Approved Fund": as defined in Section 9.6(b).

"Asset Sale": any Disposition of property or series of related Dispositions of property (excluding any Disposition permitted by clause (a), (b), (d), (e), (f), (g), (h), (i), (j), (k), (l), (n), (o), or (p) of Section 6.5) that yields gross proceeds to any Group Member (valued at the initial principal amount thereof in the case of non-cash proceeds consisting of notes or other debt securities and valued at fair market value in the case of other non-cash proceeds) in excess of $15,000,000. The term "Asset Sale" shall not include any issuance of Capital Stock or any event that constitutes a Recovery Event.

"Asset Sale Collateral Account": an account of the Company for which the Administrative Agent is the depository bank or securities intermediary, as appropriate, and in respect of which the Company may deposit cash and Cash Equivalents and over which the Collateral Trustee has "control" (as defined in the UCC) pursuant to an account control agreement reasonably satisfactory in form and substance to the Administrative Agent.

"Assignee": as defined in Section 9.6(b).

"Assignment and Assumption": an Assignment and Assumption, substantially in the form of Exhibit J.

"Attributable Obligations": in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate implicit in the transaction) of the total obligations of the lessee for rental payments required to be paid during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended), determined in accordance with GAAP; provided, however, that if such Sale/Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby shall be determined in accordance with the definition of "Capital Lease Obligations".

"Auburn Hills Property": the real property described on Schedule 1.1G, which is the Company's chief executive office.

"Benefitted Lender": as defined in Section 9.7(a).

"Board": the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Borrowing Base": as of any date of determination, the aggregate of the Borrowing Base Amounts calculated for each category of Eligible Collateral in accordance with Schedule 1.1B, as the same may be amended from time to time. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to Administrative Agent on the Closing Date or pursuant to Section 5.2, as applicable, (adjusted (a) on a pro forma basis for (i) any Disposition, and the application of the proceeds thereof, described in clause (m) of Section 6.5, and (ii) any addition to the Borrowing Base of additional Collateral in accordance with Schedule 1.1B or pursuant to Section 5.7, in each case as if consummated after the last day of the fiscal period covered by such Borrowing Base Certificate and (b) to exclude the effect of purchase accounting).

"Borrowing Base Certificate": a certificate substantially in the form of Exhibit F.

"Borrowing Base Collateral Account": an account of the Company for which the Administrative Agent is the depository bank or securities intermediary, as appropriate, and in respect of which the Company may deposit cash and Cash Equivalents and over which the Collateral Trustee has

"control" (as defined in the UCC) pursuant to an account control agreement reasonably satisfactory in form and substance to the Administrative Agent.

"Borrowing Base Coverage Ratio": at any time the ratio of (a) the sum of (i) the Borrowing Base at such time (adjusted on a pro forma basis to the extent, and in the manner, required by this Agreement) and (ii) for the purposes of Section 6.5(m) only, the amount of cash and Cash Equivalents in the Asset Sale Collateral Account at such time, to (b) the Outstanding Amount of Covered Debt at such time (giving effect to any application of proceeds to the extent required or permitted by this Agreement).

"Borrowing Date": any Business Day specified by the Company as a date on which the Company requests the relevant Lenders to make Loans hereunder.

"Business Day": any day other than a Saturday, Sunday or other day on which banks in New York City are permitted to close; provided, however, that when used in connection with a Eurodollar Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in Dollar deposits in the London Interbank market.

"Capital Lease Obligations": as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

"Capital Stock": any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Cash Equivalents": as defined in Schedule 1.1B.

"CFC": as defined in Section 5.7(j).

"Change in Tax Law": as defined in Section 2.13.

"Change of Control": the occurrence of any of the following events: (a) prior to an Initial Public Offering, the Sponsor shall fail to own, free and clear of all Liens or other encumbrances, directly or indirectly, in the aggregate Capital Stock representing at least 50.1% of the aggregate issued and outstanding Voting Stock of Holdings on a fully diluted basis or (b) after an Initial Public Offering any "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act), other than the Sponsor, shall control, directly or indirectly, in the aggregate Voting Stock representing a greater percentage of the aggregate issued and outstanding Voting Stock of Holdings than the percentage of Voting Stock owned at such time by the Sponsor and the Sponsor shall fail to own directly or indirectly in the aggregate Voting Stock representing at least 35% of the aggregate issued and outstanding Voting Stock of Holdings or (c) the board of directors of Holdings shall cease to consist of a majority of Continuing Directors or (d) Holdings shall cease to own 100% of the outstanding Capital Stock of the Company. For the purposes of this definition, it is agreed that the Sponsor will be deemed to control all of the Voting Stock of an entity owned by another entity if the Sponsor controls such other entity.

"Charitable Subsidiaries": each of DaimlerChrysler Corporation Fund (doing business as "The Chrysler Foundation"), HP DEVCO, INC, Fundacion DaimlerChrysler de Mexico IAP and Chrysler Institute of Engineering, in each case so long as such entity carries on its operations as a not for profit or charitable organization and does not operate or control any business for profit.

"Closing Date": August 3, 2007.

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": all property of the Loan Parties, now owned or hereafter acquired (other than (i) any property or assets to be transferred to DaimlerChrysler AG or any Affiliate thereof in accordance with Section 6.5(n), (ii) the Capital Stock of any Charitable Subsidiaries, (iii) the proceeds of any tax refund received by the Company and payable to DaimlerChrysler AG or any of its Affiliates pursuant to the terms of Section 7.01(a)(ii) or Section 7.02(a) of the Acquisition Agreement, (iv) any cash, Cash Equivalents or Temporary Cash Investments in an aggregate amount not to exceed $1,500,000,000 maintained in a segregated deposit or securities account, to the extent such cash, Cash Equivalents and Temporary Cash Investments have been pledged to FinCo to secure obligations of the Company under the Master Agreement (other than, for the avoidance of doubt, any reversionary rights of a Loan Party thereto), and (v) any cash, Cash Equivalents or Temporary Cash Investments in an aggregate amount not to exceed $600,000,000 maintained in one or more segregated deposit or securities accounts, to the extent such cash, Cash Equivalents and Temporary Cash Investments have been pledged to the DC Contributors or DaimlerChrysler North America Holdings Corporation to secure obligations of the Company or its Subsidiaries under the DC Credit Support Agreement (other than, for the avoidance of doubt, any reversionary rights of a Loan Party thereto)) in which a Loan Party has granted a Lien pursuant to any Loan Document.

"Collateral Trust Agreement": the Collateral Trust Agreement to be executed and delivered by the Company, each Subsidiary Guarantor, the Collateral Trustee and the other parties named therein, substantially in the form of Exhibit B.

"Collateral Trustee": Wilmington Trust Company in its capacity as collateral agent under the Collateral Trust Agreement, and any successor thereof under the Collateral Trust Agreement and, as the context may require, any co-agent appointed pursuant to the terms of the Collateral Trust Agreement.

"Commitment": as to any Lender, the sum of the Term Commitment of such Lender.

"Commonly Controlled Entity": an entity, whether or not incorporated, that is part of a group that includes the Company and that is treated as a single employer under Section 414(b) or (c) of the Code.

"Company Car Financing Program": all rights and obligations of the Company and its Subsidiaries under the financing program provided by FinCo and any of its Subsidiaries to the Company and any of its Subsidiaries relating to the financing of company car vehicles pursuant to that certain First Amendment and Restated Line of Credit Loan Agreement, dated as of December 20, 1996, between Chrysler Corporation and Chrysler Financial Corporation.

"Company Material Adverse Effect": with respect to Chrysler Holding LLC and its Subsidiaries, one or more circumstances, changes, effects, events or developments, or series of any of the foregoing, that, individually or in the aggregate, are or are reasonably likely to be materially adverse to the business, properties, assets, consolidated results of operations or consolidated financial condition of Chrysler Holding LLC and the Company Subsidiaries (as defined in the Acquisition Agreement), taken as

a whole (provided, however, that the term "Company Material Adverse Effect" shall not include any changes, circumstances or effects that result from or are consequences of: (a) events, circumstances, changes or effects that generally affect the industry in which Chrysler Holding LLC and the Company Subsidiaries operate, (b) general economic conditions or events, circumstances, changes or effects affecting the securities markets generally, (c) discussions or negotiations (or the absence thereof) with unions, strikes, slowdowns or work stoppages, (d) changes in laws, rules or regulations of any Governmental Authority, or changes in regulatory conditions in the countries in which Chrysler Holding LLC or any Company Subsidiaries operate not having a materially disproportionate adverse effect on Chrysler Holding LLC and the Company Subsidiaries as compared to their competitors, (e) changes in prevailing interest rates or foreign exchange rates, (f) changes in accounting standards, principles or interpretations, (g) changes arising from the consummation of the transactions contemplated by, or the announcement of the execution of, the Acquisition Agreement, including (i) any actions of competitors, (ii) any losses of employees, or (iii) any delays or cancellations of orders for products or services, (h) any reasonably proportionate reduction in the price of services or products offered by Chrysler Holding LLC and the Company Subsidiaries in response to the reduction in price of comparable services or products offered by a significant competitor, (i) any circumstance, change or effect that results from any action required or contemplated to be taken pursuant to or in accordance with the Acquisition Agreement or any action taken at the written request of the Investor, and (j) changes caused by a material worsening of current conditions caused by acts of terrorism or war (whether or not declared) occurring after the date hereof not having a materially disproportionate adverse effect on Chrysler Holding LLC and the Company Subsidiaries as compared to their competitors).

"Compliance Certificate": a certificate duly executed by a Responsible Officer, substantially in the form of Exhibit L.

"Conduit Lender": any special purpose corporation organized and administered by any Lender for the purpose of making Loans otherwise required to be made by such Lender and designated by such Lender in a written instrument; provided, that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations to fund a Loan under this Agreement if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to a claim to receive any greater amount pursuant to Section 2.12, 2.13, 2.14 or 9.5, unless the designating Lender shall have been entitled to such claim and, then, solely in an amount not exceeding the amount the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender or (b) be deemed to have any Commitment.

"Confidential Information Memorandum": the confidential information memorandum dated November 7, 2007 and furnished to certain Lenders.

"Consolidated Leverage Ratio": as at the last day of any period, the ratio of (a) Consolidated Total Debt, less the sum of cash, Cash Equivalents or Temporary Cash Investments held by the Company and its Subsidiaries, excluding Restricted Cash, on such day to (b) EBITDA for such period.

"Consolidated Total Assets": at any date, with respect to any Person, the amount set forth opposite the caption "total assets" (or any like caption) on the consolidated balance sheet (or the equivalent) of such Person and its consolidated Subsidiaries most recently delivered on or prior to the Closing Date and described in Section 3.1 or pursuant to Section 5.1.

"Consolidated Total Debt": at any date, the aggregate principal amount of all Indebtedness (excluding all Indebtedness of the Company and its Subsidiaries that may be outstanding under the Gold Key Lease Program to the extent that the Company or any of its Subsidiaries is the beneficiary of credit support obligations provided by FinCo or its Subsidiaries in an amount at least equal to such Indebtedness) of the Company and its Subsidiaries that would be reflected on the consolidated balance sheet of the Company and its Subsidiaries as of such date in accordance with GAAP.

"Continuing Directors": with respect to any Person, the directors (or the equivalent) of such Person on the Closing Date, after giving effect to the transactions contemplated hereby, and each other director of such Person, if such other director's nomination for election to the board of directors (or the equivalent) of such Person is recommended by a majority of the then applicable Continuing Directors or such other director receives the vote of the Sponsor in his or her election by the shareholders of such Person.

"Contractual Obligation": as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"control": (including the terms "controlled by" and "under common control with"): with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee, personal representative or executor, by contract or otherwise.

"Control Investment Affiliate": as to any Person, any other Person that (a) directly or indirectly, is in control of, is controlled by, or is under common control with, such Person and (b) is organized by such Person primarily for the purpose of making equity or debt investments in one or more companies.

"Conversion Vehicle Wholesale Financing Program": a financing program provided by FinCo or its Subsidiaries pursuant to which (i) FinCo or its Subsidiaries provides wholesale financing to recreational truck and van conversion companies and manufacturers of specialized bodies and equipment on vehicles which are consignees of the Company (the "Converters") to enable such Persons to hold on consignment from the Company or any of its Subsidiaries vehicles, chassis, other merchandise and inventory (the "Merchandise") manufactured by the Company and its Subsidiaries for the sole purpose of storing, upfitting or adding to the Merchandise, which financings are secured by such Merchandise and repaid with the proceeds of the sale of such Merchandise by the Company, (ii) the Company is obligated to pay (on behalf of the Converters) to FinCo or its Subsidiaries a portion of the first 90 days of interest accruing on such loans and (iii) the Company is obligated to purchase the Merchandise from the Converters upon completion of the conversion.

"Copyright Security Agreement": the Copyright Security Agreement to be executed and delivered by the Company and the Collateral Trustee, substantially in the form of Exhibit D.

"Covered Debt": collectively, (a) all Indebtedness incurred under this Agreement and (b) any Permitted First Lien Non-Loan Exposure.

"Cumulative Excess Cash Flow Amount": as of any date of determination, an amount, not less than zero, equal to 50% of the sum of the following determined on a consolidated basis, without duplication, for the Company and its Subsidiaries in accordance with GAAP: (a) EBITDA for such period minus (b) the sum of the following: (i) cash taxes based on income and profits for such period, (ii) cash

Interest Expense (net of interest income) for such period, (iii) all scheduled principal payments made in respect of Indebtedness which results in a permanent repayment of such Indebtedness during such period, (iv) all capital expenditures (made in cash) during such period other than expenditures made with proceeds of a purchase money financing or capital lease financing or from Dispositions or Recovery Events (without giving effect to the threshold contained in such definition), and (v) the aggregate amount of Restricted Payments made pursuant to Section 6.6 (other than clauses (a), (b), (e), (g), (i) or (j)) prior to such date, in each case, as reported in the Company's most recently delivered financial statements delivered pursuant to Section 5.1(b), commencing with the fiscal quarter ended September 30, 2007 to the most recently ended fiscal quarter of the Company for which financial statements have been delivered pursuant to Section 5.1(b) prior to such date (taken as one accounting period).

"DC Contributors": DaimlerChrysler North America Finance Corporation, a Delaware corporation, and DaimlerChrysler Holding Corporation, a Delaware corporation.

"DC Credit Support Agreement": the Agreement (Collateral for Continuing Credit Support Instruments), dated as of August 3, 2007, between the Company, DC Contributors, DaimlerChrysler North America Holdings Corporation and the Investor.

"De Minimis Subsidiary": any Subsidiary of the Company that is not a Subsidiary Guarantor that has Consolidated Total Assets with a Net Book Value of less than $100,000,000.

"Default": any of the events specified in Section 7, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

"Designated Cash Management Obligations": obligations of the Company or any Subsidiary to banks, financial institutions, investment banks and others in respect of banking, cash management (including, without limitation, Automated Clearinghouse transactions), custody and other similar services and company paid credit cards that permit employees to make purchases on behalf of the Company or such Subsidiary designated by the Company in accordance with the Collateral Trust Agreement from time to time as constituting "Designated Cash Management Obligations."

"Designated Hedging Obligations": the direct obligations of the Company or any of its Subsidiaries, and the obligations of the Company as a guarantor of any Subsidiary's obligations, to counterparties designated by the Company in accordance with the Collateral Trust Agreement from time to time as constituting "Designated Hedging Obligations" under or in connection with any of the following: (a) a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return swap, credit spread transaction, repurchase transaction, reverse repurchase transaction, buy/sell-back transaction, securities lending transaction, weather index transaction or forward purchase or sale of a security, commodity or other financial instrument or interest (including any option with respect to any of these transactions) or (b) which is a type of transaction that is similar to any transaction referred to in clause (a) above that is currently, or in the future becomes, recurrently entered into in the financial markets (including terms and conditions incorporated by reference in such agreement) and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made.

"Disposition": with respect to any property, any sale, transfer or other disposition thereof (and shall include the issuance of Capital Stock) (other than the incurrence or grant of any Lien or the occurrence of any Recovery Event); and the terms "Dispose" and "Disposed of" shall have correlative meanings.

"Dollar Equivalent": on any date of determination, (a) with respect to any amount denominated in Dollars, such amount and (b) with respect to an amount denominated in any other currency, the equivalent in Dollars of such amount determined by the Administrative Agent in accordance with normal banking industry practice using the Exchange Rate on the date of determination of such equivalent. In making any determination of the Dollar Equivalent, the Administrative Agent shall use the relevant Exchange Rate in effect on the date on which a Dollar Equivalent is required to be determined pursuant to the provisions of this Agreement. As appropriate, amounts specified herein as amounts in Dollars shall be or include any relevant Dollar Equivalent amount.

"Dollars" and "$": the lawful money of the United States.

"Domestic Subsidiary": any Subsidiary of the Company organized under the laws of the United States, any state thereof or the District of Columbia but excluding Puerto Rico or any external United States territory.

"EBITDA": for any period, Net Income plus, to the extent deducted in determining Net Income, the sum of: (a) Interest Expense, amortization or write-off of debt discount, other deferred financing costs and other fees and charges associated with Indebtedness, plus (b) expense for taxes paid or accrued, plus (c) depreciation, plus (d) amortization, write-offs, write-downs, asset revaluations and other non-cash charges, losses and expenses, plus (e) impairment of intangibles, including, without limitation, goodwill, plus (f) extraordinary expenses or losses (as determined in accordance with GAAP) including, without limitation, an amount equal to any extraordinary loss plus any net loss realized by the Company or any of its Subsidiaries in connection with any disposition or the extinguishment of Indebtedness, plus (g) fees paid pursuant to the management agreement referenced in Section 6.11 as in effect on the date hereof and out-of-pocket expenses in connection with the performance of management, consulting, monitoring, financial advisory or other services, plus (h) fees and expenses incurred in connection with the Acquisition and Investments permitted under Section 6.10, plus (i) transaction costs incurred in connection with the Acquisition, plus (j) transaction costs incurred in connection with an Initial Public Offering, plus (k) all OPEB costs, expenses and charges other than service costs, plus (l) losses (but minus gains) due solely to fluctuations in currency values and the related tax effects in accordance with GAAP, plus (m) loss attributable to discontinued operations, plus (n) losses (but minus gains) attributable to the cumulative effect of a change in accounting principles, plus (o) non-recurring costs, charges and expenses during such period, (p) plus the amount, if positive, of the sum of non cash expenses for minority interests, less dividends paid to minority parties, minus (q) to the extent included in Net Income, extraordinary gains (as determined in accordance with GAAP), together with any related provision for taxes on such extraordinary gain, all calculated without duplication for the Company and its Subsidiaries on a consolidated basis for such period. For purposes of this Agreement, EBITDA shall be adjusted on a pro forma basis to include, as of the first day of any applicable period, the Acquisition, any other acquisition and any disposition consummated during such period, including, without limitation, adjustments reflecting any non-recurring costs and any extraordinary expenses of the Acquisition, any other acquisition and any disposition consummated during such period and any Pro forma Cost Savings attributable thereto, each calculated on a basis consistent with GAAP or as otherwise reasonably approved by the Administrative Agent (which approval shall not be unreasonably withheld). For the purposes of this Agreement, EBITDA (i) for the fiscal quarter ending December 31, 2006 shall be $701,000,000, (ii) for the fiscal quarter ending March 31, 2007 shall be $522,000,000, and (iii) for the fiscal quarter ending June 30, 2007 shall be $802,000,000.

"Environmental Laws": any and all foreign, Federal, state, provincial, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health, the environment or natural resources, as now or may at any time hereafter be in effect.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurocurrency Reserve Requirements": for any day as applied to a Eurodollar Loan, the aggregate (without duplication) of the maximum rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including basic, supplemental, marginal and emergency reserves) under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

"Eurodollar Base Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the rate per annum determined on the basis of the rate for deposits in Dollars for a period equal to such Interest Period commencing on the first day of such Interest Period appearing on page LIBOR01 of the Reuters screen as of 11:00 A.M., London time, two Business Days prior to the beginning of such Interest Period. In the event that such rate does not appear on such page of the Reuters screen (or otherwise on such screen), the "Eurodollar Base Rate" shall be determined by reference to such other comparable publicly available service for displaying eurodollar rates as may be selected by the Administrative Agent with the consent of the Company (such consent not to be unreasonably withheld) or, in the absence of such availability, by reference to the rate at which the Administrative Agent is offered Dollar deposits at or about 11:00 A.M., New York City time, two Business Days prior to the beginning of such Interest Period in the interbank eurodollar market where its eurodollar and foreign currency and exchange operations are then being conducted for delivery on the first day of such Interest Period for the number of days comprised therein.

"Eurodollar Loans": Loans the rate of interest applicable to which is based upon the Eurodollar Rate.

"Eurodollar Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upward to the nearest 1/100th of 1%):

$$\frac{\text{Eurodollar Base Rate}}{\text{1.00 - Eurocurrency Reserve Requirements}}$$

"Eurodollar Tranche": the collective reference to Eurodollar Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

"Event of Default": any of the events specified in Section 7, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

"Exchange Act": the Securities and Exchange Act of 1934, as amended.

"Exchange Rate": for any day with respect to any currency (other than Dollars), the rate at which such currency may be exchanged into Dollars, as set forth at 11:00 A.M., New York time, on such day on the applicable Bloomberg currency page with respect to such currency. In the event that such rate does not appear on the applicable Bloomberg currency page, the Exchange Rate with respect to such currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Company or, in the absence of such agreement, such Exchange Rate shall instead be the spot rate of exchange of the Administrative Agent in the London Interbank market or other market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 11:00 A.M., New York time, on such day for the purchase of Dollars with such currency, for delivery two Business Days later; provided, however, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"Excluded Subsidiary": any Domestic Subsidiary that is a direct or indirect Subsidiary of a Foreign Subsidiary.

"Facility": each of the Term Commitments and the Term Loans made thereunder (alternatively, the "Term Facility").

"Federal Funds Effective Rate": for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for the day of such transactions received by JPMorgan Chase Bank, N.A. from three federal funds brokers of recognized standing selected by it.

"Fenton IRB Transactions": all of the rights and obligations of the Company pursuant to the terms of: (i) the Trust Indenture, dated as of December 1, 2004, by and between the City of Fenton, Missouri and The Bank of New York Trust Company N.A., in an aggregate maximum principal amount of $112,000,000; (ii) the Lease Agreement, dated as of December 1, 2004, by and between the City of Fenton, Missouri, as lessor and DaimlerChrysler Corporation, as lessee; (iii) the Performance Agreement, dated as of December 1, 2004, by and between the City of Fenton, Missouri and DaimlerChrysler Corporation; (iv) the Bond Purchase Agreement, dated as of December 1, 2004, by and between the City of Fenton, Missouri and DaimlerChrysler Corporation, as purchaser; (v) the Trust Indenture, dated as of November 1, 2005, by and between the City of Fenton, Missouri and The Bank of New York Trust Company N.A., in an aggregate maximum principal amount of $1,000,000,000; (vi) the Lease Agreement, dated as of November 1, 2005, by and between the City of Fenton, Missouri, as lessor and DaimlerChrysler Corporation, as lessee; (vii) the Performance Agreement, dated as of November 1, 2005, by and between the City of Fenton, Missouri and DaimlerChrysler Corporation; (viii) the Bond Purchase Agreement, dated as of November 1, 2005, by and between the City of Fenton, Missouri and DaimlerChrysler Corporation, as purchaser; and, in each case, and (ix) any other indentures, leases, performance agreements, and bond purchase agreements into which the Company and the City of Fenton, Missouri may enter pursuant to the same or similar enabling resolutions and on substantially similar terms.

"FinCo": DaimlerChrysler Financial Services Americas LLC, a Michigan limited liability company and its successors.

"FinCo Facilities": collectively the (i) Credit Agreement, dated as of the Closing Date, among FinCo as borrower, the Administrative Agent as administrative agent thereunder, Citibank N.A.

and Goldman Sachs Credit Partners, L.P. as syndication agents and the banks and financial institutions party thereto from time to time as lenders, and (ii) Second Lien Term Loan Agreement, dated as of the Closing Date, among FinCo as borrower, the Administrative Agent as administrative agent thereunder, Citibank N.A. and Goldman Sachs Credit Partners, L.P. as syndication agents and the banks and financial institutions party thereto from time to time as lenders.

"Foreign Benefit Arrangement": any employee benefit arrangement mandated by non-US law.

"Foreign Plan": each employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA) maintained or contributed to by the Company or any Commonly Controlled Entity that is not subject to US law.

"Foreign Subsidiary": any Subsidiary of the Company that is not a Domestic Subsidiary.

"Funding Office": the office of the Administrative Agent specified in Section 9.2 or such other office as may be specified from time to time by the Administrative Agent as its funding office with respect to any Facility or Facilities by written notice to the Company and the Lenders.

"GAAP": generally accepted accounting principles in the United States as in effect from time to time. In the event that any "Accounting Change" (as defined below) shall occur and such change results in a change in the method of calculation of covenants, the Borrowing Base, standards or terms in this Agreement, then the Company and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Company's financial condition and the Borrowing Base shall be the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Company, the Administrative Agent and the Required Lenders, all covenants, the Borrowing Base, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. "Accounting Changes" refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC.

"Gelco Lease Program": a Sale/Leaseback Transaction pursuant to which the Company and its Subsidiaries manufacture and sell vehicles to Gelco Corporation (doing business as GE Capital Fleet Services ("GE Capital")), which vehicles are then leased to the Company pursuant to the terms of a lease for use by the Company in its company car program in the ordinary course of business, as more fully described in and pursuant to the terms of that certain Master Lease Agreement, dated October 31, 2001, by and between GE Capital and DaimlerChrysler Corporation, together with all related schedules thereto and servicing and agency agreements or any other program with a different financial institution on substantially similar terms.

"Gold Key Lease Program": the program pursuant to which (i) DaimlerChrysler Financial Services Canada Inc. (the successor to Chrysler Credit Canada Ltd.) ("CCC") purchases, as agent and bare trustee, vehicles manufactured or distributed by DaimlerChrysler Canada Inc. (formerly known as Chrysler Canada Ltd.) ("CCL") from dealerships with the proceeds of loans made to it by CCC, and then leased by CCC, as agent and bare trustee for CCL, to the customers of CCC, the lease payments (and related vehicles) of which are pledged to CCC and the proceeds thereof are used to repay any outstanding loans owing by CCL to CCC, as more fully described in and pursuant to the terms of (x) that certain Gold Key Administration and Credit Risk Assumption Agreement, dated as of July 1, 1996, by and between CCL and Chrysler Credit Canada Ltd., and (y) that certain Amended and Restated Loan

Agreement dated as of December 31, 2002 between CCL and CCC and (ii) CCL may in certain cases concurrently lease or sell its beneficial interests in the lease payment receivables and leased vehicles described above to various entities which engage in financing such receivables, including its interest in any collateral securing such receivables, in each case, together with all schedules and related agreements.

"Governmental Authority": any federal, state, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or any federal, state or municipal court, in each case whether of the United States or foreign.

"Group Members": the collective reference to Holdings, the Company and their respective Subsidiaries but excluding the Charitable Subsidiaries.

"Guarantee": the Guarantee Agreement to be executed and delivered by the Company, Holdings and each Subsidiary Guarantor, substantially in the form of Exhibit C.

"Guarantee Obligation": as to any Person (the "guaranteeing person"), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing Person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the Company in good faith.

"Holdings": CarCo Intermediate HoldCo II LLC, a Delaware limited liability company.

"IDCA": the International Distribution Cooperation Agreement, dated as of August 3, 2007, between DaimlerChrysler AG, the Company and Chrysler International Corporation.

"Indebtedness": of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than current trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations and Attributable Obligations of such Person, (f) all obligations

of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements, (g) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (f) above, (h) all obligations of the kind referred to in clauses (a) through (g) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation, and (i) for the purposes of Section 7(d) only, all obligations of such Person in respect of Swap Agreements. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor. For purposes of Section 6.3 and Section 6.4, the Dollar Equivalent amount of Indebtedness denominated in any currency other than Dollars shall be determined as of the date such Indebtedness is incurred or any commitment for such Indebtedness is issued and the Company and its Subsidiaries shall not be deemed to exceed any limit set forth in Section 6.3 or Section 6.4 solely as a result of subsequent fluctuations in the exchange rate of currency. Indebtedness shall not include vehicle guarantee depreciation programs of any Group Member.

"Indemnified Liabilities": as defined in Section 9.5.

"Indemnitee": as defined in Section 9.5.

"Initial Public Offering": any initial public offering by any Person of Capital Stock of such Person pursuant to which such Person offers to the public Capital Stock of any Parent Entity pursuant to a registration statement on Form S-1 (or any similar, successor or replacement form) and receives gross proceeds of $500,000,000 or more.

"Initial Subsidiary Guarantor": each Domestic Subsidiary listed on Schedule 1.1D.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Intellectual Property": the collective reference to all rights, priorities and privileges with respect to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, patents, patent licenses, trademarks, trademark licenses, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"Interest Expense": for any period, gross interest expense paid or payable in cash (including amortization of debt issuance costs, the interest component of any deferred interest payments, the interest component of all payments associated with Capital Lease Obligations and Attributable Obligations, imputed interest with respect to all Capital Lease Obligations and Attributable Obligations, imputed interest with respect to all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net of the effects of all payments made or received pursuant to Swap Agreements in respect of interest rates to the extent such payments are received or made during such period, in each case determined on a consolidated basis in accordance with GAAP. For purposes of this Agreement, Interest Expense shall be adjusted on a pro forma basis to give effect to any Indebtedness incurred, assumed or permanently repaid or extinguished during the applicable

period in connection with the Acquisition, any other acquisition or any Disposition as if such incurrence, assumption, repayment or extinguishing had been effected on the first day of such period.

"Interest Payment Date": (a) as to any ABR Loan, the first day of each March, June, September and December to occur while such Loan is outstanding and the final maturity date of such Loan, (b) as to any Eurodollar Loan having an Interest Period of three months or less, the last day of such Interest Period, (c) as to any Eurodollar Loan having an Interest Period longer than three months, each day that is three months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (d) as to any Loan, the date of any repayment or prepayment made in respect thereof.

"Interest Period": as to any Eurodollar Loan, (i) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Loan and ending one, two, three or six (or with the consent of each Lender, nine or twelve) months thereafter, as selected by the Company in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (ii) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Loan and ending one, two, three or six (or with the consent of each Lender, nine or twelve) months thereafter, as selected by the Company by irrevocable notice to the Administrative Agent not later than 12:00 Noon, New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

(A) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(B) the Company may not select an Interest Period that would extend beyond the date final payment is due on the Term Loans; and

(C) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period.

"Investments": as defined in Section 6.10.

"Investor": CG Investor, LLC, a Delaware limited liability company.

"JV Subsidiary": any Subsidiary of a Group Member which is not a Wholly Owned Subsidiary and as to which the business and management thereof is jointly controlled by the holders of the Capital Stock therein pursuant to customary joint venture arrangements.

"Lenders": as defined in the preamble hereto; provided, that unless the context otherwise requires, each reference herein to the Lenders shall be deemed to include any Conduit Lender.

"Lien": any mortgage, pledge, hypothecation, assignment for security, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing).

"Liquid Securities": any securities listed or quoted on any national securities exchange that has registered with the SEC pursuant to Section 6(a) of the Exchange Act, the Nasdaq National Market or any designated offshore securities market as defined in Regulation S under the Securities Act; provided that such securities (i) are registered, or may otherwise be sold without restriction under the Securities Act, (ii) are part of a class of securities that has a public float in excess of $500 million and (iii) represent less than 5% of the public float of such class of securities.

"Loan": any loan made by any Lender pursuant to this Agreement.

"Loan Documents": this Agreement, the Security Documents, the Guarantee, the Collateral Trust Agreement, the Notes, and any amendment, waiver, supplement or other modification to any of the foregoing.

"Loan Parties": the Company, Holdings and each Subsidiary Guarantor.

"Mandatory Prepayment": the prepayment in accordance with Section 2.5 of outstanding Term Loans, on a pro rata basis according to the Outstanding Amounts thereof at the time of such prepayment.

"Master Agreement": (i) the Master Autofinance Agreement, entered into as of August 3, 2007, by and between the Company, as the manufacturer, and FinCo, (ii) the Shared Transition Services Agreement, entered into as of August 3, 2007, by and between the Company and FinCo, (iii) the Intellectual Property License Agreement, entered into as of August 3, 2007, by and between the Company and FinCo, and (iv) any agreement, instrument, annex, schedule, exhibit or other document related thereto.

"Material Adverse Effect": a material adverse effect on (a) the business, operations, property or financial condition of the Company and its Subsidiaries taken as a whole or (b) the validity and enforceability of this Agreement or any of the other Loan Documents or the rights and remedies of the Administrative Agent, the Collateral Trustee and the Lenders hereunder or thereunder.

"Material Unsecured Indebtedness": any unsecured Indebtedness of any Loan Party having an aggregate Outstanding Amount in excess of $250,000,000.

"Materials of Environmental Concern": any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

"Moody's": Moody's Investors Service, Inc. and its successors.

"MOPAR Financing Amount": in connection with the incurrence of Indebtedness permitted pursuant to clause (w) of the definition of Permitted Indebtedness, an amount equal to any initial advance under any such financing, (the "Initial Advance") and an amount equal to any subsequent advances which increase the Indebtedness outstanding under such financing above the Initial Advance.

"MOPAR Subsidiary": a subsidiary of the Company which will undertake the financing of inventory of Chrysler Motors LLC's aftermarket and replacement parts business and incur Indebtedness permitted pursuant to clause (w) of the definition of Permitted Indebtedness, substantially all of the assets of which consist of such inventory and the proceeds thereof.

"Mortgaged Property": each property listed on Schedule 1.1E, as to which the Collateral Trustee for the benefit of the Secured Parties shall be granted a Lien pursuant to the Mortgages.

"Mortgages": each of the mortgages and deeds of trust made by the Company or any Subsidiary Guarantor in favor of, or for the benefit of, the Collateral Trustee for the benefit of the Secured Parties, substantially in the form of Exhibit E (with such changes thereto as the Company and the Administrative Agent reasonably agree are advisable under the law of the jurisdiction in which such mortgage or deed of trust is to be recorded).

"Multiemployer Plan": a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Net Book Value": with respect to any asset of any Person (a) other than accounts receivable, the gross book value of such asset on the balance sheet of such Person, minus depreciation or amortization in respect of such asset on such balance sheet and (b) with respect to accounts receivable, the gross book value thereof, minus any specific reserves attributable thereto, each determined in accordance with GAAP.

"Net Cash Proceeds": (a) in connection with any Asset Sale or any Recovery Event, the proceeds thereof in the form of cash and Cash Equivalents (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but only as and when received), net of (i) purchase price adjustments reasonably expected to be payable in connection with such Asset Sale, (ii) attorneys' fees, accountants' fees, investment banking fees, consultants' fees, finders' fees, brokers' fees, advisory fees and other customary fees and expenses actually incurred in connection therewith, (iii) amounts required to be applied to the repayment of Indebtedness secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale or Recovery Event (other than any Lien pursuant to a Security Document), (iv) taxes paid or reasonably estimated to be payable as a result thereof, and (v) in the case of an Asset Sale, a reasonable reserve for any payments (fixed or contingent) attributable to the seller's indemnities and representations and warranties to the purchaser or seller's retained liabilities in respect of such Asset Sale undertaken in connection with such Asset Sale including pension and other post-employment benefit liabilities and liabilities related to environmental matters and liabilities under indemnification obligations associated with such Asset Sale or (b) in connection with any issuance or sale of Capital Stock or any incurrence of Indebtedness, the cash proceeds received from such issuance or incurrence, net of attorneys' fees, investment banking fees, accountants' fees, consultants' fees, finders' fees, brokers' fees, advisory fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection therewith.

"Net Income": for any period, the net income (or loss) of the Company and its Subsidiaries calculated on a consolidated basis for such period determined in accordance with GAAP.

"Non-Excluded Taxes": as defined in Section 2.13(a).

"Non-U.S. Lender": as defined in Section 2.13(d).

"Non-Recourse Debt": Indebtedness of a Person: (a) as to which no Loan Party provides any Guarantee Obligation or credit support of any kind or is directly or indirectly liable (as a guarantor or otherwise); and (b) which does not provide any recourse against any of the assets of any Loan Party. Notwithstanding the foregoing, the obligation to make capital contributions pursuant to the governing documents of any JV Subsidiary shall not invalidate the status of the Indebtedness of such JV Subsidiary classified as Non-Recourse Indebtedness pursuant to the terms of this definition.

"Notes": the collective reference to any promissory note evidencing Loans.

"Notice of Event of Default": as defined in the Collateral Trust Agreement.

"Obligations": the First Priority Credit Agreement Obligations as defined in the Collateral Trust Agreement.

"OPEB": other post employment benefits.

"Other Taxes": any and all present or future stamp or documentary taxes and any other excise or property, intangible or mortgage recording taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

"Outstanding Amount": as of any date of determination (a) with respect to Indebtedness, the aggregate outstanding principal amount thereof, (b) with respect to banker's acceptances, letters of credit or letters of guarantee, the aggregate undrawn, unexpired face amount thereof plus the aggregate unreimbursed drawn amount thereof, (c) with respect to hedging obligations, the aggregate amount recorded by the Company or any Subsidiary as its net termination liability thereunder calculated in accordance with the Company's customary accounting procedures, (d) with respect to cash management obligations or guarantees, the aggregate maximum amount thereof (i) that the relevant cash management provider is entitled to assert as such as agreed from time to time by the Company or any Subsidiary and such provider or (ii) the principal amount of the Indebtedness being guaranteed or, if less, the maximum amount of such guarantee set forth in the relevant guarantee and (e) with respect to any other obligations, the aggregate outstanding amount thereof.

"Parent Entity": any of Chrysler Holding LLC, a Delaware limited liability company, or any intermediate holding company through which Chrysler Holding LLC holds its ownership interest in the Company, including Holdings.

"Participant": as defined in Section 9.6(c)(i).

"Patent Security Agreement": the Patent Security Agreement to be executed and delivered by the Company and the Collateral Trustee, substantially in the form of Exhibit D.

"PBGC": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

"Pension Act": the Pension Protection Act of 2006, as it now exists or as it may be amended from time to time.

"Permitted First Lien Non-Loan Exposure": Designated Hedging Obligations, Designated Cash Management Obligations, reimbursement obligations in respect of letters of credit and bank guarantees, guarantees provided by the Company or a Subsidiary Guarantor (including in respect of Indebtedness) and other obligations of the Company or a Subsidiary Guarantor that do not constitute Indebtedness that have been designated by the Company pursuant to the terms of the Collateral Trust Agreement as "Permitted First Lien Non-Loan Exposure"; provided that after giving pro forma effect to such designation and any application of the proceeds thereof the Borrowing Base Coverage Ratio is at least 1.00 to 1.00; provided, further, that the aggregate Outstanding Amount of Permitted First Lien Non-Loan Exposure shall not exceed $1,250,000,000 at any time.

"Permitted Indebtedness": means:

(a) Indebtedness of any Loan Party pursuant to any Loan Document and any Permitted First Lien Non-Loan Exposure;

(b) Indebtedness of any Loan Party pursuant to the Second Lien Credit Agreement in an aggregate amount not to exceed $2,000,000,000 at any one time and any Permitted Second Lien Non-Loan Exposure (as such term is defined in the Second Lien Credit Agreement);

(c) Indebtedness of the Company or any Subsidiary owing to the Company or any Subsidiary (including, without limitation, intercompany ledger balances in connection with customary cash management practices among the Company and its Subsidiaries); provided that any such Indebtedness owing to a Subsidiary that is not a Subsidiary Guarantor shall be subordinated by the Company or a Subsidiary Guarantor in right of payment to the Obligations;

(d) Guarantee Obligations incurred in the ordinary course of business by the Company or any of its Subsidiaries of obligations of any Loan Party;

(e) Indebtedness outstanding on the date hereof and listed on Schedule 6.4(d) and any Permitted Refinancing thereof;

(f) Indebtedness incurred by the Company or any of its Subsidiaries (i) in the ordinary course of business of the Company or such Subsidiary to finance the purchase of fixed or capital assets that is incurred at the time of, or within 120 days after, the acquisition of such property, or (ii) constituting Capital Lease Obligations and Attributable Obligations, so long immediately after giving effect to the incurrence of such Indebtedness the pro-forma Consolidated Leverage Ratio of the Company and its Subsidiaries is less than 5.00:1.00, provided that, the Company or any of its Subsidiaries may incur additional Indebtedness described in this clause (f) at any time in an aggregate principal amount not to exceed $500,000,000;

(g) unsecured Indebtedness of the Company or any of its Subsidiaries in an aggregate principal amount (for the Company and all Subsidiaries) not to exceed $500,000,000 at any one time outstanding, provided that, the Company or any of its Subsidiaries may incur additional unsecured Indebtedness so long as the Pro-Forma Interest Coverage Ratio immediately after giving effect to the incurrence of such Indebtedness is greater than 2.00:1.00, and provided further, for all such Indebtedness incurred under this clause (g), that (i) in the case of Material Unsecured Indebtedness only, the terms of all such unsecured Indebtedness do not provide for any scheduled repayment or mandatory redemption prior to the date that is one year after the Term Loan Maturity Date as in effect on the Closing Date (other than customary offers to purchase upon a change of control, asset sale or event of loss and acceleration rights after an event of default) (ii) the covenants, events of default, guarantees and other terms of such Indebtedness (other than interest rate, call features and redemption premiums), taken as a whole, are not more restrictive to the Company than the terms of this Agreement; provided that a certificate of a Responsible Officer of the Company delivered to the Administrative Agent at least five Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Company has determined in good faith that such terms and conditions satisfy the foregoing requirements and such terms and conditions shall be deemed to satisfy the foregoing requirement unless the Administrative Agent notifies the Company within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees) and

(iii) no Default or Event of Default has occurred and is continuing or would occur as a result of the incurrence of such Indebtedness;

(h) Non-Recourse Debt or Indebtedness guaranteed to the extent permitted by clause (p) below of Foreign Subsidiaries and JV Subsidiaries;

(i) Indebtedness of a newly-acquired Subsidiary that is outstanding on the date such Subsidiary is acquired; provided that (A) any such Indebtedness was not created in contemplation of such purchase or other acquisition in contravention of Section 6.4, and (B) the amount of such Indebtedness is permitted under Section 6.10(m);

(j) Indebtedness in respect of, represented by, or in connection with appeal, bid, performance, surety, customs or similar bonds issued for the account of any Group Member, the performance of bids, tenders, sales or contracts (in each case, other than for the repayment of borrowed money), statutory obligations, workers' compensation claims, unemployment insurance, other types of social security or pension benefits, self-insurance and similar obligations and arrangements, in each case, to the extent incurred in the ordinary course of business;

(k) Indebtedness in respect of letters of credit (other than in respect of borrowed money);

(l) Indebtedness arising from industrial revenue, development bond or similar financings where the Company and/or any Subsidiary is both the lessee of the financial property and the holder of the bonds;

(m) Indebtedness incurred pursuant to, or as required by the terms of, a Permitted Transaction;

(n) any Permitted Refinancing;

(o) Indebtedness arising in the ordinary course of business from loans, grants or other arrangements made by a government or quasi-government entity;

(p) unsecured Guarantee Obligations of the Company or any Subsidiary in respect of Indebtedness of a Foreign Subsidiary or JV Subsidiary;

(q) Indebtedness incurred by the Company or any of its Subsidiaries arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with acquisitions permitted by Section 6.10(m) or permitted Dispositions of any business, asset or any Capital Stock of a Subsidiary of the Company or any of its Subsidiaries;

(r) Indebtedness of the Company or any of its Subsidiaries in respect of netting services, overdraft protections and other similar arrangements in connection with deposit accounts in the ordinary course of business;

(s) unsecured Guarantee Obligations in connection with guarantees or other credit support provided by the Company or any of its Subsidiaries for the benefit of their suppliers and dealerships in an aggregate principal amount outstanding not to exceed $250,000,000 at any time;

(t) Guarantee Obligations of any Group Member in respect of Indebtedness of, or Indebtedness of, marketing investment dealerships incurred, in each case, made in the ordinary course of business and consistent with past practices to finance vehicle inventory and working capital;

(u) Indebtedness in connection with credit support obligations required to be provided pursuant to (i) IDCA with respect to Indebtedness provided by DaimlerChrysler AG or certain of its Affiliates to certain of its Subsidiaries, which Subsidiaries are to be transferred to the Company in accordance with the terms of the IDCA, and (ii) the terms of the DC Credit Support Agreement;

(v) Indebtedness of the Company and its Subsidiaries secured by (i) real property and improvements consisting of current and former dealership properties and property acquired for development as dealership properties, (ii) the real property and improvements comprising the Chelsea proving grounds located in Chelsea, Michigan, (iii) real property and improvements listed on Schedule 6.5, or with the consent of the Administrative Agent, other real property and improvements, or (iv) Capital Stock of Real Estate Subsidiaries, in an aggregate outstanding principal amount at any time for all Indebtedness incurred pursuant to this clause (v) not to exceed $500,000,000, and in each case which real property, improvements or Capital Stock shall be removed from the Borrowing Base (to the extent included) upon the incurrence of such Indebtedness provided, however that the Indebtedness described in this clause (v) may only be incurred to the extent that, after giving pro forma effect to the release of Liens on Collateral in connection with such Indebtedness, the Borrowing Base exceeds the Outstanding Amount of Covered Debt; and

(w) Indebtedness of Chrysler Motors LLC or the MOPAR Subsidiary secured by inventory of its aftermarket and replacement parts business conducted by its MOPAR division, and by the proceeds thereof, and/or by the Capital Stock of the MOPAR Subsidiary and in each case, which inventory, proceeds or Capital Stock shall be removed (to the extent included) from the Borrowing Base upon the incurrence of such Indebtedness provided, however that the Indebtedness described in this clause (w) may only be incurred to the extent that, after giving pro forma effect to the release of Liens on Collateral in connection with such Indebtedness, the Borrowing Base exceeds the Outstanding Amount of Covered Debt.

"Permitted Liens" means:

(a) Liens for taxes, assessments, governmental charges and utility charges, in each case that are not yet subject to penalties for non-payment or that are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of the Company in conformity with GAAP;

(b) (i) Liens incurred or pledges or deposits made in connection with (A) workers' compensation claims, unemployment insurance or ordinary course social security or pension benefits (but not including any Lien in favor of the PBGC), (B) to secure the performance of bids, tenders, sales, contracts (in each case, other than for the repayment of borrowed money), (C) statutory obligations, or (D) surety, appeal, customs or performance bonds and similar obligations, or (ii) deposits as security for import or customs duties or for the payment of rent, in each case for clauses (i) and (ii) incurred in the ordinary course of business, and (iii) carriers', warehousemen's, workers mechanics', materialmen's, repairmen's, construction or other like Liens arising in the ordinary course of business to secure amounts (A) that are not overdue for a

period of more than 90 days or that may hereafter be paid without material penalty or (B) that are being contested in good faith by appropriate proceedings;

(c) permits, servitudes, licenses, easements, rights-of-way, restrictions and other similar encumbrances imposed by applicable law or incurred in the ordinary course of business or minor imperfections in title to real property that do not in the aggregate materially interfere with the ordinary conduct of the business of the Company and its Subsidiaries taken as a whole, including, without limitation, the following: (i) zoning, entitlement, conservation restriction and other land use and environmental regulations by one or more Governmental Authorities which do not materially interfere with the present use of the assets of the Company and its Subsidiaries, (ii) all covenants, conditions, restrictions, easements, encroachments, charges, rights-of-way and any similar matters of record set forth in any state, local or municipal franchise on title to real property of the Company and its Subsidiaries which do not materially interfere with the present use of such property and (iii) minor survey exceptions and matters as to real property of the Company and its Subsidiaries which would be disclosed by an accurate survey or inspection of such real property and do not materially impair the occupancy or current use of such real property;

(d) leases, licenses, subleases or sublicenses of assets (including, without limitation, real property and intellectual property rights) granted to others that do not in the aggregate materially interfere with the ordinary conduct of the business of the Company and its Subsidiaries taken as a whole and licenses of trademarks and intellectual property rights in the ordinary course of business;

(e) deposits to secure Indebtedness described in clause (j) or clause (k) of the definition of Permitted Indebtedness;

(f) Liens arising from UCC financing statement filings (or similar filings) regarding or otherwise arising under leases entered into by the Company or any of its Subsidiaries or in connection with sales of accounts, payment intangibles, chattel paper or instruments;

(g) Liens securing Indebtedness and Attributable Obligations permitted by clause (f) of the definition of Permitted Indebtedness; provided that in each case such Liens do not encumber any property (except substitutions, replacements or proceeds thereof) other than property financed by such Indebtedness;

(h) Liens in existence on the Closing Date and listed on Schedule 6.3 securing Indebtedness permitted by clause (e) of the definition of Permitted Indebtedness; provided that no such Lien covers any additional property after the Closing Date (except substitutions, replacements or proceeds thereof) and that the amount of Indebtedness secured thereby is not increased (except as otherwise permitted by this Agreement);

(i) Liens on property or Capital Stock of a Person at the time such Person becomes a Subsidiary; provided however, that such Liens are not created, incurred or assumed in connection with, or in contemplation of, such other Person becoming a Subsidiary; provided further, however, that any such Lien may not extend to any other property owned by the Company or any Subsidiary;

(j) Liens securing Indebtedness under clause (n) of the definition of Permitted Indebtedness which is incurred to extend, renew, refinance, or replace any Indebtedness which was secured by a Lien permitted under Section 6.3; provided that any such Liens do not cover any

property or assets of the Company or its Subsidiaries (other than substitutions, replacements or proceeds thereof) not securing the Indebtedness so extended, renewed, refinanced or replaced;

(k) any Lien arising out of claims under a judgment or award rendered or claim filed so long as such judgments, awards or claims do not constitute an Event of Default;

(l) any Lien consisting of rights reserved to or vested in any Governmental Authority by any statutory provision;

(m) Liens and rights of set off created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts held at such banks or financial institutions or over investment property held in a securities account, as the case may be, to secure fees and charges in the ordinary course of business or returned items and charge backs in the ordinary course of business, facilitate the operation of cash pooling and/or interest set-off arrangements in respect of such bank accounts or securities accounts in the ordinary course of business;

(n) Liens created pursuant to (and Liens permitted by) the Collateral Trust Agreement and the Security Documents securing, without limitation, the Obligations, the obligations under the Second Lien Credit Agreement, any Permitted First Lien Non Loan Exposure and any Permitted Second Lien Non-Loan Exposure;

(o) Liens securing Indebtedness or other obligations of a Subsidiary owing to the Company or a Subsidiary Guarantor;

(p) statutory Liens incurred or pledges or deposits made in favor of a Governmental Authority to secure the performance of obligations of the Company or any of its Subsidiaries under Environmental Laws to which any assets of the Company or any such Subsidiaries are subject;

(q) servicing agreements, development agreements, site plan agreements and other agreements with Governmental Authorities pertaining to the use or development of any of the property and assets of the Company or any of its Subsidiaries consisting of real property, provided same are complied with (including, without limitation, Liens that secure Indebtedness permitted by clause (o) of the definition of Permitted Indebtedness);

(r) Liens on cash collateral pledged in favor of FinCo in an Outstanding Amount not exceeding $1,500,000,000 to secure obligations owed to FinCo or any of its Subsidiaries by the Company and its Subsidiaries to the extent contemplated by the Master Agreement;

(s) Liens not otherwise permitted by the foregoing clauses securing obligations or other liabilities of any Loan Party; provided that the Outstanding Amount of all such obligations and liabilities shall not exceed $100,000,000 at any time;

(t) Liens on the assets of Foreign Subsidiaries and JV Subsidiaries securing Indebtedness of a Foreign Subsidiary or JV Subsidiary permitted under clause (h) of the definition of Permitted Indebtedness;

(u) pledges or deposits of cash, Cash Equivalents or Temporary Cash Investments made to secure obligations in respect of Swap Agreements permitted hereunder and which are not Designated Hedging Obligations;

(v) Liens incurred pursuant to the terms of a Permitted Transaction, limited, in each case, to the assets subject to such Permitted Transaction;

(w) Liens on cash collateral in an amount not to exceed $200,000,000 to support obligations to the PBGC for accelerated funding incurred in connection with the closing of the Acquisition until such obligations have been paid; and

(x) Liens securing Indebtedness permitted by clauses (v) and (w) of the definition of Permitted Indebtedness; provided that in each case such Liens do not encumber any property (except substitutions, replacements and proceeds thereof) other than the property described in the applicable clause as securing such Indebtedness, provided that if the Administrative Agent has determined that an intercreditor agreement or arrangement is required in accordance with Section 9.14(c), such intercreditor agreement or arrangement is in place.

"Permitted Refinancing": any Indebtedness (or preferred Capital Stock, as the case may be) issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease, discharge or refund other Permitted Indebtedness (or preferred Capital Stock, as the case may be); provided that:

(a) the principal amount (or accreted value, if applicable) of such Indebtedness (or preferred Capital Stock, as the case may be) does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness (or preferred Capital Stock, as the case may be) so extended, refinanced, renewed, replaced, defeased, discharged or refunded (plus all accrued interest thereon and the amount of all fees, expenses and premiums incurred in connection therewith);

(b) such Indebtedness (or preferred Capital Stock, as the case may be) has a final maturity date later than the final maturity date of, and has a weighted average life to maturity equal to or greater than the weighted average life to maturity of, the Indebtedness (or preferred Capital Stock, as the case may be) being extended, refinanced, renewed, replaced, defeased, discharged or refunded; and

(c) the terms of such Indebtedness (or preferred Capital Stock, as the case may be), taken as a whole, are not more restrictive to the applicable obligor than the Indebtedness (or preferred Capital Stock, as the case may be) being extended, refinanced, renewed, replaced, defeased, discharged or refunded (other than with respect to interest rates, fees, liquidation preferences, premiums and no call periods).

"Permitted Transactions": individually and collectively: (i) the Conversion Vehicle Wholesale Financing Program; (ii) the Fenton IRB Transactions; (iii) the Gelco Lease Program; (iv) the Gold Key Lease Program; (v) the proposed sale and financing of the Auburn Hills Property and related transactions in connection therewith; and (vi) the Company Car Financing Program.

"Person": an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan": any employee pension benefit plan (other than a Multiemployer Plan) that is subject to the provisions of Title IV of ERISA or Section 412 of the Code and in respect of which the Company or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Post-Closing Deliverables": as defined in Section 5.7(e).

"Prime Rate": the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City (the Prime Rate not being intended to be the lowest rate of interest charged by JPMorgan Chase Bank, N.A. in connection with extensions of credit to borrowers).

"Principal Trade Names": each of the trademarks listed under the heading "Principal Trade Names" on Schedule 1.1F and all other Trademarks consisting of or containing any of the trademarks listed under the heading "Principal Trade Names" on Schedule 1.1F or any variation or simulation thereof.

"Pro forma Balance Sheet": as defined in Section 3.1.

"Pro forma Cost Savings": means, with respect to any period, the reduction in net costs and related adjustments that (i) were directly attributable to an acquisition or a disposition that occurred during the four-quarter period or after the end of the four-quarter period and on or prior to the applicable calculation date and calculated on a basis that is consistent with Regulation S-X, (ii) were actually implemented by the business that was the subject of any such acquisition or disposition within six months after the date of the acquisition or disposition and prior to the applicable calculation date that are supportable and quantifiable by the underlying accounting records of such business or (iii) relate to the business that is the subject of any such acquisition or disposition and that the Company reasonably determines are probable based upon specifically identifiable actions to be taken within six months of the date of the acquisition or disposition and, in the case of each of (i), (ii) and (iii), are described, as provided below, in an officers' certificate, as if all such reductions in costs had been effected as of the beginning of such period. Pro Forma Cost Savings described above shall be set forth in a certificate delivered to the Administrative Agent from the Company's chief financial officer that outlines the specific actions taken or to be taken, the net cost savings achieved or to be achieved from each such action and that, in the case of clause (iii) above, such savings have been determined to be probable.

"Pro-Forma Interest Coverage Ratio": with respect to the incurrence of any Indebtedness, the ratio of EBITDA of the Company and its consolidated Subsidiaries to cash Interest Expense (net of interest income) of the Company and its consolidated Subsidiaries for the twelve month period ending on the last day of the most recent fiscal period for which the Company has delivered financial statements pursuant to Section 5.1 prior to the incurrence of such Indebtedness, provided that, for the purposes of determining Interest Expense for such twelve month period such Indebtedness shall have been deemed to have been incurred on the first day of such period and amortization of debt issuance costs and amortization of original issue discount shall be excluded.

"Projections": as defined in Section 5.3(c).

"Real Estate Deliverables": each of the items described on Schedule 1.1H, and required to be delivered to the Administrative Agent in accordance with Section 5.7(e).

"Real Estate Subsidiary": a subsidiary of the Company which will undertake the financing of real estate and improvements and incur Indebtedness permitted pursuant to clause (v) of the definition of Permitted Indebtedness, substantially all of the assets of which consist of the real estate and improvements so financed.

"Recovery Event": any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of any Group Member which results in receipt of Net Cash Proceeds by a Group Member in an amount in excess of $250,000,000.

"Register": as defined in Section 9.6(b)(iv).

"Regulation H": Regulation H of the Board as in effect from time to time.

"Regulation S-X": Regulation S-X under the Securities Act of 1933, as amended.

"Regulation U": Regulation U of the Board as in effect from time to time.

"Reinvestment Deferred Amount": with respect to any Reinvestment Event, the aggregate Net Cash Proceeds received by any Group Member in connection therewith that are not applied to prepay the Term Loans pursuant to Section 2.5(a) as a result of the delivery of a Reinvestment Notice.

"Reinvestment Event": any Asset Sale, Recovery Event or incurrence of certain Permitted Indebtedness in respect of which the Company has delivered a Reinvestment Notice.

"Reinvestment Notice": a written notice executed by a Responsible Officer stating that no Event of Default has occurred and is continuing and that the Company (directly or indirectly through a Subsidiary) intends and expects to use all or a specified portion of the Net Cash Proceeds of an Asset Sale or Recovery Event or of Permitted Indebtedness incurred pursuant to clause (v) of the definition thereof, to acquire or repair assets useful in its business.

"Reinvestment Prepayment Amount": with respect to any Reinvestment Event, the Reinvestment Deferred Amount relating thereto less any amount expended prior to the relevant Reinvestment Prepayment Date to acquire or repair assets useful in the Company's business.

"Reinvestment Prepayment Date": with respect to any Reinvestment Event, the earlier of (a) the date occurring eighteen months after such Reinvestment Event and (b) the date on which the Company shall have determined not to, or shall have otherwise ceased to, acquire or repair assets useful in the Company's business with all or any portion of the relevant Reinvestment Deferred Amount.

"Reorganization": with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Replaced Term Loan": as defined in Section 9.1(c).

"Replacement Term Loan": as defined in Section 9.1(c).

"Reportable Event": any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, other than those events as to which the thirty day notice period referred to in Section 4043(c) of ERISA have been waived.

"Required Lenders": at any time, Lenders with Aggregate Exposures constituting a majority of the Aggregate Exposures of all Lenders.

"Requirements of Law": as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court of competent jurisdiction or other Governmental Authority, in each case applicable to and binding upon such Person and any of its property, and to which such Person and any of its property is subject.

"Responsible Officer": the chief executive officer, president, chief accounting officer, chief financial officer, treasurer, assistant treasurer or controller or, for the purposes of Section 5.6 only, to include the secretary of the Company, or, in each case, any individual with a substantially equivalent title.

"Restatement Date": the date the conditions set forth in Section 10.1 shall have been satisfied or waived.

"Restricted Cash": cash, Cash Equivalents and Temporary Cash Investments of the Company or any of its Subsidiaries (i) that is subject to a Lien (other than the Liens created pursuant to the Collateral Trust Agreement and the Security Documents and other than ordinary course set off rights of depository banks for charges and fees related to amounts held therewith), or (ii) the use of which is otherwise restricted pursuant to any Requirement of Law or Contractual Obligation. Notwithstanding the foregoing, none of the cash, Cash Equivalents and Temporary Cash Investments of the Company or any of its Subsidiaries deposited with a trustee of any short term or long-term VEBA which the Company or relevant Subsidiary may access on an unrestricted basis for use in its business shall constitute Restricted Cash.

"Restricted Payments": as defined in Section 6.6.

"S&P": Standard & Poor's Ratings Services and its successors.

"Sale/Leaseback Transaction": as defined in Section 6.9.

"SEC": the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

"Second Lien Credit Agreement": the Term Loan Agreement, dated as of the Closing Date among the Company as the borrower, the Administrative Agent as administrative agent thereunder, Goldman Sachs Credit Partners, L.P. and Citibank N.A. as syndication agents and the lenders party thereto from time to time as lenders, as the same may from time to time be amended modified or otherwise supplemented.

"Secured Parties": as defined in the Collateral Trust Agreement.

"Security Agreement": the Security Agreement to be executed and delivered by the Company, Holdings and each Subsidiary Guarantor, substantially in the form of Exhibit A.

"Security Documents": the collective reference to the Security Agreement, the Mortgages, the Trademark Security Agreement, the Patent Security Agreement and the Copyright Security Agreement, and all other security documents hereafter delivered to the Administrative Agent granting a Lien on any property of any Person to secure the Secured Obligations (as defined in the Collateral Trust Agreement).

"Solvent": when used with respect to any Person, means that, as of any date of determination, (a) the amount of the "present fair saleable value" of the assets of such Person will, as of such date, exceed the amount of all "liabilities of such Person, contingent or otherwise", as of such date, as such quoted terms are determined in accordance with applicable federal and state laws governing determinations of the insolvency of debtors, (b) the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the liability of such Person on its debts as such debts become absolute and matured, (c) such Person will not have, as of such date, an

unreasonably small amount of capital with which to conduct its business, and (d) such Person will be able to pay its debts as they mature. For purposes of this definition, (i) "debt" means liability on a "claim", and (ii) "claim" means any (x) right to payment, whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured or (y) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured or unmatured, disputed, undisputed, secured or unsecured.

"Sponsor": Cerberus Capital Management, L.P., any of its Affiliates and any affiliated investment funds or managed accounts which are managed or advised by Cerberus Capital Management, LP or one of its Affiliates.

"Subsidiary": with respect to any Person, any corporation, association, joint venture, partnership, limited liability company or other business entity (whether now existing or hereafter organized) of which at least a majority of the Voting Stock is, at the time as of which any determination is being made, owned or controlled by such Person or one or more subsidiaries of such Person or by such Person and one or more subsidiaries of such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the Company.

"Subsidiary Guarantor": each Initial Subsidiary Guarantor, each Additional Subsidiary Guarantor and each other Subsidiary (including any JV Subsidiary) that becomes a party to the Guarantee and the Security Agreement after the Closing Date pursuant to Section 5.7 or otherwise.

"Swap Agreement": any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Company or any of its Subsidiaries shall be a "Swap Agreement".

"Syndication Agents": as defined in the preamble hereto.

"Taxes": any taxes, charges or assessments, including but not limited to income, sales, use, transfer, rental, ad valorem, value-added, stamp, property, consumption, franchise, license, capital, net worth, gross receipts, excise, occupancy, intangibles or similar tax, charges or assessments.

"Temporary Cash Investments": any of the following:

(a) any investment in direct obligations of the United States of America or any agency thereof or obligations guaranteed by the United States of America or any agency thereof;

(b) investments in demand and time deposit accounts, certificates of deposit, acceptances and money market deposits maturing within 360 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America, any State thereof or any foreign country recognized by the United States of America, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of $100.0 million (or the foreign currency equivalent thereof) and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule

436 under the Securities Act) or any money-market fund sponsored by a registered broker dealer or mutual fund distributor;

(c) repurchase reverse purchase obligations with a term of not more than 60 days for underlying securities of the type described in clause (a) above entered into with a bank meeting the qualifications described in clause (b) above;

(d) investments in commercial paper and securities, maturing not more than 180 days after the date of acquisition, issued by a corporation organized and in existence under the laws of the United States of America or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P;

(e) investments in securities with maturities of six months or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or "A" by Moody's.;

(f) investments in money market funds that invest substantially all their assets in securities of the types described in clauses (a) through (d) above;

(g) Investments in any foreign equivalents of the securities described in clauses (a) through (d) or (f) above, provided that such investments may be made in countries which have a country rating of less than "A" by nationally recognized rating agencies through an in-country bank or trust company which has capital, surplus and undivided profits aggregating in excess of $100.0 million (or the foreign currency equivalent thereof) and which has outstanding debt rated at least the equivalent of the country rating; and

(h) Investments in any Liquid Securities.

"Term Commitment": as to any Lender, the obligation of such Lender, if any, to make a Term Loan to the Company in a principal amount not to exceed the amount set forth under the heading "Term Commitment" opposite such Lender's name on Schedule 1.1A or, as the case may be, in the Assignment and Assumption pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. As of the Closing Date the original aggregate amount of the aggregate Term Commitments was $10,000,000,000.

"Term Lender": each Lender that has a Term Commitment or that holds a Term Loan.

"Term Loan Maturity Date": August 3, 2013.

"Term Loans": as defined in Section 2.1

"Term Note": as defined in Section 2.11(h).

"Trademark": trademarks, trade names, business names, trade styles, service marks, logos and other source or business identifiers, and in each case, all goodwill associated therewith, and all registrations and recordations thereof and all rights to obtain renewals and extensions thereof.

"Trademark Security Agreement": the Trademark Security Agreement to be executed and delivered by the Company and the Collateral Trustee, substantially in the form of Exhibit D.

"Transferee": any Assignee or Participant.

"Treasury Rate": with respect to any date of determination, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) that has become publicly available at least two Business Days prior to such date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such date to the first day after the second anniversary of the Closing Date; provided, however, that if the period from such date to the first day after the second anniversary of the Closing Date is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from such date to the first date after the second anniversary of the Closing Date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"Type": as to any Term Loan, its nature as an ABR Loan or a Eurodollar Loan.

"UCC": the Uniform Commercial Code as in effect from time to time in any applicable jurisdiction.

"United States": the United States of America.

"VEBA": Voluntary Employee's Beneficiary Association.

"Voting Stock": with respect to any Person, such Person's Capital Stock having the right to vote for election of directors (or the equivalent thereof) of such Person under ordinary circumstances.

"Wholly Owned Subsidiary": as to any Person, any other Person all of the Capital Stock of which (other than directors' qualifying shares required by law) is owned by such Person directly and/or through other Wholly Owned Subsidiaries.

"Wholly Owned Subsidiary Guarantor": any Subsidiary Guarantor that is a Wholly Owned Subsidiary of the Company.

"Withdrawal Liability": liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

1.2. Other Definitional Provisions. (a) As used in this Agreement, the terms listed in Schedule 1.1B shall have the respective meanings set forth in such Schedule 1.1B. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms not defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP, (ii) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation", (iii) the word "incur" shall be construed to mean incur, create, issue, assume, become liable in respect of or suffer to exist (and the words "incurred" and "incurrence" shall have correlative meanings), (iv) the words "asset" and "property" shall be

construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, (v) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time and (vi) references to any Person shall include its successors and assigns.

(c) The words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole (including the Schedules and Exhibits hereto) and not to any particular provision of this Agreement (or the Schedules and Exhibits hereto), and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

1.3. Conversion of Foreign Currencies. (a) For purposes of this Agreement and the other Loan Documents, with respect to any monetary amounts in a currency other than Dollars, the Dollar Equivalent thereof shall be determined based on the Exchange Rate in effect at the time of such determination (unless otherwise explicitly provided herein).

(b) The Administrative Agent may set up appropriate rounding off mechanisms or otherwise round-off amounts hereunder to the nearest higher or lower amount in whole Dollar or cent to ensure amounts owing by any party hereunder or that otherwise need to be calculated or converted hereunder are expressed in whole Dollars or in whole cents, as may be necessary or appropriate.

SECTION 2 AMOUNT AND TERMS OF COMMITMENTS

2.1. Term Commitments. Subject to the terms and conditions hereof each Term Lender made a term loan (a "Term Loan") in Dollars to the Company on the Closing Date in an amount of the Term Commitment of such Lender. As of the Restatement Date the aggregate principal amount of the Term Loans outstanding is $7,000,000,000. The Term Loans may from time to time be Eurodollar Loans or ABR Loans, as determined by the Company and notified to the Administrative Agent in accordance with Sections 2.2 and 2.6.

2.2. Intentionally Deleted.

2.3. Repayment of Term Loans. The Term Loans shall be repayable on each date set forth below in an amount equal to the percentage of the original principal amount of the Term Loans as of the Restatement Date set forth below opposite such date:

Installment	Principal Amount
December 15, 2007	0.25%
March 15, 2008	0.25%
June 15, 2008	0.25%
September 15, 2008	0.25%
December 15, 2008	0.25%
March 15, 2009	0.25%
June 15, 2009	0.25%
September 15, 2009	0.25%
December 15, 2009	0.25%

Installment	Principal Amount
March 15, 2010	0.25%
June 15, 2010	0.25%
September 15, 2010	0.25%
December 15, 2010	0.25%
March 15, 2011	0.25%
June 15, 2011	0.25%
September 15, 2011	0.25%
December 15, 2011	0.25%
March 15, 2012	0.25%
June 15, 2012	0.25%
September 15, 2012	0.25%
December 15, 2012	0.25%
March 15, 2013	0.25%
June 15, 2013	0.25%

; provided, that the Company shall repay all outstanding Term Loans on the Term Loan Maturity Date.

2.4. Optional Prepayments. The Company may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty (except as provided in Section 2.11(b)), upon irrevocable notice delivered to the Administrative Agent no later than 12:00 Noon, New York City time, three Business Days prior thereto, in the case of Eurodollar Loans, and no later than 12:00 Noon, New York City time, on the day of such prepayment, in the case of ABR Loans, which notice shall specify the date and amount of such prepayment and whether the prepayment is of Eurodollar Loans or ABR Loans; provided, that if a Eurodollar Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Company shall also pay any amounts owing pursuant to Section 2.14; provided, further, that such notice to prepay the Loans delivered by the Company may state that such notice is conditioned upon the effectiveness of other credit facilities or a Change of Control, in either case, which notice may be revoked by the Company (by further notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Notwithstanding the foregoing, the revocation of a prepayment notice shall not affect the Company's obligation to indemnify any Lender in accordance with Section 2.14 for any loss or expense sustained or incurred as a consequence thereof. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Partial prepayments of Term Loans shall be in an integral multiple of $1,000,000 and no less than $10,000,000.

2.5. Mandatory Prepayments. (a)

(i) If (A) any Indebtedness shall be incurred by any Group Member (excluding any Permitted Indebtedness but including Indebtedness incurred pursuant to clauses (v) (the terms of which shall be governed by Section 2.5(a)(ii)) or (w) of the definition of Permitted Indebtedness), an amount equal to 100% (or, in respect of Indebtedness incurred pursuant to clause (w) of the definition of Permitted Indebtedness, an amount equal to the greater of (i) 70% of the MOPAR Financing Amount or (ii) the amount deducted from the Borrowing Base in connection with the incurrence of such Indebtedness) of the Net Cash Proceeds thereof shall be applied on the date of such incurrence toward the prepayment of the Term Loans as set forth in Sections 2.5(b) and 2.11(b), or (B) any Capital Stock shall be issued by any Group Member (other than to a Wholly Owned Subsidiary Guarantor and other than with respect to

Capital Stock issued in accordance with Section 7(c), 6.6(d) or as a result of a contribution of capital to the Company by the Sponsor) and after giving pro forma effect to such issuance and application of the proceeds thereof, the Consolidated Leverage Ratio of the Company and its Subsidiaries for the twelve month period ending on the last day of the most recent fiscal period for which the Company has delivered financial statements pursuant to Section 5.1 prior to the issuance of such Capital Stock is greater than 3.00:1.00, in each case on a pro-forma basis giving effect to the use of proceeds thereof, an amount equal to 50% of the Net Cash Proceeds (or such lesser amount as shall result in such Consolidated Leverage Ratio being less than 3.00:1.00) thereof shall be applied on the date of such issuance toward the prepayment of the Term Loans as set forth in Sections 2.5(b) and 2.11(b).

(ii) If on any date any Group Member shall receive Net Cash Proceeds from any Asset Sale that are required to be applied as a Mandatory Prepayment pursuant to Section 6.5, in respect of a Recovery Event, or of Indebtedness incurred pursuant to clause (v) of the definition of Permitted Indebtedness, then, unless a Reinvestment Notice shall be delivered in respect thereof, an amount equal to such Net Cash Proceeds shall be applied promptly, and in any event not later than five Business Days after the date of receipt by such Group Member of such Net Cash Proceeds, toward the prepayment of the Term Loans as set forth in Sections 2.5(b) and 2.11(b); provided, that, notwithstanding the foregoing on each Reinvestment Prepayment Date, an amount equal to the Reinvestment Prepayment Amount with respect to the relevant Reinvestment Event shall be applied toward the prepayment of the Term Loans as set forth in Sections 2.5(b) and 2.11(d).

If any event requiring a Mandatory Prepayment pursuant to this Section 2.5 shall occur, the Company shall notify the Administrative Agent of any such Mandatory Prepayment no later than 12:00 Noon, New York City time, one Business Day prior thereto. If more than one Eurodollar Tranche is outstanding, such prepayment shall be applied to such tranches in the order specified by the Company or, if not specified, to the tranches starting with the shortest remaining Interest Periods.

(b) Amounts to be applied in connection with prepayments of the outstanding Term Loans pursuant to this Section 2.5 shall be applied, first, to ABR Loans and, second, to Eurodollar Loans and, in each case, in accordance with Section 2.11(b). Each prepayment of the Term Loans under this Section 2.5 shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid and without premium or penalty (except as provided in Section 2.11(b)).

2.6. Conversion and Continuation Options. (a) The Company may elect from time to time to convert Eurodollar Loans to ABR Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 11:00 A.M., New York City time, on the third Business Day preceding the proposed conversion date, provided that any such conversion of Eurodollar Loans that is not made on the last day of an Interest Period with respect thereto shall be subject to Section 2.14. The Company may elect from time to time to convert ABR Loans to Eurodollar Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 12:00 Noon, New York City time, on the third Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Interest Period therefor); provided that no ABR Loan may be converted into a Eurodollar Loan when any Event of Default has occurred and is continuing and the Administrative Agent or the Required Lenders have determined in its or their sole discretion not to permit such conversions. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender and the Company thereof.

(b) Any Eurodollar Loan may be continued as such upon the expiration of the then current Interest Period (or may be divided into additional Eurodollar Tranches) with respect thereto by the

Company giving irrevocable notice to the Administrative Agent, in accordance with the applicable provisions of the term "Interest Period" set forth in Section 1.1, of the length of the next Interest Period(s) to be applicable to such Loans; provided that no Eurodollar Loan may be continued (or divided) as such when any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuations (and the Administrative Agent shall notify the Company within a reasonable amount of time of any such determination); and provided, further, that if the Company shall fail to give any required notice as described above in this paragraph such Loans shall be automatically continued as a Eurodollar Loan, on the last day of such then expiring Interest Period and shall have an Interest Period of the same duration as such expiring Interest Period. Upon receipt of any such notice (or any such automatic continuation), the Administrative Agent shall promptly notify each relevant Lender and the Company thereof.

2.7. Limitations on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that no more than 20 Eurodollar Tranches shall be outstanding at any one time.

2.8. Interest Rates and Payment Dates/Fee Payment Dates/Fees. (a) Each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such Interest Period plus the Applicable Margin.

(b) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.

(c) (i) If all or a portion of the principal amount of any Loan shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section plus 2% per annum and (ii) if all or a portion of any interest payable on any Loan or prepayment premium payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate then applicable to ABR Loans plus 2% per annum, in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (as well after as before judgment).

(d) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraph (c) of this Section shall be payable from time to time on demand.

(e) The Company agrees to pay to the Administrative Agent the fees in the amounts and on the dates as set forth in any fee agreements with the Administrative Agent.

2.9. Computation of Interest and Fees. (a) Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that with respect to ABR Loans the rate of interest on which is calculated on the basis of the Prime Rate, the interest thereon shall be calculated on the basis of a 365- (or 366-) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Company and the relevant Lenders of each determination of a Eurodollar Rate. Any change in the interest rate on a Loan resulting from a change in the ABR or the Eurocurrency Reserve Requirements shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Company and the relevant Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Company, and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Company, deliver to the Company a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.9(a).

2.10. Inability to Determine Interest Rate; Illegality. (a) If prior to the first day of any Interest Period:

(i) the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Company) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate for such Interest Period, or

(ii) the Administrative Agent shall have received notice from the Required Lenders that the Eurodollar Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as conclusively certified by such Lenders) of making or maintaining their affected Loans during such Interest Period;

the Administrative Agent shall give telecopy or telephonic notice thereof to the Company and the relevant Lenders as soon as practicable thereafter. If such notice is given pursuant to clause (i) or (ii) of this Section 2.10(a) in respect of Eurodollar Loans, then (1) any Eurodollar Loans requested to be made on the first day of such Interest Period shall be made as ABR Loans, (2) any ABR Loans that were to have been converted on the first day of such Interest Period to Eurodollar Loans shall be continued as ABR Loans and (3) any outstanding Eurodollar Loans shall be converted, on the last day of the then-current Interest Period, to ABR Loans. Until such relevant notice has been withdrawn by the Administrative Agent, no further Eurodollar Loans shall be made or continued as such, nor shall the Company have the right to convert ABR Loans to Eurodollar Loans.

(b) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain Eurodollar Loans as contemplated by this Agreement, such Lender shall give notice thereof to the Administrative Agent and the Company describing the relevant provisions of such Requirement of Law, following which, in the case of Eurodollar Loans, (A) the commitment of such Lender hereunder to make Eurodollar Loans, continue such Eurodollar Loans as such and convert ABR Loans to Eurodollar Loans shall forthwith be cancelled and (B) such Lender's outstanding Eurodollar Loans denominated in Dollars shall be converted automatically on the last day of the then current Interest Periods with respect to such Loans (or within such earlier period as shall be required by law) to ABR Loans.

If any such conversion or prepayment of a Eurodollar Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Company shall pay to such Lender such amounts, if any, as may be required pursuant to Section 2.14.

2.11. Pro Rata Treatment and Payments; Evidence of Debt. (a) Each borrowing by the Company from the Lenders hereunder, and any reduction of the Commitments of the Lenders shall be made pro rata according to the respective Aggregate Exposure Percentages of the relevant Lenders except to the extent required or permitted pursuant to Section 2.16.

(b) Each payment (including each prepayment) by the Company on account of principal of and interest on the Term Loans shall be made pro rata according to the respective outstanding principal amounts of the Term Loans then held by the Term Lenders except to the extent required or

permitted pursuant to Section 2.16. The amount of each principal prepayment of the Term Loans shall be applied to reduce the then remaining installments of the Term Loans as directed by the Company. Amounts paid on account of the Term Loans may not be reborrowed. In the event that the Term Loans are paid (or are due to be paid) in whole or in part by the Company pursuant to Section 2.4, 2.5, 2.16 (other than clauses (b) or (c) thereof), or 9.1(c) or after acceleration thereof following an Event of Default, the Company shall pay to the relevant Term Lenders a prepayment premium as follows: (a) the Applicable Premium if such repayment occurs on or prior to the first anniversary of the Closing Date and (b) 4.00% on the principal amount so repaid (or to be paid) if such repayment occurs after the first anniversary of the Closing Date but on or prior to the second anniversary of the Closing Date, (c) 2.00% on the principal amount so repaid (or to be paid) if such repayment occurs after the second anniversary of the Closing Date but on or prior to the third anniversary of the Closing Date, and (d) 1.00% on the principal amount so repaid (or to be paid) if such repayment occurs after the third anniversary of the Closing Date but prior to the fourth anniversary of the Closing Date, provided that, no such prepayment premium shall be payable in respect of any prepayment made pursuant to Section 2.5 solely as a result of the incurrence of Indebtedness permitted pursuant to clauses (v) and (w) of the definition of Permitted Indebtedness.

(c) Reserved.

(d) All payments (including prepayments) to be made by the Company hereunder, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 3:00 P.M., New York City time, on the due date thereof to the Administrative Agent, for the account of the Lenders, at the Funding Office, in Dollars and in immediately available funds. The Administrative Agent shall distribute such payments to the Lenders promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the Eurodollar Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a Eurodollar Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(e) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Company a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor and the Administrative Agent has made such amount available to the Company, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon at a rate up to the greater of (i) the Federal Funds Effective Rate and (ii) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, in each case for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days after such Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans.

(f) Unless the Administrative Agent shall have been notified in writing by the Company prior to the date of any payment due to be made by the Company hereunder that the Company will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Company is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Company within three Business Days after such due date, the Administrative Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, in the case of amounts denominated in Dollars, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Company.

(g) Notwithstanding anything to the contrary in this Section 2.11, proceeds of the Collateral that are applied to pay the Loans while a Notice of Event of Default is in effect shall be applied pursuant to Section 3.4 of the Collateral Trust Agreement.

(h) The Company agrees that, upon the request to the Administrative Agent by any Lender, the Company will promptly execute and deliver to such Lender a promissory note of the Company evidencing the Term Loans of such Lender, substantially in the form of Exhibit M, (a "Term Note"), with appropriate insertions as to date and principal amount.

2.12. Requirements of Law. Except with respect to Taxes, which shall be governed exclusively by Section 2.13 of this Agreement:

(a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority , in each case, made subsequent to the date hereof:

(i) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender that is not otherwise included in the determination of the Eurodollar Rate; or

(ii) shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount that such Lender deems material, of making, converting into, continuing or maintaining Eurodollar Loans, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Company shall pay such Lender, within 15 Business Days of receipt of notice from the relevant Lender as described below, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable. If any Lender becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify the Company (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled (including a reasonably detailed calculation of such amounts).

(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority made subsequent to the date hereof shall have the effect of reducing the

rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time, within 15 Business Days after submission by such Lender to the Company (with a copy to the Administrative Agent) of a written request therefor (together with a reasonably detailed description and calculation of such amounts), the Company shall pay to such Lender such additional amount or amounts as will compensate such Lender or such corporation for such reduction.

(c) A certificate setting forth in reasonable detail amounts payable pursuant to this Section submitted by any Lender to the Company (with a copy to the Administrative Agent) shall be conclusive in the absence of manifest error. Notwithstanding anything to the contrary in this Section, the Company shall not be required to compensate a Lender pursuant to this Section for any amounts incurred more than six months prior to the date that such Lender notifies the Company of such Lender's intention to claim compensation therefor; provided that, if the circumstances giving rise to such claim have a retroactive effect, then such six-month period shall be extended to include the period of such retroactive effect. The obligations of the Company pursuant to this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.13. Taxes. (a) All payments made by the Company under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, excluding (a) net income taxes and franchise taxes (imposed in lieu of net income taxes) imposed on the Administrative Agent or any Lender as a result of a present or former connection between the Administrative Agent or such Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the Administrative Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement or any other Loan Document) and (b) any branch profit taxes imposed by the United States or any similar tax imposed by any other Governmental Authority. If any such non-excluded taxes, levies, imposts, duties, charges, fees, deductions or withholdings ("Non-Excluded Taxes") or Other Taxes are required to be withheld from any amounts payable to the Administrative Agent or any Lender hereunder, (i) the Company shall make such deductions and shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable laws and (ii) the amounts so payable to the Administrative Agent or such Lender hereunder shall be increased to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes and Other Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement, provided, however, that the Company shall not be required to increase any such amounts payable to the Administrative Agent or any Lender with respect to any Non-Excluded Taxes except to the extent that any change in applicable law, treaty or governmental rule, regulation or governmental authorization after the time such Lender (including any new or successor Administrative Agent) becomes a party to this Agreement ("Change in Tax Law"), shall result in an increase in the rate of any deduction, withholding or payment from that in effect at the time such Lender becomes a party to this Agreement, in respect of payments to such Lender hereunder, but only to the extent of such increase. Notwithstanding anything to the contrary herein, the Company shall not be required to increase any amounts payable to the Administrative Agent or any Lender with respect to any Non-Excluded Taxes that are attributable to such Person's (i) failure to comply with the requirements of paragraph (d) of this Section 2.13 except as such failure relates to a Change in Tax Law rendering such Person legally unable to comply or (ii) bad faith, willful misconduct or gross negligence.

(b) In addition, the Company shall pay any Other Taxes over to the relevant Governmental Authority in accordance with applicable law.

(c) Whenever any Non-Excluded Taxes or Other Taxes are payable by the Company, as promptly as possible thereafter the Company shall send to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, a certified copy of an original official receipt received by the Company showing payment thereof. If the Company fails to pay any Non-Excluded Taxes or Other Taxes when due to the appropriate taxing authority or fails to remit to the Administrative Agent the required receipts or other required documentary evidence, the Company shall indemnify the Administrative Agent and the Lenders for any incremental taxes, Non-Excluded Taxes or Other Taxes, interest, additions to tax, expenses or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure; provided, however, no such indemnification obligation shall arise if the failure to pay any Non-Excluded Taxes or Other Taxes when due arose solely from or was caused solely by, directly or indirectly, any breach of any representation or covenant in this Agreement by, or bad faith, willful misconduct or gross negligence of, the applicable Lender or the Administrative Agent. The indemnification payment under this Section 2.13(c) shall be made within 30 days after the date the Administrative Agent or such Lender (as the case may be) makes a written demand therefor (together with a reasonably detailed calculation of such amounts).

(d) Each Lender (or Transferee) (i) that is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to the Company and the Administrative Agent two copies of either U.S. Internal Revenue Service Form W-8BEN or Form W-8ECI, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit L and a Form W-8BEN, Form W-8IMY (with applicable attachments), or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from U.S. federal withholding tax on all payments by the Company under this Agreement and the other Loan Documents and (ii) that is a "U.S. Person" as defined in Section 7701(a)(30) of the Code shall deliver to the Company and the Administrative Agent (or in the case of a Participant, to the Lender from which the related participation shall have been purchased) two properly completed and duly executed copies of U.S. Internal Revenue Service Form W-9 certifying that such Lender is on the date of delivery thereof entitled to an exemption from United States backup withholding tax. Such forms shall be delivered by each Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). Thereafter, each Lender shall, to the extent it is legally able to do so, deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Lender at any other time prescribed by applicable law or as reasonably requested by the Company. In the event of a Change in Tax Law, each Lender shall deliver all such forms that it is legally able to deliver, including any form claiming a reduced rate of U.S. federal withholding tax on payments by the Company under this Agreement and any other Loan Document. Each Non-U.S. Lender shall promptly notify the Company at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Company (and any other form of certification adopted by the U.S. taxing authorities for such purpose).

(e) If the Administrative Agent, any Transferee or any Lender determines, in its sole good faith discretion, that it has received a refund of any Non-Excluded Taxes or Other Taxes as to which it has been indemnified by the Company or with respect to which the Company has paid additional amounts pursuant to this Section 2.13, it shall pay over such refund to the Company (but only to the extent of indemnity payments made, or additional amounts paid, by the Company under this Section 2.13 with respect to the Non-Excluded Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent, such Transferee or such Lender and without interest (other

than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that the Company, upon the request of the Administrative Agent, such Transferee or such Lender, agrees to repay the amount paid over to the Company (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, such Transferee or such Lender in the event the Administrative Agent, such Transferee or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to (i) interfere with the right of the Administrative Agent, any Transferee or any Lender to arrange its tax affairs in whatever manner it sees fit, (ii) obligate the Administrative Agent, any Transferee or any Lender to claim any tax refund, (iii) require the Administrative Agent, any Transferee or any Lender to make available its tax returns (or any other information relating to its taxes or any computation in respect thereof which it deems in its sole discretion to be confidential) to the Company, or any other Person, or (iv) require the Administrative Agent, any Transferee or any Lender to do anything that would in its sole discretion prejudice its ability to benefit from any other refunds, credits, reliefs, remissions or repayments to which it may be entitled.

(f) Each Assignee shall be bound by this Section 2.13.

(g) The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.14. Indemnity. The Company agrees to indemnify each Lender for, and to hold each Lender harmless from, any actual loss, cost or expense that such Lender may sustain or incur as a consequence of (a) default by the Company in making a borrowing of, conversion into or continuation of Eurodollar Loans after the Company has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Company in making any prepayment of or conversion from Eurodollar Loans after the Company has given a notice thereof in accordance with the provisions of this Agreement, (c) the making of a prepayment of Eurodollar Loans (or the conversion of a Eurodollar Loan into a Loan of a different Type) on a day that is not the last day of an Interest Period with respect thereto or (d) the assignment of any Eurodollar Loan other than on the last day of an Interest Period therefor as a result of a request by the Company pursuant to Section 2.16. Such indemnification may include an amount up to the excess, if any, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of such Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank eurocurrency market. A certificate as to any amounts payable pursuant to this Section submitted to the Company by any Lender (together with a reasonably detailed calculation of such amounts) shall be conclusive in the absence of manifest error and shall be payable within 30 days of receipt of any such notice. The agreements in this Section 2.14 shall survive the termination of this Agreement and the payment of the Loans hereunder.

2.15. Change of Applicable Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.12 or 2.13(a) with respect to such Lender, it will, if requested by the Company, use reasonable efforts to file any certificate or document, as applicable (subject to overall policy considerations of such Lender) to designate another Applicable Lending Office for any Loans affected by such event with the object of avoiding or minimizing the consequences of such event; provided, that such designation is made on terms that, in the reasonable judgment of such Lender, do not cause such Lender and its lending office(s) to suffer any material economic, legal or regulatory disadvantage; and provided, further, that nothing in this Section shall affect

or postpone any of the obligations of the Company or the rights of any Lender pursuant to Section 2.12 or 2.13(a).

2.16. Replacement/Termination of Lenders. The Company shall be permitted to replace with a replacement financial institution or terminate the Commitments and repay any outstanding Loans of any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.12 or 2.13(a), (b) defaults in its obligation to make Loans hereunder or (c) fails to give its consent for any amendment or waiver requiring the consent of 100% of the Lenders or all affected Lenders (and such Lender is an affected Lender) and for which Lenders holding at least a majority of the Loans and/or Commitments required for such vote have consented; provided that (i) no Event of Default shall have occurred and be continuing at the time of such replacement, (ii) the replacement financial institution or the Company, as applicable, shall purchase or repay, at par plus accrued interest and accrued fees thereon, all Loans owing to such replaced or terminated Lender on or prior to the date of replacement or termination and shall consent to the relevant amendment or waiver, as applicable, (iii) the Company shall be liable to such replaced or terminated Lender under Section 2.14 if any Eurodollar Loan owing to such replaced Lender shall be purchased or repaid other than on the last day of the Interest Period relating thereto, (iv) any replacement financial institution, if not a Lender, shall be reasonably satisfactory to the Administrative Agent, (v) any replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 9.6 (provided that the Company shall be obligated to pay the registration and processing fee referred to therein), (vi) until such time as such replacement shall be consummated, the Company shall pay all additional amounts (if any) required pursuant to Section 2.12 or 2.13(a), as the case may be, and (vii) any such replacement, termination and/or repayment shall not be deemed to be a waiver of any rights that the Company, the Administrative Agent or any other Lender shall have against the replaced Lender.

SECTION 3 REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement and to make the Loans and make other extensions of credit hereunder Holdings and the Company hereby jointly represent and warrant to each Lender that:

3.1. Financial Condition. (a) The unaudited pro forma combined balance sheet of the Company and its Subsidiaries as at March 31, 2007 (the "Pro Forma Balance Sheet"), copies of which have heretofore been furnished to each Lender, has been prepared giving effect (as if such events had occurred on such date) to (i) the consummation of the Acquisition, (ii) the Loans to be made on the Closing Date and the use of proceeds thereof, (iii) other adjustments to reflect the effects of the Acquisition and (iv) the payment of fees and expenses in connection with the foregoing. The Pro Forma Balance Sheet has been prepared based on the best information reasonably available to the Company as of the date of delivery thereof, and presents fairly in all material respects, on a pro forma basis the estimated financial position of Company and its Subsidiaries as at March 31, 2007, assuming that the events specified above had actually occurred at such date, but without including any effects of purchase accounting and it being understood that such balance sheet does not comply with Regulation S-X and not assuming any balance sheet composition changes between March 31, 2007 and the Closing Date.

(b) The audited combined balance sheets of Chrysler Automotive as at December 31, 2005 and December 31, 2006, and the related audited combined statements of operations and comprehensive income, parent company equity/deficit and of cash flows for the fiscal years ended on such dates and on December 31, 2004, reported on by and accompanied by an unqualified report from KPMG LLP, present fairly, in all material respects, the financial position, results of operations and cash flows applicable to Chrysler Automotive for the dates and periods covered thereby as at such date, and the combined results of its operations and its combined cash flows for the respective fiscal years then ended,

in each case in conformity with GAAP. The unaudited combined balance sheet of Chrysler Automotive as at March 31, 2007, and the related unaudited combined statements of operations and comprehensive income, parent company equity/deficit and cash flows for the three-month period ended on such date, present fairly, in all material respects, the combined financial position, results of operations and cash flows applicable to Chrysler Automotive as at such date, and for the three-month period then ended. All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP (subject, in the case of the unaudited combined balance sheet of Chrysler Automotive as at March 31, 2007, and the related unaudited combined statements of operations and comprehensive income, parent company equity/deficit and cash flows for the three-month period ended on such date, to the absence of footnote disclosures and changes of the type that are normal year-end adjustments the effect of which adjustments are not expected by the Company to be material individually or in the aggregate) applied consistently throughout the periods involved (except as approved by the aforementioned firm of accountants and disclosed therein). No Group Member has any material Guarantee Obligations, contingent liabilities and liabilities for taxes, or any long-term leases or unusual forward or long-term commitments, including any interest rate or foreign currency swap or exchange transaction or other obligation in respect of derivatives, that are not reflected in the most recent financial statements and footnotes referred to in this paragraph. During the period from March 31, 2007 to and including the Closing Date there has been no Disposition by any Group Member of any material part of its business or property other than transactions required by the terms of the Acquisition Agreement. For the purposes of this clause (b), the term "Chrysler Automotive" shall mean the business conducted by the Chrysler manufacturing and wholesale distribution group of DaimlerChrysler AG, which was not separately organized under an existing legal structure in the past, combined on a basis as if the assets, liabilities and results of operations of the group were combined, as further defined in Note 1 of the related financial statements described in Section 3.1(b).

3.2. No Change. After the Closing Date there has been no development or event which has had a Material Adverse Effect.

3.3. Existence. Each Group Member (a) is duly organized, validly existing and (to the extent applicable in such jurisdiction) in good standing under the laws of the jurisdiction of its organization, (b) has the power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification and (d) is in compliance with all Requirements of Law except, in each case of the foregoing clauses (a), (b), (c) or (d), to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

3.4. Power; Authorization; Enforceable Obligations. Each Loan Party has the power and authority, and the legal right, to execute, deliver and perform the Loan Documents to which it is a party and, in the case of the Company, to obtain extensions of credit hereunder. Each Loan Party has taken all necessary organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Company, to authorize the extensions of credit on the terms and conditions of this Agreement. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Loan Documents, except (i) consents, authorizations, filings and notices described in Schedule 3.4, which consents, authorizations, filings and notices have been obtained or made and are in full force and effect and (ii) the filings referred to in Section 3.14. The execution, delivery and performance of the Acquisition Documentation do not and will not require any consent, approval, authorization or other order of, action by, filing with, or notification to, any Governmental Authority,

except (a) as described or required to be described in Section 3.04 or Section 3.05 of the DC Contributors Disclosure (as defined in the Acquisition Agreement) and other immaterial consents, approvals, authorizations, filings and notices that have been obtained or made and which are in full force and effect, (b) the premerger notification and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder, (c) the requirements of Antitrust Laws (as defined in the Acquisition Agreement) of any other relevant jurisdiction, except where the failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation of the Acquisition and would not have a Company Material Adverse Effect (as defined in the Acquisition Agreement), or (d) as may be necessary as a result of any facts or circumstances relating solely to the Investor or any of its Affiliates. Each Loan Document has been duly executed and delivered on behalf of each Loan Party thereto. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of each Loan Party party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

3.5. No Legal Bar. The execution, delivery and performance of this Agreement and the other Loan Documents, the borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law or any Contractual Obligation of any Loan Party, and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens created by the Security Documents). No Requirement of Law or Contractual Obligation applicable to the Company or any of its Subsidiaries could reasonably be expected to have a Material Adverse Effect.

3.6. Litigation. No litigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of Holdings or the Company, threatened by or against any Group Member or against any of their respective properties or revenues (a) with respect to any of the Loan Documents or any of the transactions contemplated hereby or thereby, or (b) that could reasonably be expected to have a Material Adverse Effect.

3.7. No Default. No Group Member is in default under or with respect to any of its Contractual Obligations except where such default could not reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

3.8. Ownership of Property. As of the Closing Date, the Company and each Initial Subsidiary Guarantor, as applicable, has title in fee simple to in the Mortgaged Property and has good title to or is lessee of all of its other property material to the operation of their respective businesses and none of such property is subject to any Lien except Permitted Liens; provided, that the foregoing representation shall not be deemed to have been incorrect, if (i) the property with respect to which the Company or an Initial Subsidiary Guarantor cannot make such representation has a Net Book Value of less than $250,000,000 or (ii) with respect to defects in title to any real property, such defects are cured no later than 180 days after the Closing Date or such defects could not reasonably be expected to detract from the current use or operation of the affected real property in any material respect. In addition, to the extent that any defect in title to any Mortgaged Property is insured against in any title insurance policy for the benefit of the Collateral Trustee, such defect shall not be taken into account for purposes of the preceding sentence up to the amount of such insurance coverage.

3.9. Intellectual Property. Each Group Member owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted or contemplated to

be conducted except where failure to own or be licensed could not reasonably be expected to have a Material Adverse Effect. No material claim has been asserted and is pending by any Person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property, nor does Holdings or the Company know of any valid basis for any such claim. To the knowledge of any Group Member the use of Intellectual Property by each Group Member does not infringe on the rights of any Person in any material respect.

3.10. Federal Regulations. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used for any purpose that violates the provisions of Regulation T, U or X of the Board.

3.11. ERISA. (i) Except as, in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (a) during the five year period prior to the initial date on which this representation is made or deemed made with respect to any Plan and (b) as of each subsequent date on which this representation is made or deemed made with respect to any Plan, none of the following have occurred or then exists: (I) a Reportable Event; (II) an "accumulated funding deficiency" (within the meaning of Section 412 of the Code or Section 302 of ERISA), and, on and after the effectiveness of the Pension Act, any failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA), whether or not waived; (III) the filing pursuant to Section 412 of the Code or Section 303 of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (IV) the failure to make by its due date a required installment under Section 412(m) of the Code with respect to any Plan or the failure to make any required contribution to a Multiemployer Plan; (V) the incurrence by the Company or any Commonly Controlled Entity of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Plan; (VI) on and after the effectiveness of the Pension Act, a determination that any Plan is, or is expected to be, in "at risk" status (within the meaning of Title IV of ERISA); (VII) the receipt by the Company or any Commonly Controlled Entity from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or to appoint a trustee to administer any Plan under Section 4042 of ERISA; (VIII) the incurrence by the Company or any Commonly Controlled Entity of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (IX) the receipt by the Company or any Commonly Controlled Entity of any notice, or the receipt by any Multiemployer Plan from the Company or any Commonly Controlled Entity of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is reasonably expected to be, in Insolvency or in Reorganization or, on and after the effectiveness of the Pension Act, is or is reasonably expected to be in endangered or critical status, within the meaning of Section 432 of the Code or Section 305 or Title IV of ERISA, or has been or is reasonably expected to be terminated within the meaning of Title IV of ERISA; (c) each of the Company and any Commonly Controlled Entity is in compliance with the applicable provisions of ERISA and the Code and the regulations and published interpretations; (d) the present value of all accrued benefits under each Plan of the Company and any Commonly Controlled Entity (based on those assumptions used to fund such Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits and the present value of all accrued benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) does not exceed the value of the assets of all such underfunded Plan; and (e) all amounts required by applicable law with respect to, or by the terms of, any retiree welfare benefit arrangement have been accrued in accordance with Statement of Financial Accounting Standards No. 106.

(ii) Except as, in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (a) all employer and employee contributions required by applicable law or by the terms of any Foreign Benefit Arrangement or Foreign Plan have been made, or, if applicable, accrued in

accordance with normal accounting practices; (b) the accrued benefit obligations of each Foreign Plan (based on those assumptions used to fund such Foreign Plan) with respect to all current and former participants do not exceed the assets of such Foreign Plan; (c) each Foreign Plan that is required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities; and (d) each such Foreign Benefit Arrangement and Foreign Plan is in compliance (I) with all material applicable provisions of law and all material applicable regulations and published interpretations thereunder with respect to such Foreign Plan or Foreign Benefit Arrangement and (II) with the terms of such plan or arrangement.

3.12. Investment Company Act. No Loan Party is required to register as an "investment company", or is a company "controlled" by a Person that is required to register as an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

3.13. Subsidiaries; Pledged Equity; Joint Ventures. Except as disclosed to the Administrative Agent by the Company in writing from time to time after the Closing Date, (a) Schedule 3.13(a) sets forth the name and jurisdiction of incorporation or formation of each Initial Subsidiary Guarantor, each other Domestic Subsidiary (to the extent that interests in its Capital Stock are to be pledged), and each first tier CFC whose Capital Stock is owned by a Loan Party and, as to each such Subsidiary, the percentage of each class of Capital Stock owned by any Loan Party and the percentage thereof pledged pursuant to the Security Documents; (b) there are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options granted to employees or directors and directors' qualifying shares) of any nature relating to any Capital Stock of the Company or any Subsidiary or any first tier CFC whose Capital Stock is owned by a Loan Party, except (i) as created by the Loan Documents and (ii) with respect to any JV Subsidiary; and (c) Schedule 3.13(c) sets forth the name and jurisdiction of incorporation or formation of (i) each joint venture to which the Company or a Subsidiary is a party and in which the Net Book Value of the Investment of the Company or any of its Subsidiaries is greater than $250,000,000, (ii) each JV Subsidiary and (iii) each other Subsidiary of the Company that is not otherwise identified in Schedule 3.13(a).

3.14. Security Documents. (a) Upon execution and delivery thereof by the parties thereto, the Security Agreement and each Mortgage will be effective under applicable law to create in favor of the Collateral Trustee, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral described therein; provided that the foregoing representation shall not be deemed to have been incorrect if (i) such Security Documents are not effective with respect to Collateral having an aggregate Net Book Value of less than $250,000,000, (ii) with respect to any Mortgaged Property, such failure is cured no later than 180 days from the Closing Date or (iii) at any time after the Closing Date, the Borrowing Base Coverage Ratio is at least 1.25 to 1.00 (calculated on a pro forma basis assuming such Collateral for which the Security Documents are not so effective is excluded from the Borrowing Base).

(b) As of the Closing Date, the UCC financing statements listed in Schedule 4.1(h), and the recordation of the Mortgages in the recording offices listed in Schedule 1.1E under the heading "Closing Date Mortgages", are all the filings, recordings and registrations (other than filings required to be made in the United States Patent and Trademark Office and the United States Copyright Office) that are necessary to perfect a security interest in favor of the Collateral Trustee (for the benefit of the Secured Parties) in respect of all Collateral in which the Lien granted pursuant to the Security Documents on the Closing Date may be perfected by filing, recording or registering in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements; provided that the

foregoing representation shall not be deemed to have been incorrect to the extent any security interest is not perfected with respect to Collateral having an aggregate Net Book Value of less than $250,000,000.

3.15. Environmental Laws. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(i) to the knowledge of Holdings and the Company the facilities and properties owned, leased or operated by any Group Member (the "Properties") do not contain, and have not previously contained, any Materials of Environmental Concern in amounts or concentrations or under circumstances that constitute or constituted a violation of, or could give rise to liability under, any Environmental Law;

(ii) no Group Member has received or is aware of any notice of violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Properties or the business operated by any Group Member (the "Business"), nor does Holdings or the Company have knowledge or reason to believe that any such notice will be received or is being threatened;

(iii) No Materials of Environmental Concern have been generated, treated, stored or disposed of at, on or under any of the Properties in violation of, or in a manner that could give rise to liability under, any applicable Environmental Law, nor, to the knowledge of the Company have Materials of Environmental Concern been transported or disposed of from the Properties in violation of, or in a manner or to a location that could give rise to liability under, any Environmental Law;

(iv) no judicial proceeding or governmental or administrative action is pending or, to the knowledge of Holdings and the Company, threatened in writing, under any Environmental Law to which any Group Member is or will be named as a party with respect to the Properties or the Business, nor are there any consent decrees or other decrees, consent orders, administrative orders or other written orders, or other written administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties or the Business;

(v) there has been no release or threat of release of Materials of Environmental Concern at or from the Properties, or arising from or related to the operations of any Group Member in connection with the Properties or otherwise in connection with the Business, in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws;

(vi) to the knowledge of Holdings and the Company, the Properties and all operations at the Properties are in compliance, and have in the last five years been in compliance, with all applicable Environmental Laws, and there is no contamination at, under or about the Properties or violation of any Environmental Law with respect to the Properties or the Business; and

(vii) no Group Member has assumed any liability of any other Person under Environmental Laws.

3.16. Accuracy of Information, etc. No statement or information contained in this Agreement, any other Loan Document, the Confidential Information Memorandum or any other document, certificate or statement, taken as a whole, furnished by or on behalf of any Loan Party to the

Administrative Agent or the Lenders, or any of them, for use in connection with the transactions contemplated by this Agreement or the other Loan Documents, contained as of the date such statement, information, document or certificate was so furnished (or, in the case of the Confidential Information Memorandum, together with all other information provided to the Administrative Agent or the Lenders, as of the date of this Agreement), any untrue statement of a material fact or omitted to state a material fact necessary to make the statements contained herein or therein not materially misleading. The projections and pro forma financial information contained in the materials referenced above are based upon good faith estimates and assumptions believed by management of the Company to be reasonable at the time made, it being recognized by the Lenders that such financial information as it relates to future events is not to be viewed as fact and that actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount.

3.17. Taxes. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect, each Group Member has filed or caused to be filed all Federal, state and other material tax returns that are required to be filed and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than any the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the relevant Group Member); no tax Lien (other than a Permitted Lien) has been filed, and, to the knowledge of Holdings and the Company, no claim is being asserted, with respect to any such tax, fee or other charge.

3.18. Solvency. The Loan Parties are, on a consolidated basis, after giving effect to the Acquisition and the incurrence of all Indebtedness and obligations being incurred in connection herewith and therewith will be and will continue to be, Solvent.

3.19. Regulation H. No Mortgage encumbers improved real property that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968.

3.20. Certain Documents. The Company has delivered to the Administrative Agent a complete and correct copy of the Acquisition Documentation, including any amendments, supplements or modifications with respect to any of the foregoing.

3.21. Use of Proceeds. The proceeds of the Term Loans shall be used to finance a portion of the Acquisition, to pay related fees and expenses and for general corporate purposes.

SECTION 4 CONDITIONS PRECEDENT

The following conditions precedent were satisfied (or waived) on the Closing Date:

(a) Credit Agreement; Security Documents. The Administrative Agent or the Collateral Trustee, as applicable, received:

(i) the Existing Agreement (or, in the case of any relevant Lender, an Addendum) executed and delivered by the Administrative Agent, the Company, Holdings, and each Person listed on Schedule 1.1A;

(ii) the Security Agreement, executed and delivered by Holdings, the Company and each Initial Subsidiary Guarantor;

(iii) the Guarantee, executed and delivered by Holdings and each Initial Subsidiary Guarantor;

(iv) the Trademark Security Agreement, the Patent Security Agreement and the Copyright Security Agreement, each executed and delivered by the Company, each Initial Subsidiary Guarantor (if applicable) and the Collateral Trustee;

(v) a Mortgage with respect to each property listed on Schedule 1.1E under the heading "Closing Date Mortgages", executed and delivered by the owner of the Mortgaged Property covered thereby; and

(vi) the Collateral Trust Agreement, executed and delivered by the Collateral Trustee, Holdings, the Administrative Agent (hereunder and under the Second Lien Credit Agreement), the Company and each Initial Subsidiary Guarantor.

(b) Acquisition. The Company delivered to the Administrative Agent a complete and correct copy of the Acquisition Documentation (including any amendments, supplements, or modifications with respect to any of the foregoing), and the following transactions were consummated:

(i) the transactions contemplated by the Acquisition Agreement (the "Acquisition"). No provision of the Acquisition Documentation shall have been waived, amended, supplemented or otherwise modified in any respect materially adverse to the Lenders;

(ii) at least $5,000,000,000 from (i) the proceeds of equity issued to the Sponsor and other investors satisfactory to the Lenders, (ii) repayment of intercompany receivables by FinCo, and (iii) the proceeds of the sale of Auburn Hills Property were contributed to the Company; and

(iii) The Administrative Agent received satisfactory evidence that all Indebtedness listed on Schedule 4.1(b)(iii) had been terminated and all amounts thereunder had been paid in full and satisfactory arrangements had been made for the termination of all Liens granted in connection therewith.

(c) Lien Searches. The Administrative Agent received the results of a recent lien search in respect of the Company and each other Loan Party, from the jurisdiction in which such Loan Party is located for purposes of the UCC of the relevant state(s).

(d) Fees. The Lenders, the Administrative Agent, the Lead Arrangers and the Bookrunners received all fees required to be paid, and all expenses for which invoices had presented (including the reasonable fees and expenses of legal counsel) in connection with this Agreement, on or before the Closing Date. All such amounts were paid with proceeds of Loans made on the Closing Date and will be reflected in the funding instructions given by the Company to the Administrative Agent on or before the Closing Date.

(e) Closing Certificate; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent received (i) a certificate of each Loan Party, dated the Closing Date, substantially in the form of Exhibit G, with appropriate insertions and attachments, including the certificate of incorporation (or equivalent organizational document) of each Loan Party, certified by the relevant authority of the jurisdiction of organization of such Loan Party, (ii) a long form good standing certificate for each Loan Party from its jurisdiction of organization and

(iii) a certificate of the Company, dated the Closing Date, to the effect that the conditions set forth in Section 4.1 have been satisfied.

(f) Legal Opinions. The Administrative Agent received the executed legal opinion of (i) Schulte Roth & Zabel LLP, New York counsel to the Company and its Subsidiaries, substantially in the form of Exhibit I-1, as to New York law, United States federal law and the Delaware Limited Liability Companies Act and (ii) in-house counsel to the Company and its Subsidiaries, substantially in the form of Exhibit I-2.

(g) Pledged Stock; Stock Powers; Pledged Notes. The Collateral Trustee received (i) the certificates representing the shares of Capital Stock described on Schedule 3.13(a) (in each case, to the extent such Capital Stock is certificated and constitutes a "certificated security" under the UCC), together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) each promissory note described on Schedule 4.1(g), together with an undated endorsement for each such promissory note executed in blank by a duly authorized officer of the pledgor thereof.

(h) Filings, Registrations and Recordings. The Collateral Trustee received (i) each Uniform Commercial Code financing statement listed on Schedule 4.1(h) in proper form for filing and (ii) the Mortgages for recording in the recording offices listed in Schedule 1.1E under the heading "Closing Date Mortgages".

(i) Finance Facilities. The FinCo Facilities closed and funded simultaneously with the initial extension of credit hereunder.

(j) Financial Information. The Company provided to the Administrative Agent and the Lenders the Pro Forma Balance Sheet and other financial information described in Section 3.1(a) and (b).

(k) Solvency Certificate. The Administrative Agent received a solvency certificate from the chief financial officer of the Company.

(l) Borrowing Base Certificate. The Administrative Agent received a Borrowing Base Certificate dated as of the Closing Date duly executed by a Responsible Officer setting forth a calculation of the Borrowing Base as of March 31, 2007 (adjusted to give effect to the transactions occurring on or prior to the Closing Date in connection with the Acquisition) and the Outstanding Amount of Covered Debt, after giving effect to the extensions of credit requested to be made on such date and the use of proceeds thereof, shall not exceed the Borrowing Base as so calculated.

(m) Company Material Adverse Effect. As of the Closing Date, a Company Material Adverse Effect had not occurred nor was continuing.

(n) Representations and Warranties. The Company stated that each of the representations and warranties made by the Company in or pursuant to the Loan Documents was true and correct in all material respects on and as of such date as if made on and as of such date (except to the extent such representations and warranties relate to an earlier date, in which case, such representations and warranties were true and correct in all material respects as of such earlier date).

(o) No Event of Default. No Event of Default had occurred and was continuing on such date, before and after giving effect to the extensions of credit made on such date and the use of proceeds thereof.

SECTION 5 AFFIRMATIVE COVENANTS

Holdings and the Company hereby jointly agree that, so long as the Commitments remain in effect or any Loan, interest or fee payable hereunder is owing to any Lender:

5.1. Financial Statements. The Company shall furnish to the Administrative Agent and each Lender:

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of the Company, a copy of the audited consolidated balance sheet of the Company and its consolidated Subsidiaries as at the end of such year and the related audited consolidated statements of operations and comprehensive income, member's interest and of cash flows for such year (other than with respect to the fiscal period ending December 31, 2007, for which the audited consolidated balance sheet of the Company and its Subsidiaries and the related audited consolidated statements of operations and comprehensive income, member's interest and cash flows shall be for the period commencing on the Closing Date and ending on December 31, 2007) and commencing with the fiscal period ending December 31, 2009, setting forth in each case in comparative form the figures for the previous year, reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, by KPMG LLP or other independent certified public accountants of nationally recognized standing, provided that, for the fiscal period ended December 31, 2007, the Company shall have an additional 30 days to deliver such financial statements;

(b) as soon as available, but in any event not later than 45 days after the end of each of the first three quarterly periods of each fiscal year of the Company, commencing with the fiscal period ending September 30, 2007, the unaudited consolidated balance sheet of the Company and its consolidated Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of operations and comprehensive income, member's interest and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter and commencing with the fiscal quarter ending March 31, 2009, setting forth in each case in comparative form the figures for the previous year, certified by a Responsible Officer as being fairly stated in all material respects (subject to the absence of normal year-end audit adjustments, footnotes and, with respect to the fiscal period ending September 30, 2007, adjustments for purchase accounting), provided that for the fiscal period ended September 30, 2007, (i) the Company shall have an additional 30 days to deliver such financial statements and (ii) the unaudited consolidated balance sheet of the Company and its Subsidiaries and the related unaudited consolidated statement of operations and comprehensive income, member's interest and cash flows shall be for the period commencing on the Closing Date and ending on September 30, 2007; and

(c) as soon as available after the end of each fiscal year of the Company the unaudited annual balance sheet and statement of income for each Foreign Subsidiary that have been used as the basis for determining Eligible Value of all Eligible Foreign Pledged Equity; provided that, if any such financial statements are not delivered within 120 days after the end of such fiscal year, the Eligible Value of the Eligible Foreign Pledged Equity in respect of which such statements are used as a basis for determining the Eligible Value thereof shall be deducted from the Borrowing Base until such statements have been delivered to the Administrative Agent,

but the failure to deliver such financial statements shall not otherwise constitute a Default or Event of Default hereunder.

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied (except as approved by such accountants or officer, as the case may be, and disclosed in reasonable detail therein or otherwise excepted herein) consistently throughout the periods reflected therein and with prior periods.

5.2. Borrowing Base Certificate.

(a) Not later than ten Business Days after the delivery of any financial statements pursuant to Section 5.1(a) or (b) (commencing with the delivery of financial statements of the Company for the first fiscal quarter ended after the Closing Date), the Company shall deliver to the Administrative Agent a Borrowing Base Certificate duly executed by a Responsible Officer setting forth a calculation of the Borrowing Base as of the end of the most recent fiscal quarter covered by such financial statements.

(b) The Company may, at its option, deliver to the Administrative Agent a Borrowing Base Certificate from time to time, together with and calculated based upon, an unaudited consolidated balance sheet of the Company and its Subsidiaries as at the end of a fiscal month subsequent to the period for which the most recent Borrowing Base Certificate was delivered pursuant to Section 5.2(a).

(c) Within (i) 30 days of the Closing Date, the Company shall deliver to the Administrative Agent a Borrowing Base Certificate setting forth a calculation of the Borrowing Base as of June 30, 2007, and (ii) 55 days after the end of the fiscal period ending September 30, 2007, the Company shall deliver to the Administrative Agent a Borrowing Base Certificate setting forth a calculation of the Borrowing Base as of September 30, 2007, in each case, it being acknowledged that such calculations shall be a good faith estimate on interim accounts.

5.3. Compliance and Other Information. The Company shall deliver to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Section 5.1(a), a certificate of the independent certified public accountants reporting on such financial statements stating that in making the examination necessary therefor no knowledge was obtained of any Default or Event of Default under Sections 6.1 and 6.2, except as specified in such certificate (it being understood that such certificate shall be limited to the items and scope that independent certified public accountants are permitted to cover in such certificates pursuant to their professional standards and customs of profession);

(b) concurrently with the delivery of any financial statements pursuant to Section 5.1(a) and (b), (i) a certificate of a Responsible Officer stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate and (ii) in the case of quarterly or annual financial statements, (x) a Compliance Certificate containing all information and calculations necessary for determining compliance by each Group Member with the provisions of this Agreement referred to therein as of the last day of the fiscal quarter or fiscal year of the Company, as the case may be, and (y) to the extent not previously disclosed to the Administrative Agent, (1) a description of any change in the jurisdiction of organization of any Loan Party, and (2) a description of any Person that has become a Group Member, in each case since the date of the most recent report delivered pursuant to this clause (y) (or, in the case of the first such report so delivered, since the Closing Date);

(c) as soon as available, and in any event no later than 60 days after the end of each fiscal year of the Company, a detailed consolidated budget for the following fiscal year (including a projected consolidated balance sheet of the Company and its Subsidiaries as of the end of the following fiscal year, the related consolidated statements of projected cash flow, projected changes in financial position and projected income and a description of the underlying assumptions applicable thereto) (collectively, the "Projections"), which Projections shall in each case be accompanied by a certificate of a Responsible Officer stating that such Projections are based on good faith estimates, information and assumptions believed by management to be reasonable at the time made and that such Responsible Officer has no reason to believe that such Projections are incorrect or misleading in any material respect it being recognized by the Lenders that such financial information as it relates to future events is not to be viewed as fact and that actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount;

(d) concurrently with the delivery of any financial statements pursuant to Section 5.1(a) and (b), a narrative discussion and analysis of the financial condition and results of operations of the Company and its Subsidiaries for such fiscal quarter and for the period from the beginning of the then current fiscal year to the end of such fiscal quarter, as compared to the portion of the Projections covering such periods and beginning March 31, 2009 to the comparable periods of the previous year and within 10 Business Days of the delivery thereof the Company shall host one conference call for the Lenders under this Agreement with management of the Company to discuss the same (which the Company may combine into one call with the Lenders under the Second Lien Credit Agreement);

(e) as soon as practicable prior to the effectiveness thereof, copies of substantially final drafts of any material amendment, supplement, waiver or other modification with respect to the Acquisition Documentation;

(f) promptly following any request therefor, on and after the effectiveness of the Pension Act, copies of (i) any documents described in Section 101(k) of ERISA that the Company or any Commonly Controlled Entity may request with respect to any Multiemployer plan and (ii) any notices described in Section 101(*l*) of ERISA that the Company or any Commonly Controlled Entity may request with respect to any Plan or Multiemployer Plan; provided, that if the Company or any Commonly Controlled Entity has not requested such documents or notices from the administrator or sponsor of the applicable Plan or Multiemployer Plan, the Company or the applicable Commonly Controlled Entity shall promptly make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof; and

(g) promptly, such additional financial and other information as the Administrative Agent may from time to time reasonably request.

5.4. Maintenance of Existence; Payment of Obligations; Compliance with Law. (a) The Company will, and will cause each Group Member to, continue to engage primarily in the automotive business and preserve, renew and keep in full force and effect its corporate existence and take all reasonable actions to maintain all rights necessary for the normal conduct of its business, except to the extent that failure to do so could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) The Company will, and will cause each Group Member to, pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its

material obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of the relevant Group Member or where the failure to do so could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c) The Company will, and will cause each Group Member to, comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.5. Maintenance of Property; Insurance. The Company will, and will cause each Loan Party to, maintain, as appropriate, with insurance companies that the Company believes (in the good faith judgment of the management of the Company) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in amounts (after giving effect to any self-insurance which the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as the Company believes (in the good faith judgment of the management of the Company) are reasonable in light of the size and nature of its business.

5.6. Notices. Promptly upon a Responsible Officer of the Company becoming aware thereof, the Company shall give notice to the Administrative Agent and each Lender of:

(a) the occurrence of any Default or Event of Default;

(b) any (i) default or event of default under any Contractual Obligation of any Group Member or (ii) litigation, investigation or proceeding that may exist at any time between any Group Member and any Governmental Authority, that in either case, could reasonably be expected to have a Material Adverse Effect;

(c) any litigation or proceeding affecting any Group Member (i) in which the amount involved is $250,000,000 or more and not covered by insurance or contributions of a third party that, in the judgment of the Company has the means to pay such contributions (ii) in which injunctive or similar relief is sought that, if obtained, could reasonably be expected to have a Material Adverse Effect or (iii) which relates to any Loan Document;

(d) the following events, as soon as possible and in any event within 30 days after the Company knows or has reason to know thereof: (i) the occurrence of any Reportable Event with respect to any Plan; a failure to make any required contribution to a Plan or Multiemployer Plan; (ii) on and after the effectiveness of the Pension Act, a determination that any Plan is, or is expected to be, in "at risk" status (within the meaning of Title IV of ERISA); (iii) any withdrawal from, or the termination, Reorganization or Insolvency of, any Multiemployer Plan or the determination that any Multiemployer Plan is in endangered or critical status, within the meaning of Section 432 of the Code or Section 305 or Title IV of ERISA, or (iv) the institution of proceedings or the taking of any other action by the PBGC or the Company or any Commonly Controlled Entity or any Multiemployer Plan with respect to the withdrawal from, or the termination, Reorganization or Insolvency of, any Plan or Multiemployer Plan; except, in the case of any or all of (i) through (iv), as could not reasonably be expected to result in a Material Adverse Effect; and

(e) any development or event that has had or could reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to this Section 5.6 shall be accompanied by a statement of a Responsible Officer setting forth details of the occurrence referred to therein and stating what action the relevant Group Member proposes to take with respect thereto.

5.7. Additional Collateral, etc.. (a) Within 30 days after the formation or acquisition of any Additional Subsidiary Guarantor (or the making of a single investment or a series of related investments having a value (determined by reference to Net Book Value, in the case of an investment of assets) of $250,000,000 or more in the aggregate by the Company or a Subsidiary Guarantor, directly or indirectly, in a Domestic Subsidiary (other than an Excluded Subsidiary) that is not a Subsidiary Guarantor or the acquisition of any property or assets by a Domestic Subsidiary, in each case, that results in such Domestic Subsidiary becoming an Additional Subsidiary Guarantor), the Company shall (or shall cause the relevant Subsidiary to) (i) execute and deliver to the Collateral Trustee such amendments or supplements to the Security Agreement as the Administrative Agent deems necessary to grant to the Collateral Trustee, for the benefit of the Secured Parties, a perfected security interest in the Capital Stock of such Additional Subsidiary Guarantor (or Domestic Subsidiary receiving such investment(s) or acquiring such property or assets), (ii) deliver to the Collateral Trustee the certificates, if any, representing such Capital Stock (to the extent constituting "certificated securities" under the applicable UCC), together with undated stock powers, in blank, executed and delivered by a duly authorized officer of the relevant Loan Party, and (iii) cause such Additional Subsidiary Guarantor (or Domestic Subsidiary receiving such investment(s) or acquiring such property or assets) (A) to become a party to the Security Agreement, the Guarantee and the Collateral Trust Agreement and (B) to take such actions as are necessary to grant to the Collateral Trustee for the benefit of the Secured Parties a valid, perfected security interest in the Collateral described in the Security Agreement with respect to such Additional Subsidiary Guarantor (or Domestic Subsidiary receiving such investment(s) or acquiring such property or assets), including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be required by law. The foregoing provisions of this Section 5.7(a), shall not apply to the MOPAR Subsidiary or a Real Estate Subsidiary to the extent that, and for so long as, the taking of any such action with respect to the MOPAR Subsidiary or Real Estate Subsidiary, as the case may be, is prohibited by the provisions of any financing permitted by clause (w) (in the case of the MOPAR Subsidiary) or (v) (in the case of a Real Estate Subsidiary) of the definition of Permitted Indebtedness (it being understood that upon the expiration of any such prohibition the Company will promptly comply with such provisions as if they had first become applicable upon the expiration thereof).

(b) Within 30 days after the formation or acquisition of any new Foreign Subsidiary the Capital Stock of which is owned directly by the Company or any Subsidiary Guarantor (other than the Capital Stock of any Excluded Subsidiary or any other Subsidiary to the extent the ownership interest in such Subsidiary has a Net Book Value of $250,000,000 or less), the Company shall (or shall cause the relevant Subsidiary Guarantor to) promptly (i) execute and deliver to the Administrative Agent such amendments or supplements to the Security Agreement as the Collateral Trustee or the Administrative Agent deems necessary to grant to the Collateral Trustee, for the benefit of the Secured Parties, a perfected security interest in a portion of the Capital Stock of such new Foreign Subsidiary that is owned by the Company or such Subsidiary Guarantor (provided that in no event shall more than 66% of the total outstanding Voting Stock of any such new Foreign Subsidiary be required to be so pledged unless the Company in its sole discretion otherwise agrees), and (ii) deliver to the Collateral Trustee the certificates, if any, representing such Capital Stock, together with undated stock powers, in blank, executed and delivered by a duly authorized officer of the Company or the relevant Subsidiary Guarantor, and take such other action as may be reasonably requested by the Collateral Trustee or the Administrative Agent in order to perfect the Collateral Trustee's security interest therein including the execution and delivery of a pledge agreement governed by the law of the jurisdiction in which such Foreign Subsidiary is domiciled.

(c) The Company shall use its commercially reasonable efforts to (i) grant to the Collateral Trustee, for the benefit of the Secured Parties, a security interest in the Capital Stock of any newly-formed or after-acquired joint venture (or a holding company parent thereof) owned directly by the Company or a Subsidiary Guarantor if the amount recorded by the Company or such Subsidiary Guarantor as its investment in such joint venture exceeds $250,000,000 and (ii) in the case of any domestic JV Subsidiary in which the Company directly or indirectly owns at least 80% of the voting or economic interest, to cause such JV Subsidiary to become a Subsidiary Guarantor (in each case, it being understood that such efforts shall not require any economic or other significant concession or result in any adverse tax consequences with respect the terms or structure of such joint venture arrangements).

(d) Within 30 days after the occurrence thereof, the Company will notify the Collateral Trustee and the Administrative Agent of any changes to the name, jurisdiction of incorporation or formation or legal form of the Company or any Subsidiary Guarantor.

(e) The Company shall use reasonable efforts to deliver to the Administrative Agent no later than 180 days after the Closing Date each of the items described on Schedule 5.7(e) (collectively the "Post-Closing Deliverables") and each Real Estate Deliverable. If any of the Post-Closing Deliverables or Real Estate Deliverables are not provided within such 180-day period (i) the Borrowing Base will be reduced by the Eligible Value of the Capital Stock for which a Post-Closing Deliverable is outstanding or by the Eligible Value of the Eligible P&E for which a Real Estate Deliverable is outstanding and no Default or Event of Default shall be deemed to have occurred as a result thereof, and (ii) the Applicable Margin shall be increased by 0.25% until such time as all outstanding Post-Closing Deliverables are delivered.

(f) The Company shall promptly take such steps as the Administrative Agent may reasonably request in order to grant, preserve, protect and perfect the validity and priority of the security interests created or intended to be created in the Collateral. Notwithstanding anything to the contrary herein or in any other Loan Document, neither the Company nor any Subsidiary Guarantor shall be required to perfect the security interests granted by it in any Collateral by any means other than by (a) execution, delivery and recordation of a Mortgage, (b) filings pursuant to the UCC of the relevant State(s) (including with respect to fixtures covered by any Mortgage) or equivalent filings under local jurisdictions to the extent required with respect to the pledge of the Capital Stock of any Foreign Subsidiary, (c) delivery to the Collateral Trustee to be held in its possession of each promissory note listed on Schedule 4.1(g), together with an undated endorsement for each such promissory note executed in blank by a duly authorized officer of the pledgor thereof, and, to the extent certificated and constituting "certificated securities" under the UCC, Capital Stock listed on Schedule 3.13(a) or required to be pledged pursuant to Section 5.7(a), together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof, (d) delivery of each other promissory note or certificated Capital Stock and constituting "certificated securities" under the UCC constituting Collateral to the extent such promissory note evidences Indebtedness, or such Capital Stock has a Net Book Value, in excess of $250,000,000, together with an undated endorsement or stock power for each such promissory note or certificate, as applicable, executed in blank by a duly authorized officer of the pledgor thereof and (e) filing with the United States Patent and Trademark Office and the United States Copyright office, as the case may be, against any registered trademarks, patents and copyrights listed on Schedule 1.1F.

(g) By June 30 and December 31 of each year, the Company shall deliver to the Administrative Agent and the Collateral Trustee a notice containing a list of all patents and trademarks registered by the Company or any Loan Party at the United States Patent and Trademark Office since the last such notice was delivered (or in the case of the first notice, since the Closing Date), and shall take such steps as the Administrative Agent may reasonably request in order to perfect the security interests

granted in such Collateral by filing against such patents and trademarks at the United States Patent and Trademark Office.

(h) At the request of the Company and notwithstanding Section 9.1(a), the Administrative Agent shall negotiate with the Company in good faith to amend Schedule 1.1B to include a Borrowing Base Amount calculation for any asset of the Company or any Subsidiary that does not have a Borrowing Base Amount at the time such asset becomes Collateral (including the Advance Percentage related thereto and any eligibility or other requirements the Administrative Agent deems reasonably necessary for a determination thereof consistent with the criteria used in determining Borrowing Base Amounts as of the Closing Date).

(i) With respect to any fee interest in any real property having a value (together with improvements thereof) of at least $20,000,000 acquired after the Closing Date by any Loan Party (other than (x) any such real property subject to a Lien expressly permitted by clause (h) of the definition of Permitted Liens or (y) dealership properties), promptly (i) execute and deliver a first (and second) priority Mortgages, in favor of the Collateral Trustee covering such real property, (ii) if requested by the Administrative Agent or the Collateral Trustee, provide (x) title and extended coverage insurance covering such real property in an amount at least equal to the purchase price of such real property (or such other amount as shall be reasonably specified by the Administrative Agent or the Collateral Trustee) as well as a current ALTA survey thereof, together with a surveyor's certificate and (y) any consents or estoppels reasonably deemed necessary or advisable by the Administrative Agent or the Collateral Trustee in connection with such Mortgage, each of the foregoing in form and substance reasonably satisfactory to the Administrative Agent and Collateral Trustee and (iii) if requested by the Collateral Trustee, deliver to the Collateral Trustee legal opinions relating to the matters described above, which opinions shall be in form and substance, and from counsel, reasonably satisfactory to the Collateral Trustee.

(j) Notwithstanding anything to the contrary herein, in no case shall a Person be required to grant a security interest in any stock of a CFC (other than 100% of the nonvoting stock (if any) and 65% of the Voting Stock of a first-tier CFC).

(k) If any Loan Party shall obtain an interest in any Commercial Tort Claim (as defined in the Security Documents) with a potential value in excess of $100,000,000, such Loan Party shall within 30 days after obtaining such interest sign and deliver documentation acceptable to the Administrative Agent granting a security interest to the Collateral Trustee under the terms and provisions of the Security Agreement in and to such Commercial Tort Claim.

5.8. Environmental Laws. The Company shall and shall cause each Group Member to comply in all respects with all applicable Environmental Laws, and obtain and comply in all material respects with and maintain any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws, except, in each case, where the failure to comply with such Environmental Laws or obtain such licenses, approvals, notifications, registrations or permits could not reasonably be expected to have a Material Adverse Effect.

5.9. Inspection of Property; Books and Records; Discussions. The Company shall and shall cause each Group Member to (a) keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities, and (b) permit representatives of the Administrative Agent or during the continuance of any Event of Default, any Lender, to visit and inspect any of its properties and examine and make abstracts from any of its books and records upon reasonable prior notice during normal business hours and as often as may reasonably be desired and to discuss the

business, operations, properties and financial and other condition of the Group Members with officers and employees of the Group Members and with their independent certified public accountants. The Company shall not have any obligation to disclose materials that are protected by attorney-client privilege and materials the disclosure of which would violate confidentiality obligations of the Company.

SECTION 6 NEGATIVE COVENANTS

The Company hereby agrees that, so long as the Commitments remain in effect, or any Loan, interest or fee payable hereunder is owing to any Lender:

6.1. Borrowing Base. The Company shall not permit the Outstanding Amount of Covered Debt at any time to exceed the Borrowing Base then in effect at such time for any period of five consecutive Business Days.

6.2. Intentionally Deleted.

6.3. Liens. The Company and Holdings will not, nor will they permit any Group Member to, create, incur, assume or suffer to exist any Lien upon any of the Collateral except Permitted Liens.

6.4. Indebtedness. The Company will not, nor will it permit any Group Member to, create, incur, assume or suffer to exist any Indebtedness except Permitted Indebtedness.

6.5. Asset Sale Restrictions. The Company and Holdings shall not, and shall not permit any Group Member to, Dispose of any of its property, whether now owned or hereafter acquired, except:

(a) Dispositions of receivables or inventory in the ordinary course of business;

(b) Dispositions of obsolete or worn out property in the ordinary course of business including, without limitation, leases with respect to facilities that are temporarily not in use or pending their disposition, or accounts receivable in connection with the compromise, settlement or collection thereof;

(c) Dispositions of any JV Subsidiaries Stock in accordance with the applicable joint venture agreement relating thereto;

(d) any Disposition of (i) any Domestic Subsidiary's Capital Stock to the Company or any Subsidiary Guarantor or (ii) any Foreign Subsidiary's (other than any Foreign Subsidiary, the stock of which is pledged as Collateral) stock to the Company, any Subsidiary Guarantor or any other Foreign Subsidiary;

(e) any Disposition of cash, Cash Equivalents or Temporary Cash Investments in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents;

(f) to the extent allowable under Section 1031 of the Code, any Disposition of assets in exchange for other like property for use in a business of the Company and its Subsidiaries;

(g) any Disposition by the Company or any of its Subsidiaries of any dealership property or Capital Stock in a dealership Subsidiary to the operating management of a dealership or any

Disposition of property in connection with the dealer optimization plan, in each case, in the ordinary course of business;

(h) any Disposition of assets between or among (i) the Loan Parties and (ii) the Company and its Subsidiaries and FinCo and its Subsidiaries in accordance with the Master Agreement;

(i) the licensing and sublicensing of patents, trademarks and other intellectual property or other general intangibles to third persons on customary terms as determined by the board of directors, or such other individuals as they may delegate, in good faith and the ordinary course of business;

(j) (i) any Disposition required by the terms of any Permitted Transaction and made in accordance with such terms (ii) any Disposition of aftermarket and replacement parts inventory of the MOPAR division of Chrysler Motors LLC to the MOPAR Subsidiary in connection with any financing permitted by clause (w) of the definition of Permitted Indebtedness, or (iii) any Disposition of real estate and improvements to a Real Estate Subsidiary in connection with any financing permitted by clause (v) of the definition of Permitted Indebtedness;

(k) any Disposition of any other assets with an aggregate Net Book Value during the term of this Agreement not to exceed $250,000,000;

(l) any Disposition of assets listed on Schedule 6.5;

(m) any Disposition of any other assets (other than Principal Trade Names); provided that, (i) after giving pro forma effect to such Disposition and the application of proceeds therefrom, the Borrowing Base Coverage Ratio is (or after giving effect to any concurrent deposit into the Asset Sale Collateral Account, will be) at least 1.15:1.00, (ii) for up to $250,000,000 in the aggregate (by Net Book Value) of assets Disposed of under this clause (m) at least 50% of the consideration for such Disposition is in cash or Cash Equivalents and thereafter at least 75% of the consideration for such Disposition is in cash or Cash Equivalents, and (iii) to the extent such Disposition constitutes an Asset Sale, the Net Cash Proceeds thereof shall be reinvested or committed to be reinvested to acquire or repair assets useful in the business of the Company within 18 months of such Disposition or, if not so reinvested or committed to be reinvested, then, within ten days of the Reinvestment Prepayment Date, the Company shall make a Mandatory Prepayment with such Net Cash Proceeds not so reinvested or committed for reinvestment within such period pursuant to Section 2.5(a)(ii). Pending the final application of any Net Cash Proceeds, the Company may invest the Net Cash Proceeds in any manner that is not prohibited by this Agreement;

(n) the transfer to DaimlerChrysler AG or its Affiliates of certain businesses related to Mercedes-Benz and Freightliner/Sterling located in Venezuela and Mexico required by the IDCA;

(o) licensing of Principal Trade Names for use in industries other than the automotive, motor vehicle or related industries; and

(p) Dispositions permitted by clause (i) of Section 6.7(b) or Section 6.10.

Notwithstanding anything in this Section 6.5 to the contrary, (i) any Disposition described in this Section 6.5 shall be permitted if such Disposition is to a Loan Party and (ii) in no circumstance shall any Disposition of, or any Disposition the effect of which is to Dispose of, any Principal Trade Name be permitted hereunder (other than as specified in clause (o)).

6.6. Restricted Payments. The Company will not, and will not permit any Subsidiary to, (i) declare or pay any dividend (other than dividends payable solely in common Capital Stock of the Person making such dividend) on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of any Group Member, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of any Group Member, and (ii) optionally prepay, repurchase, redeem or otherwise optionally satisfy or defease with cash, Cash Equivalents or Temporary Cash Investments any Material Unsecured Indebtedness (any such payment referred to in clauses (i) and (ii), a "Restricted Payment"), other than:

(a) redemptions, acquisitions or the retirement for value or repurchases (or loans, distributions or advances to effect the same) of shares of Capital Stock from current or former officers, directors, consultants and employees, including upon the exercise of stock options or warrants for such Capital Stock, or any executive or employee savings or compensation plans, or, in each case, to the extent applicable, their respective estates, spouses, former spouses or family members or other permitted transferees;

(b) any Permitted Refinancing of Material Unsecured Indebtedness; provided that a certificate of a Responsible Officer of the Company is delivered to the Administrative Agent at least five Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Company has determined in good faith that such terms and conditions satisfy the foregoing requirement and such terms and conditions shall be deemed to satisfy the foregoing requirement unless the Administrative Agent notifies the Company within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees);

(c) commencing upon delivery in accordance with Section 5.1(a) of the audited financial statements for the Company for the 2008 fiscal year, additional Restricted Payments in an aggregate amount in each fiscal year not to exceed Cumulative Excess Cash Flow as of the last day of the preceding fiscal year provided that no Default or Event of Default has occurred and is continuing at the time of any such Restricted Payment and after giving pro forma effect to such Restricted Payment the Borrowing Base Coverage Ratio is at least 1.15 to 1.00;

(d) even if a Default or Event of Default has occurred and is continuing, the Company may make distribution of assets to any Parent Entity to fund a repurchase or redemption by such Parent Entity of the Capital Stock of such Parent Entity owned by any DC Contributor that may be repurchased or redeemed in accordance with the terms of the limited liability company agreement of Chrysler Holding LLC (the "DCH Equity Redemption Obligation") to satisfy the DCH Equity Redemption Obligation as long as contemporaneously with such distribution the Sponsor (or any Parent Entity) shall have made a contribution of cash or Cash Equivalents or other assets to the Company with a value at least equal to the assets distributed;

(e) any Subsidiary (including an Excluding Subsidiary) may make Restricted Payments to its direct parent or to the Company or any Wholly Owned Subsidiary Guarantor;

(f) the Company may pay dividends to any Parent Entity to enable such Person to reimburse the reasonable out-of-pocket expenses of Sponsor incurred in connection with

providing or obtaining management, consulting, monitoring, financial advisory, accounting or other services to or for the benefit of the Parent Entity or the Group Members;

(g) the Company may make Restricted Payments to any Parent Entity to enable such Person to (i) pay corporate overhead expenses incurred in the ordinary course of business (including, without limitation, franchise taxes, directors' fees and reasonable accounting, legal and administrative expenses of any such Parent Entity), and (ii) pay any taxes that would be due and payable by any such Parent Entity or its direct or indirect members that are directly attributable to such Parent Entity's ownership interest in the Company and its Subsidiaries in an amount computed for any taxable year or period on the basis as if such Parent Entity had elected to be treated as a corporation for all income tax purposes as of the day immediately following the Closing Date;

(h) any JV Subsidiary may make Restricted Payments required or permitted to be made pursuant to the terms of the joint venture arrangements of holders of its Capital Stock;

(i) the Company and its Subsidiaries may make Restricted Payments to FinCo and its Subsidiaries to the extent required by the Master Agreement;

(j) the Company may make payments, to any Parent Entity (to enable such Person to make distributions) or pay directly to DaimlerChrysler AG (or any of its Affiliates), with the proceeds of any tax refund received or which reduced amounts otherwise payable by the Company or any Subsidiary in connection with any taxes paid by the Company, any Subsidiary or any predecessor (for purposes of such tax refund) of the Company or such Subsidiary in respect of any period or portion of any period ending on or prior to the Closing Date, to the extent such tax refunds are to be shared with or paid to DaimlerChrysler AG (or any of its Affiliates) pursuant to the terms of Section 7.01(a)(ii) or Section 7.02(a) of the Acquisition Agreement; and

(k) the Company and any of its Subsidiaries may make payments to satisfy the Acquisition True-Up Obligations to the extent required by the Acquisition Agreement.

6.7. Fundamental Changes. The Company will not, and will not permit any Group Member to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its property or business, except that:

(a) (i) any Subsidiary of the Company may be merged, consolidated or amalgamated with or into the Company (provided that the Company shall be the continuing or surviving corporation) or with or into any Wholly Owned Subsidiary Guarantor (provided that the Wholly Owned Subsidiary Guarantor shall be the continuing or surviving corporation) (ii) any Excluded Subsidiary may merge, consolidate or amalgamate with any other Excluded Subsidiary; and

(b) any Subsidiary of the Company may Dispose of any or all of its assets (i) to the Company or any Wholly Owned Subsidiary Guarantor (upon voluntary liquidation, winding up, dissolution or otherwise) or (ii) pursuant to a Disposition permitted by Section 6.5.

Notwithstanding anything contained in this Section 6.7 to the contrary, any Investment expressly permitted by Section 6.10 may be structured as a merger, consolidation or amalgamation.

6.8. Negative Pledge. The Company will not itself, and will not permit any Domestic Subsidiary (other than an Excluded Subsidiary) to, enter into or suffer to exist or become effective any

agreement that prohibits or limits the ability of the Company or any such Subsidiary to create, incur, assume or suffer to exist any Lien upon any of its property or revenues, whether now owned or hereafter acquired, to secure its obligations under the Loan Documents to which it is a party other than (a) this Agreement and the other Loan Documents, (b) any agreements governing any purchase money Liens, Capital Lease Obligations or any Permitted Transactions otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby or transferred thereto), (c) the DC Credit Support Agreement and the related escrow, control and security agreements, provided that any prohibition or limitation shall be effective only against the one or more segregated deposit or securities accounts created pursuant to such agreements, (d) any agreements restricting Liens on the aftermarket and replacement parts inventory of the MOPAR division of Chrysler Motors LLC and the proceeds thereof or on the assets of the MOPAR Subsidiary and the proceeds thereof or on the Capital Stock of the MOPAR Subsidiary pursuant to any financing permitted by clause (w) of the definition of Permitted Indebtedness, and (e) any agreements restricting Liens on real estate and improvements subject to a Lien permitted under clause (x) of the definition of Permitted Liens or on the assets of a Real Estate Subsidiary and the proceeds thereof or on the Capital Stock of a Real Estate Subsidiary pursuant to any financing permitted by clause (v) of the definition of Permitted Indebtedness.

6.9. Sale/Leaseback Transactions. The Company will not itself, and it will not permit any Group Member to, enter into any arrangement with any Person providing for the leasing by any such Group Member of real or personal property that has been or is to be sold or transferred by any such Group Member to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of any such Group Member (a "Sale/Leaseback Transaction"), except (i) that the Company or a Group Member may enter into any Sale/Leaseback Transaction after the date of this Agreement, so long as immediately after giving effect to the incurrence of such Attributable Obligations with respect to any such Sale/Leaseback Transaction, the Outstanding Amount of such Attributable Obligations is permitted to be incurred at such time under Section 6.4, (ii) in connection with any Permitted Transaction, and (iii) any other Sale/Leaseback Transactions existing on the Closing Date and set forth on Schedule 6.9, together with any amendments, extensions, renewals, replacements or refinancings thereof; provided that any Lien incurred with respect thereto may not extend to any other property owned by the Group Member. Notwithstanding any provision to the contrary contained in the foregoing, any obligations of the Company or any of its Subsidiaries in respect of the Gelco Lease Program (or any similar program that supplements or replaces the Gelco Lease Program) shall not constitute Attributable Obligations for the purposes of this Agreement.

6.10. Investments. The Company and Holdings shall not, and will not permit any Group Member to make any advance, loan, extension of credit (by way of guaranty or otherwise) or capital contribution to, or purchase any Capital Stock, bonds, notes, debentures or other debt securities of, or any assets constituting a business unit of, or make any other investment in, any Person (all of the foregoing, "Investments"), except:

(a) extensions of trade credit in the ordinary course of business, including, without limitation, to customers or advances, deposits and payment to or with suppliers, lessors or utilities or for workers' compensation or medical insurance;

(b) Investments in Cash Equivalents or Temporary Cash Investments;

(c) Guarantee Obligations permitted by Section 6.4;

(d) loans and advances to directors, officers and employees of any Group Member in the ordinary course of business (including for travel, entertainment and relocation expenses);

(e) the Acquisition and any other Investments related to the Acquisition to the extent expressly contemplated by the Acquisition Documentation;

(f) intercompany Investments by (i) any Group Member in the Company or any Person that, prior to such investment, is a Wholly Owned Subsidiary Guarantor, (ii) any non-Loan Party Subsidiary in any other non-Loan Party Subsidiary, and (iii) any Group Member in the MOPAR Subsidiary or a Real Estate Subsidiary in connection with a financing permitted by clause (w) (in the case of the MOPAR Subsidiary) or (v) (in the case of a Real Estate Subsidiary) of the definition of Permitted Indebtedness, provided, however, that the intercompany Investments permitted pursuant to this clause (iii) shall consist solely of the assets which will serve as security for the financings permitted under clauses (w) and (v) of the definition of "Permitted Indebtedness";

(g) intercompany Investments arising from the incurrence of Permitted Indebtedness;

(h) Investments existing on the Closing Date and renewals or extensions of any such Investment to the extent not involving any additional Investments other than as the result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities, in each case pursuant to the terms of such Investments as in effect on the date of this Agreement;

(i) Investments (i) received in satisfaction or partial satisfaction of delinquent accounts and disputes with customers or suppliers of such Person in the ordinary course of business; (ii) acquired as a result of foreclosure of a Lien securing an Investment or the transfer of the assets subject to such Lien in lieu of foreclosure or (iii) consisting of deposits, prepayments and other credits to suppliers made in the ordinary course of business consistent with the past practices of the Company and its Subsidiaries;

(j) Investments constituting non-cash consideration useful in the operation of the business received by the Company or any of its Subsidiaries in connection with permitted Asset Sales and other Dispositions permitted under Section 6.5;

(k) Investments by the Company or any of its Subsidiaries in FinCo or any of its Subsidiaries (i) to the extent required or contemplated by the Master Agreement as in effect on the Closing Date, plus (ii) any additional amount funded from a cash contribution to the Company's common Capital Stock;

(l) Investments required pursuant to the terms of any Permitted Transaction and made in accordance with such terms;

(m) other Investments not otherwise expressly permitted by this Section (including, without limitation, the contribution of assets by a Loan Party to a joint venture or a JV Subsidiary), in an aggregate amount (including assumed Indebtedness) valued at the cost at the time of the incurrence not exceeding during the term of this Agreement 3.5% of Consolidated Total Assets (adjusted to exclude the effect of purchase accounting) of the Company, as of the last day of the Company's most recent fiscal period for which financial statements have been provided pursuant to Section 5.1;

(n) Investments in Foreign Subsidiaries in an aggregate principal amount not to exceed $250,000,000;

(o) Investments pursuant to the terms of that certain Memorandum of Understanding, dated July 4, 2007, between Chery Automobile Co. LTD. and DaimlerChrysler Company LLC, relating to the proposed "Chery" bonafide joint venture arrangement, in an aggregate principal amount not to exceed $625,000,000;

(p) Investments in dealerships in the ordinary course of business; and

(q) Investments in troubled suppliers consistent with past practices (consisting of unsecured Guarantee Obligations under clause (s) of Permitted Indebtedness) or otherwise consistent with past practices.

6.11. Transactions with Affiliates. The Company will not itself and will not permit any Subsidiary to enter into any transaction, including any purchase, sale, lease or exchange of property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than Holdings, the Company or any Subsidiary) unless such transaction is (a) otherwise permitted under this Agreement, (b) in the ordinary course of business of the relevant Group Member, and (c) upon fair and reasonable terms no less favorable to the relevant Group Member than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate. The foregoing restrictions shall not apply to:

(a) payments to the Sponsor and its Control Investment Affiliates of reimbursements of reasonable out-of-pocket reasonable expenses of Sponsor incurred in connection with providing or obtaining management, consulting, monitoring, financial advisory, accounting or other services to or for the benefit of the Group Members;

(b) reasonable fees and compensation paid to and indemnity provided on behalf of officers, directors, consultants or employees of the Company or any of its Subsidiaries pursuant to customary employment, consulting and benefit arrangements;

(c) any employment, stock option, stock repurchase, employee benefit compensation, business expense reimbursement, severance, termination or other employment-related agreements, arrangements or plans entered into by the Company or any of its Subsidiaries in the ordinary course of business;

(d) any agreement as in effect as of the Closing Date and set forth on Schedule 6.11 or any amendment thereto or any transaction contemplated thereby (including pursuant to any amendment thereto and any extension of the maturity thereof) and any replacement agreement thereto so long as any such amendment or replacement agreement is not materially more disadvantageous to the Agents and the Lenders, in any material respect, than the original agreement as in effect on the Closing Date;

(e) the agreements entered into with Affiliates on the Closing Date in connection with the closing of the Acquisition as the same are in effect as of the Closing Date and the transactions contemplated thereby;

(f) servicing agreements and other similar arrangements customary in fleet financing securitization transactions; and

(g) transactions with the DC Contributors contemplated by the Acquisition Documentation.

6.12. Swap Agreements. The Company will not itself, and will not permit any Subsidiary to enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or mitigate risks to which the Company or any Subsidiary has actual or anticipated exposure (other than those in respect of Capital Stock) and (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates with respect to any interest-bearing liability or investment of the Company or any Subsidiary.

6.13. Changes in Fiscal Periods. The Company will not itself and will not permit any Subsidiary to permit the fiscal year of the Company to end on a day other than December 31 or change the Company's method of determining fiscal quarters, in each case, unless otherwise agreed by the Administrative Agent.

6.14. Clauses Restricting Subsidiary Distributions. The Company will not, and will not permit any Domestic Subsidiary (other than an Excluded Subsidiary) to, enter into or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any such Subsidiary to (a) make Restricted Payments in respect of any Capital Stock of such Subsidiary held by, or pay any Indebtedness owed to, the Company or any other Subsidiary, (b) make loans or advances to, or other Investments in, the Company or any other Subsidiary or (c) transfer any of its assets to the Company or any other Subsidiary, except for such encumbrances or restrictions existing under or by reason of (i) any restrictions existing under the Loan Documents or the Second Lien Credit Agreement, (ii) any restrictions with respect to a Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially all of the Capital Stock or assets of such Subsidiary, (iii) any agreement or instrument governing Indebtedness assumed in connection with the acquisition of assets by the Company or any Subsidiary permitted hereunder or secured by a Lien encumbering assets acquired in connection therewith, which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person or the properties or assets of the Person so acquired, (iv) restrictions on the transfer of assets subject to any Lien permitted by Section 6.3 imposed by the holder of such Lien or on the transfer of assets subject to a Disposition permitted by Section 6.5 imposed by the acquirer of such assets, (v) provisions in joint venture agreements and other similar agreements (in each case relating solely to the respective joint venture or similar entity or the equity interests therein) entered into in the ordinary course of business, (vi) restrictions contained in the terms of any agreements governing purchase money obligations, Capital Lease Obligations or Attributable Obligations not incurred in violation of this Agreement; provided, that such restrictions relate only to the property financed with such Indebtedness, (vii) restrictions on cash or other deposits imposed by customers under contracts or other arrangements entered into or agreed to in the ordinary course of business, (viii) customary non-assignment provisions in leases, contracts, licenses and other agreements entered into in the ordinary course of business and consistent with past practices, and (ix) any encumbrance or restriction imposed by any terms of any Indebtedness permitted by clause (g) of the definition of Permitted Indebtedness or on the MOPAR Subsidiary or a Real Estate Subsidiary imposed by any terms of Indebtedness permitted by clause (w) (in the case of the MOPAR Subsidiary) or (v) (in the case of a Real Estate Subsidiary) of the definition of Permitted Indebtedness or by any amendments, modifications, restatements, increases, supplements, refundings, replacements, or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (viii) above; provided, however, that the provisions relating to such encumbrance or restriction contained in any such Indebtedness amendment, modification, restatement, increase, supplement, refunding, replacement, or refinancing are no less favorable to the Company and its Subsidiaries and the Lenders in any material respect, than the provisions relating to such encumbrance or restriction contained in agreements referred to in such clause or in the case of any Indebtedness permitted by clause (g) of the definition of Permitted Indebtedness, this Agreement.

6.15. Amendments to Acquisition Documentation. (a) Holdings and the Company will not, and will not permit any Group Member to, amend, supplement or otherwise modify (pursuant to a waiver or otherwise) the terms and conditions of the indemnities and licenses furnished to the Company or any of its Subsidiaries pursuant to the Acquisition Documentation such that after giving effect thereto such indemnities or licenses, taken as a whole, shall be materially less favorable to the interests of the Loan Parties or the Lenders with respect thereto or (b) otherwise amend, supplement or otherwise modify the terms and conditions of the Acquisition Documentation except for any such amendment, supplement or modification that (i) becomes effective after the Closing Date and (ii) could not reasonably be expected to have a Material Adverse Effect.

6.16. Asset Sale Collateral Account. The Company may not withdraw amounts from the Asset Sale Collateral Account unless (i) such amounts are used to prepay the Term Loans or (ii) such amounts equal the amount that the Company has, substantially contemporaneously with such withdrawal, reinvested into its business, whether such reinvestment is from its working capital or from the proceeds in the Asset Sale Collateral Account, provided that, no Default or Event of Default shall have occurred and be continuing at the time of, or as a result of, such withdrawal.

6.17 Prepayments of Second Lien Credit Agreement. The Company will not and will not permit any Group Member to, optionally prepay, redeem, repurchase or otherwise optionally satisfy or defease (including with cash, Temporary Cash Investments, Cash Equivalents or otherwise), any Indebtedness outstanding under the Second Lien Credit Agreement until all the Loans and other Obligations outstanding under this Agreement have been paid or satisfied in full.

6.18. Second Lien Credit Agreement. The Company shall not terminate, cancel, reduce or extend the commitments under the Second Lien Credit Agreement or let the commitments thereunder expire undrawn. Notwithstanding the foregoing, the Company may reallocate up to $500,000,000 of the unfunded commitments under the Second Lien Credit Agreement to an unsecured credit agreement or indenture that has terms, including without limitation, covenants, events of default, guarantees, interest rate, call features and redemption premiums that are the same as or are less restrictive to the Company as those contained in the Second Lien Credit Agreement as in effect on the Closing Date; provided that the Company has delivered a certificate of a Responsible Officer of the Company to the Administrative Agent at least five Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the reallocation of such commitments, together with drafts of the documentation relating to the credit documents for such reallocated commitments, stating that the Company has determined in good faith that such terms and conditions satisfy the foregoing requirements. Such terms and conditions shall be deemed to satisfy the foregoing requirement unless the Administrative Agent notifies the Company within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees). From and after the effective date of any such reallocation, the term "Second Lien Credit Agreement" shall be deemed to include the credit agreement or indenture and related documents for such reallocated commitment for all purposes of this Agreement (including for the avoidance of doubt, the first sentence of this Section 6.18) other than clause (n) of the definition of 'Permitted Liens'.

SECTION 7 EVENTS OF DEFAULT

If any of the following events shall occur and be continuing:

(a) the Company shall fail to pay (i) any principal of any Loan when due, (ii) any interest or prepayment premium hereunder for a period of 5 Business Days after the same becomes due and payable or (iii) any other amount due and payable under any Loan Document for 20 days after receipt of notice of such failure by the Company from the Administrative Agent

(other than, in the case of amounts in this clause (iii), any such amount being disputed by the Company in good faith); or

(b) any representation or warranty made or deemed made by any Loan Party in any Loan Document or any certified statement furnished by it (including any Borrowing Base Certificate), in each case shall prove to have been incorrect in any material respect on or as of the date made or deemed made or furnished; or

(c) any Loan Party shall default in the observance or performance of (i) its agreements in Sections 5.6(a) or (d) or Section 6 or (ii) any other agreement contained in this Agreement or any other Loan Document and, with respect to clause (ii) only, such default shall continue unremedied for a period of 30 days after notice thereof to the Company from the Administrative Agent or the Required Lenders provided that, if the Company defaults in the observance of Section 6.1 such default shall not constitute an Event of Default hereunder if within 5 Business Days of such default the Sponsor shall have made a contribution of capital to Holdings and Holdings shall have contributed such capital to the Company in an amount sufficient to repay the Term Loans so that the Outstanding Amount of Covered Debt shall be less than or equal to the Borrowing Base after such repayment and the Company shall have made an optional prepayment of the Term Loans with the proceeds of such capital contributions in accordance with Section 2.4 and shall have delivered a Borrowing Base Certificate to the Administrative Agent demonstrating as such; or

(d) any Group Member (other than a De Minimis Subsidiary) shall (i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding the Loans) on the scheduled or original due date with respect thereto; or (ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided, that a default, event or condition described in clause (i), (ii) or (iii) of this paragraph (d) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events or conditions of the type described in clauses (i), (ii) and (iii) of this paragraph (d) shall have occurred and be continuing with respect to Indebtedness the Outstanding Amount of which exceeds in the aggregate $500,000,000; or

(e) (i) any Group Member (other than a De Minimis Subsidiary) shall (A) commence any case, proceeding or other action under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors (1) seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (2) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or (B) make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Group Member (other than a De Minimis Subsidiary) any case, proceeding or other action of a nature referred to in clause (i) above that (A)

results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 90 days; or

(f) (i) any Person shall engage in any "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan; (ii) any "accumulated funding deficiency" (as defined in Section 302 of ERISA), or, on or after the effectiveness of the Pension Act, any failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived shall exist with respect to any Plan; (iii) any Group Member or Commonly Controlled Entity shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan and such entity does not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner; (iv) any Lien in favor of the PBGC or a Plan shall arise on the assets of any Group Member or any Commonly Controlled Entity; (v) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Required Lenders, likely to result in the termination of such Plan for purposes of Title IV of ERISA; (vi) any Plan shall terminate for purposes of Title IV of ERISA; (vii) any Group Member or any Commonly Controlled Entity shall, or in the reasonable opinion of the Required Lenders is likely to, incur any liability in connection with the Insolvency or Reorganization of, a Multiemployer Plan; or (viii) any other event or condition shall occur or exist with respect to a Plan or Multiemployer Plan; and in each case in clauses (i) through (viii) above, such event or condition, together with all other such events or conditions, if any, could, in the reasonable judgment of the Required Lenders, be expected to have a Material Adverse Effect; or

(g) one or more judgments or decrees shall be entered against any Group Member (other than a De Minimis Subsidiary) that is not vacated, discharged, satisfied, stayed or bonded pending appeal within 60 days, and involves a liability (not paid or fully covered by insurance as to which the relevant insurance company has not denied coverage or by a contribution obligation of a third party that has not denied or contested such contribution obligation and that, in the judgment of the Company, has the means to pay such contributions) of either (i) $100,000,000 or more in the case of any single judgment or decree or (ii) $200,000,000 or more in the aggregate; or

(h) the Collateral Trust Agreement or any Security Document shall cease to be (or any Loan Party shall so assert) in full force and effect, or any Lien thereunder shall cease to be (or any Loan Party shall so assert) enforceable and perfected (other than (i) pursuant to the terms hereof or any other Loan Document, or (ii) as a result of acts or omissions by any Agent or any Lender) with respect to Collateral with a Net Book Value in excess of $250,000,000; provided that the foregoing Event of Default shall only be applicable if the Borrowing Base Coverage Ratio (calculated on a pro forma basis assuming such Collateral is not in the Borrowing Base) is less than 1.25 to 1.00; or

(i) the guarantee of any Loan Party (other than the Company) contained in the Guarantee shall cease to be (or any Loan Party shall so assert) in full force and effect; or

(j) the occurrence of a Change of Control;

(k) Holdings shall (i) conduct, transact or otherwise engage in, or commit to conduct, transact or otherwise engage in, any business or operations other than those incidental to its

ownership of the Capital Stock of the Company, (ii) incur, create, assume or suffer to exist any Indebtedness or other liabilities or financial obligations, except (w) nonconsensual obligations imposed by operation of law, (x) obligations pursuant to the Loan Documents to which it is a party, (y) obligations with respect to its Capital Stock and (z) obligations in the ordinary course incidental to maintaining its existence and complying with the Loan Documents, or (iii) own, lease, manage or otherwise operate any properties or assets (including cash (other than cash received in connection with dividends made by the Company in accordance with Section 6.6 pending application in the manner contemplated by said Section) and Cash Equivalents) other than the ownership of shares of Capital Stock of the Company; or

(l) an event of default shall have occurred and shall be continuing under the Second Lien Credit Agreement;

then, and in any such event, (A) if such event is an Event of Default specified in paragraph (e) above with respect to the Company, automatically the Commitments shall immediately terminate and the Loans (with accrued interest thereon) and all other amounts owing to the Lenders under this Agreement and the other Loan Documents shall immediately become due and payable, and (B) if such event is any other Event of Default, with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Company, declare the Loans (with accrued interest thereon) and all other amounts owing to the Lenders under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable. Except as expressly provided above in this Section or required by law (and which cannot be waived), presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Company.

Whenever the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement shall have become immediately due and payable in accordance with clause (A) or clause (B) above, the Administrative Agent shall forthwith deliver a Notice of Event of Default declaring such acceleration to the Collateral Trustee, or if an Event of Default shall have occurred (but the Loans hereunder and all other amounts owing under this Agreement shall not have been accelerated) with the consent of the Required Lenders the Administrative Agent may, and if directed by the Required Lenders shall, deliver a Notice of Event of Default to the Collateral Trustee; provided that, by written notice to the Company and the Administrative Agent, the Required Lenders may, for such periods and/or subject to such conditions as may be specified in such notice, withdraw any declaration of acceleration effected in accordance with clause (B) above or such Notice of Event of Default. If a declaration of acceleration in accordance with clause (B) above or a Notice of Event of Default, as the case may be, shall have been withdrawn in accordance with the proviso to the immediately preceding sentence, the Administrative Agent shall forthwith deliver to the Collateral Trustee a notice of cancellation of the acceleration or Notice of Event of Default.

SECTION 8 THE AGENTS

8.1. Appointment. (a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities,

duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent.

(b) The Administrative Agent and each Lender hereby irrevocably designates and appoints the Collateral Trustee as its agent under the Collateral Trust Agreement and the other Loan Documents, and irrevocably authorizes the Collateral Trustee, in such capacity, to (i) take such action on its behalf under the provisions of the Collateral Trust Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Trustee by the terms of the Collateral Trust Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto and (ii) enter into any and all Security Documents and the Collateral Trust Agreement and such other documents and instruments as shall be necessary to give effect to (A) the ranking and priority of Indebtedness and other extensions of credit and obligations contemplated by the Collateral Trust Agreement, (B) the security interests in the Collateral purported to be created by the Security Documents and (C) the other terms and conditions of the Collateral Trust Agreement. Each Lender further hereby agrees to be bound by the terms of the Collateral Trust Agreement to the same extent as if it were a party thereto and authorizes the Administrative Agent to enter into the Collateral Trust Agreement on its behalf. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Trustee shall not have any duties or responsibilities, except those expressly set forth herein, in the Collateral Trust Agreement or in any other Loan Document to which it is a party, or any fiduciary relationship with the Administrative Agent or any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement, the Collateral Trust Agreement or any other Loan Document or otherwise exist against the Collateral Trustee.

8.2. Delegation of Duties. Each Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

8.3. Exculpatory Provisions. Neither any Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except to the extent that any of the foregoing resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Agents under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party a party thereto to perform its obligations hereunder or thereunder. The Agents shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party.

8.4. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, e-mail, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Company), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the

Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified in this Agreement) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified in this Agreement), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

8.5. Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Administrative Agent has received notice from a Lender or the Company referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified in this Agreement); provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

8.6. Non-Reliance on Agents and Other Lenders. Each Lender expressly acknowledges that neither of the Agents, the Syndication Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates have made any representations or warranties to it and that no act by any Agent or any Syndication Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent or any Syndication Agent to any Lender. Each Lender represents to the Agents and the Syndication Agents that it has, independently and without reliance upon any Agent or any Syndication Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision to make its Loans and other extensions of credit hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon any Agent or any Syndication Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

8.7. Indemnification. The Lenders agree to indemnify each Agent in its capacity as such (to the extent not reimbursed by the Company and without limiting the obligation of the Company to do so), ratably according to their respective Aggregate Exposure Percentages in effect on the date on

which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Aggregate Exposure Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

8.8. Agent in Its Individual Capacity. Each Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though such Agent were not an Agent. With respect to its Loans made or renewed by it, and any other extension of credit made by it hereunder, each Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

8.9. Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders and the Company. If the Administrative Agent shall resign as Administrative Agent under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under Section 7(a) or Section 7(e) with respect to the Company shall have occurred and be continuing) be subject to approval by the Company (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent by the date that is 30 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent may, on behalf of the Lenders and with the consent of the Company (such consent not to be unreasonably withheld and, which consent, shall not be required if an Event of Default under Section 7(a) or Section 7(e) with respect to the Company shall have occurred and be continuing), appoint a successor Administrative Agent, which shall be a commercial bank organized or licensed under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least $500,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Section 8 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Loan Documents.

8.10. Bookrunners, Lead Arrangers, Documentation Agents and Syndication Agents. None of the Syndication Agents or any of the bookrunners, lead arrangers or documentation agents

identified on the cover page to this Agreement shall have any duties or responsibilities under this Agreement and the other Loan Documents in their respective capacities as such.

SECTION 9 MISCELLANEOUS

9.1. Amendments and Waivers. (a) Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 9.1 or as otherwise expressly provided herein. The Required Lenders and the Company (on its own behalf and as agent on behalf of any other Loan Party party to the relevant Loan Document) may, or, with the written consent of the Required Lenders, the Administrative Agent and the Company (on its own behalf and as agent on behalf of any Loan Party party to the relevant Loan Document) may, from time to time, (i) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights or obligations of the Lenders or of the Loan Parties hereunder or thereunder or (ii) waive, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall:

(i) forgive or reduce any principal amount or extend the final scheduled date of maturity of any Loan or extend the scheduled date of or reduce the amount of any amortization payment in respect of any Term Loan (for the purpose of clarity each of the foregoing not to include any waiver of a mandatory prepayment), reduce the stated rate of any interest, fee or prepayment premium payable hereunder (except in connection with the waiver of applicability of any post-default increase in interest rates), or extend the scheduled date of any payment thereof, change the relative rights of the Secured Parties under the Collateral Trust Agreement in respect of payments or Collateral, in each case without the written consent of each Lender directly and adversely affected thereby;

(ii) eliminate or reduce the voting rights of any Lender under this Section 9.1 without the written consent of such Lender;

(iii) reduce any percentage specified in the definition of Required Lenders, consent to the assignment or transfer by or release of the Company of any of its rights and obligations under this Agreement and the other Loan Documents, release all or substantially all of the Collateral or release all or substantially all of the Subsidiary Guarantors or Holdings from their obligations under the Guarantee or the Security Agreement (except as otherwise provided in the Loan Documents), in each case without the written consent of all Lenders;

(iv) amend, modify or waive any provision of Section 8 in a manner adverse to the Administrative Agent without the written consent of the Administrative Agent; or

(v) amend, modify or waive any provision of Section 8 in a manner adverse to the Collateral Trustee without the written consent of the Collateral Trustee;

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Administrative Agent and all future holders of the Loans. In the case of any waiver, the Loan Parties, the Lenders and the Administrative Agent shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing;

but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(b) Subject to the foregoing paragraph (a), without the consent of the Required Lenders, the Administrative Agent and the Company may amend, modify or supplement any provision of this Agreement or any other Loan Document (with, to the extent applicable, the consent of the Collateral Trustee) to (A) cure any ambiguity, omission, mistake, error, defect or inconsistency so long as such amendment, modification or supplement does not adversely affect the rights or obligations of any Lender, (B) provide additional Collateral for the Obligations and (c) to permit additional affiliates of the Company to guarantee the Obligations and/or provide Collateral therefor.

(c) Notwithstanding the foregoing, this Agreement may be amended with the written consent of the Administrative Agent, the Company and each of the Lenders providing the relevant Replacement Term Loans (as defined below) to permit the refinancing, replacement or modification of all outstanding Term Loans (each, a "Replaced Term Loan") with one or more replacement term loan tranches hereunder (each, a "Replacement Term Loan"), provided that (i) the aggregate principal amount of such Replacement Term Loans shall not exceed the aggregate principal amount of such Replaced Term Loans, (ii) the weighted average life to maturity of such Replacement Term Loans shall not be shorter than the weighted average life to maturity of such Replaced Term Loans at the time of such refinancing and (iii) the Company shall have paid to the holders of the Replaced Term Loans the prepayment premium, if any, that would be applicable at the date of such refinancing, replacement or modification if such Lender had received a prepayment on such date pursuant to Section 2.4.

9.2. Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy or electronic transmission), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice or electronic transmission or overnight or hand delivery, when received, addressed as follows in the case of the Company and the Administrative Agent, and as set forth in an administrative questionnaire delivered to the Administrative Agent in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:

Company:	Chrysler LLC 1000 Chrysler Drive Auburn Hills, MI 48326 Attention: Holly Leese CIMS 485-14-78 Telecopy: 248-512-1771 Telephone: 248-512-3984
with a copy to:	Schulte Roth & Zabel LLP 919 Third Avenue New York, NY 10022 Attention: Marc Weingarten Telecopy: 212-593-5955 Telephone: 212-756-2000

with a copy to:	CG Investor, LLC c/o Cerberus Capital Management L.P. New York, NY 10171 Attention: Dev Kapadia and Robert Warden Telecopy: 212-735-3009 Telephone: 212-891-2100
Administrative Agent for all notices:	JPMorgan Chase Bank, N.A. Loan & Agency Services 1111 Fannin Street, 10th Floor Houston, TX 77002 Attention: Omar Jones Telecopy: 713-750- 750-2938 Telephone: 713-750-7912
with a copy to:	JPMorgan Chase Bank, N.A. 4 New York Plaza – 4th Floor New York, NY 10004 Attention: Freddy Luscher Telecopy: 212-623-1310 Telephone: 212- 623-7544

provided that any notice, request or demand to or upon the Administrative Agent or the Lenders shall not be effective until received.

Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

9.3. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of any Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

9.4. Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

9.5. Payment of Expenses. The Company agrees (a) to pay or reimburse the Agents, the Syndication Agents, Lead Arrangers and Bookrunners for all their reasonable and documented

respective costs and expenses incurred in connection with the syndication of the Facility, (b) to pay or reimburse the Agents for all reasonable costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, the syndication of the Facilities, the consummation and administration of the transactions contemplated hereby and thereby and any amendment or waiver with respect thereto, including, without limitation, (i) the reasonable fees and disbursements of Simpson Thacher & Bartlett LLP and one local counsel in each relevant jurisdiction (which, for the avoidance of doubt, may include each jurisdiction where a Mortgaged Property is located) to be shared by the Agents, the Syndication Agents, the Lead Arrangers and the Bookrunners, (ii) filing and recording fees and expenses and (iii) the charges of Intralinks, (c) to pay or reimburse the Administrative Agent, the Lenders and the Collateral Trustee for all their out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement and the other Loan Documents, including the reasonable fees and disbursements of counsel (including the allocated fees and expenses of in-house counsel) to each Lender, the Administrative Agent and the Collateral Trustee, (d) to pay, indemnify or reimburse each Lender and the Administrative Agent for, and hold each Lender and the Administrative Agent harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying such fees, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents and any such other documents, and (e) to pay, indemnify or reimburse each Lender, the Agents, the Syndication Agents, the Lead Arrangers, the Bookrunners their respective affiliates, and their respective officers, directors, partners, employees, advisors, agents, controlling persons and trustees (each, an "Indemnitee") for, and hold each Indemnitee harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than with respect to taxes not specifically provided for herein, which shall be governed exclusively by Section 2.13 or with respect to the costs, losses or expenses which are of the type covered by Section 2.12 or Section 2.14) with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents and any such other documents, including, without limitation, any of the foregoing relating to the use of proceeds of the Loans or the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of any Group Member or any of the Mortgaged Properties and the reasonable fees and expenses of legal counsel in connection with claims, actions or proceedings by any Indemnitee against any Loan Party under any Loan Document (all the foregoing in this clause (e), collectively, the "Indemnified Liabilities"), provided, that the Company shall have no obligation hereunder to any Indemnitee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities resulted from the gross negligence or willful misconduct of, or material breach of the Loan Documents, in each case as determined by a final and nonappealable decision of a court of competent jurisdiction, by, such Indemnitee, any of its affiliates or its or their respective officers, directors, partners, employees, agents or controlling persons. Without limiting the foregoing, and to the extent permitted by applicable law, the Company agrees not to assert and to cause its Subsidiaries not to assert, and hereby waives and agrees to cause its Subsidiaries to waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnitee unless the same shall have resulted from the gross negligence or willful misconduct of, or material breach of the Loan Documents, in each case as determined by a final and nonappealable decision of a court of competent jurisdiction, by, such Indemnitee, any of its affiliates or its or their respective officers, directors, partners, employees, agents or controlling persons. All amounts due under this Section 9.5 shall be payable not later than 30 Business Days after the party to whom such amount is owed has provided a statement or invoice therefor, setting forth in reasonable detail, the amount due and the relevant provision of this Section 9.5 under which such amount is payable by the Company.

For purposes of the preceding sentence, it is understood and agreed that the Company may ask for reasonable supporting documentation to support any request to reimburse or pay out-of-pocket expenses, legal fees and disbursements and that the grace period to pay any such amounts shall not commence until such supporting documentation has been received by the Company. Statements payable by the Company pursuant to this Section 9.5 shall be submitted the Company at the address of the Company set forth in Section 9.2, or to such other Person or address as may be hereafter designated by the Company in a written notice to the Administrative Agent. The agreements in this Section 9.5 shall survive repayment of the Loans and all other amounts payable hereunder.

9.6. Successors and Assigns; Participations and Assignments. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Company may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Company without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees (each, an "Assignee") all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (in each case, not to be unreasonably withheld or delayed) of:

(1) the Company; and

(2) the Administrative Agent;

provided, that none of the foregoing consents in relation to any Term Loan shall be required for an assignment to a Lender, an affiliate of a Lender, an Approved Fund of a Lender or, in the case of the Company only, if an Event of Default pursuant to Section 7(a) or 7(e) has occurred and is continuing.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitments or Loans under any Facility, the amount of the Commitments or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $1,000,000 unless each of the Company and the Administrative Agent otherwise consent, provided that no such consent of the Company shall be required if an Event of Default pursuant to Section 7(a) or 7(e) has occurred and is continuing and concurrent assignments to or by a Lender and its affiliates or Approved Funds, shall be aggregated to determine compliance with this clause (A);

(B) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500; and

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire.

For the purposes of this Section 9.6, "Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (x) a Lender, (y) an affiliate of a Lender or (z) an entity or an affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits and obligations of Sections 2.12, 2.13, 2.14 and 9.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Company, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of and interest on the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Company, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Company and each Lender (with respect to any entry relating to the Loans or Commitments of such Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee, the Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall promptly accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Company or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) the Company, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and (D) no later than January 31 of each year, such Lender

shall provide the Company with a written description of each participation of Loans and/or Commitments by such Lender during the prior year (it being understood that any failure to provide notice shall not render the participation invalid). Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender directly affected thereby pursuant to the proviso to the second sentence of Section 9.1(a)(i) and (2) directly affects such Participant. Subject to paragraph (c)(ii) of this Section, the Company agrees that each Participant shall be entitled to the benefits of Sections 2.12, 2.13 and 2.14 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, and subject to paragraph (c)(ii) of this Section, each Participant also shall be entitled to the benefits of Section 9.7(b) as though it were a Lender, provided such Participant shall be subject to Section 9.7(a) as though it were a Lender. Notwithstanding anything to the contrary in this Section 9.6, each Lender shall have the right to sell one or more participations in all or any part of its Loans, Commitments or other Obligations to one or more lenders or other Persons that provide financing to such Lender in the form of sales and repurchases of participations without having to satisfy the foregoing requirements.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.12 or 2.13 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant. A Participant shall not be entitled to receive any funds directly from the Company in respect of Sections 2.12, 2.13, 2.14 or 9.7 unless such Participant shall have provided to Administrative Agent, acting for this purpose as an agent of the Company, such information as is required to be recorded in the Register pursuant to paragraph (b)(iv) above as if such Participant were a Lender. Any Participant shall not be entitled to the benefits of Section 2.13 unless such Participant complies with Section 2.13(d) and (e) as though it were a Lender.

(d) Any Lender may, without the consent of the Company or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

(e) The Company, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring Notes to facilitate transactions of the type described in paragraph (d) above.

(f) Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have funded hereunder to its designating Lender without the consent of the Company or the Administrative Agent and without regard to the limitations set forth in Section 9.6(b) (other than Section 9.6(b)(iv)). Each of the Company, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance.

9.7. Adjustments; Set-off;. (a) Except to the extent that this Agreement expressly provides for payments to be allocated to a particular Lender or to the Lenders under a particular Facility, if any Lender (a "Benefitted Lender") shall, at any time after the Loans and other amounts payable hereunder shall immediately become due and payable pursuant to Section 7, receive any payment of all or part of the Obligations owing to it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 7(e), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender, such Benefitted Lender shall purchase for cash in Dollars from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefitted Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right following the occurrence and during the continuance of an Event of Default, without prior notice to the Company, any such notice being expressly waived by the Company to the extent permitted by applicable law, upon all amounts owing hereunder becoming due and payable (whether at the stated maturity, by acceleration or otherwise), to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Company. Each Lender agrees promptly to notify the Company and the Administrative Agent after any such setoff and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such setoff and application.

9.8. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Company and the Administrative Agent.

9.9. Severability. Any provision of this Agreement that is held to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.10. Integration. This Agreement and the other Loan Documents represent the entire agreement of the Company, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents (other than any Addendum executed and delivered on the Closing Date).

9.11. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY,**

AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

9.12. Submission to Jurisdiction; Waivers. Each of the Administrative Agent, the Lenders and the Company hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the County of New York, State of New York, the courts of the United States for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; and

(c) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

9.13. Acknowledgements. The Company hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) no Agent nor any Lender has any fiduciary relationship with or duty to the Company or any Subsidiary arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between any Agent and the Lenders, on one hand, and the Company or any Subsidiary, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Company or any Subsidiary and the Lenders.

9.14. Releases of Guarantees and Liens. (a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the Administrative Agent is hereby irrevocably authorized by each Lender (without requirement of notice to or consent of any Lender except as expressly required by Section 9.1) to take, and the Administrative Agent hereby agrees to take promptly, any action requested by the Company having the effect of releasing, or evidencing the release of, any Collateral or Guarantee Obligations (including by instructing the Collateral Trustee to do so) (i) to the extent necessary to permit consummation of any transaction not prohibited by any Loan Document or that has been consented to in accordance with Section 9.1 or (ii) under the circumstances described in paragraph (b) below. For the avoidance of doubt any such action shall include directing the Collateral Trustee to take action under the Collateral Trust Agreement.

(b) At such time as the Loans and interest and fees owing hereunder shall have been paid in full, the Commitments have been terminated, the Obligations shall cease to be "Secured Obligations" under the Security Documents and the Administrative Agent shall provide notice to the Collateral Trustee thereof in accordance with Section 6.12(a) of the Collateral Trust Agreement.

(c) In connection with any financing permitted by clauses (v) and (w) of the definition of Permitted Indebtedness, the Administrative Agent may direct the Collateral Trustee to enter into an intercreditor agreement or other arrangement with the secured parties in respect of such financing if the Administrative Agent determines that such intercreditor agreement or other arrangement is necessary or advisable to establish the priority of any security interest, to allocate proceeds of assets among the parties thereto and the Secured Parties in a manner consistent with the rights of the parties as contemplated by this Agreement and such financing or to protect the Liens in the Collateral granted pursuant to the Security Documents.

9.15. Confidentiality. Each of the Agents, the Syndication Agents, the Lead Arrangers, the Bookrunners and each Lender agrees to keep confidential all non-public information provided to it by any Loan Party, the Administrative Agent or any Lender pursuant to or in connection with this Agreement; provided that nothing herein shall prevent any Lender, the Agents, the Syndication Agents, the Lead Arrangers or Bookrunners from disclosing any such information (a) to the Administrative Agent or any other Lender or any Affiliates thereof, provided that such information shall not be shared with any personnel of such Affiliate which compete with or are in business units in the same line of business as the Company, (b) subject to an agreement to comply with the provisions of this Section (or other provisions at least as restrictive as this Section), to any actual or prospective Transferee or any pledgee referred to in Section 9.6(d) or any direct or indirect contractual counterparty (or the professional advisors thereto) to any swap or derivative transaction relating to the Company and its obligations, (c) to its affiliates, employees, directors, trustees, agents, attorneys, accountants and other professional advisors, or those of any of its affiliates for performing the purposes of a Loan Document, subject to such Agent, Syndication Agent, Lead Arranger or Bookrunner or Lender, as the case may be, advising such Person of the confidentiality provisions contained herein, (d) upon the request or demand of any Governmental Authority or regulatory agency (including self-regulated agencies) having jurisdiction (or purporting to have jurisdiction) over it upon notice (other than in connection with routine examinations or inspections by regulators) to the Company thereof unless such notice is prohibited or the Governmental Authority or regulatory agency shall require otherwise, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, after notice to the Company if reasonably feasible, (f) if requested or required to do so in connection with any litigation or similar proceeding, after notice to the Company if reasonably feasible, (g) that has been publicly disclosed, other than in breach of this Section, (h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, or (i) in connection with the exercise of any remedy hereunder or under any other Loan Document.

9.16. **WAIVERS OF JURY TRIAL. THE COMPANY, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.**

9.17. USA Patriot Act. Each Lender hereby notifies the Company that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "USA Patriot Act"), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the USA Patriot Act.

SECTION 10 RESTATEMENT

10.1. Conditions to Restatement Date. This Agreement shall become effective upon the date (the "Restatement Date") that: (i) the Administrative Agent shall have received this Agreement executed and delivered by the Administrative Agent, each Lender and each Loan Party that is a party hereto, (ii) the Administrative Agent shall have received the Amended and Restated Collateral Trust Agreement executed and delivered by the parties thereto, and (iii) the Administrative Agent, on behalf of the Lenders shall have received a prepayment of the Term Loans outstanding under the Existing Credit Agreement in an amount of $3,000,000,000 (the "Prepayment") in accordance with Section 2.4 thereof (after giving effect to the waiver in Section 10.2 below).

10.2. Waiver of premium. The Lenders hereby waive (i) the requirement pursuant to Section 2.11(b) of the Existing Credit Agreement to pay a Premium in connection with the Prepayment, (ii) any requirement pursuant to Section 2.4(b) of the Credit Agreement to offer to apply the Prepayment to the Tranche 1 Term Loans (as defined in the Existing Credit Agreement) or to follow the procedures set forth therein to send a Prepayment Option Notice (as defined in the Existing Credit Agreement) (iii) any requirement to provide prior notice of the Prepayment, and (iv) if as part of the Prepayment only, a Eurodollar Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, any amounts owing pursuant to Section 2.14 of the Existing Credit Agreement; provided that the foregoing waivers are subject to the Company providing irrevocable notice to the Administrative Agent of the Prepayment no later than 5.00pm, New York City time, on the day of such Prepayment

10.3. Representations and Warranties. Each Loan Party hereby represents and warrants that, on the Restatement Date (a) each of the representations and warranties made by any Loan Party in this Agreement are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except to the extent such representations and warranties expressly relate to a particular date, in which case such representations and warranties were true and correct in all material respects as of such date and (b) no Default or Event of Default has occurred and is continuing.

10.4. Consent. By executing and delivering this Agreement, each party hereto hereby (i) consents to the amendment and restatement of the Collateral Trust Agreement contemporaneously herewith, and (ii) directs and authorizes the Collateral Trustee to execute and deliver such amendment and restatement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By:_____
Name:
Title:

CHRYSLER LLC

By:_____
Name:
Title:

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By:_____
Name:
Title

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: T P Dykstra

Name: T. P. Dykstra

Title: Vice President Treasurer

CHRYSLER INTERNATIONAL LIMITED L.L.C.

By: _____
Name:
Title:

CHRYSLER REALTY COMPANY LLC

By: _____
Name:
Title:

CHRYSLER DE VENEZUELA LLC

By: _____
Name:
Title:

CHRYSLER MOTORS LLC

By: _____
Name:
Title:

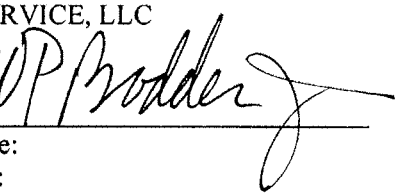
CHRYSLER VANS LLC

By: _____
Name:
Title:

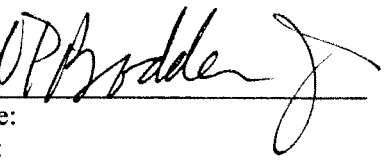
GLOBAL ELECTRIC MOTORCARS, LLC

By: _____
Name:
Title:

NEV SERVICE, LLC

By: 
Name:
Title:

CHRYSLER TECHNOLOGIES MIDDLE EAST LTD.

By: 
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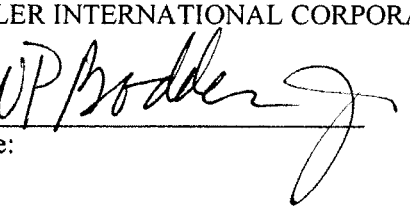
Title:

CHRYSLER INTERNATIONAL CORPORATION

By: 
Name:
Title:

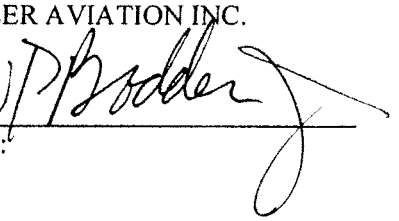
CHRYSLER SERVICE CONTRACTS INC.

By: 
Name:
Title:

CHRYSLER SERVICE CONTRACTS FLORIDA, INC.

By: 
Name:
Title:

CHRYSLER AVIATION INC.

By: 
Name:
Title:

CHRYSLER TRANSPORT INC.

By: _____
Name:
Title:

DCC 929, INC.

By: _____
Name:
Title:

DEALER CAPITAL, INC.

By: _____
Name:
Title:

CHRYSLER INTERNATIONAL SERVICES S.A.

By: _____
Name:
Title:

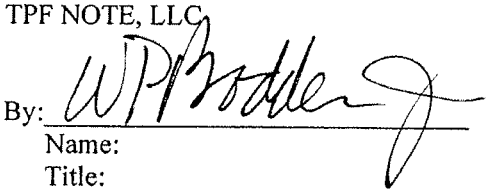
NEV MOBILE SERVICE, LLC

By: _____
Name:
Title:

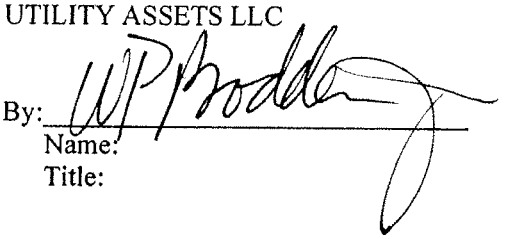
TPF ASSETS, LLC

By: _____
Name:
Title:

TPF NOTE, LLC

By: 
Name:
Title:

UTILITY ASSETS LLC

By: 
Name:
Title:

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as a Lender

By: _____

Name: RICHARD W. DUKER
Title: MANAGING DIRECTOR

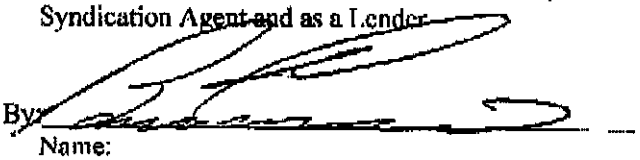
FROM JPMORGAN CHASE BANK (MON) 11. 19' 07 13:16/ST. 13:15/NO. 4800000277 P 2

CITIBANK, N.A., as Syndication Agent and as a Lender

By: _____
Name: Matthew Paquin
Title: Vice President

Nov-19-2007 03:30pm From-CITI +212 816 2613 T-336 P.002/002 F-358

GOLDMAN SACHS CREDIT PARTNERS L.P., as
Syndication Agent and as a Lender



By: _____
Name:
Title:

BEAR STEARNS CORPORATE LENDING INC., as a Lender

By: 

Name:
Title: LINDA A. CARPER Vice President

MORGAN STANLEY SENIOR FUNDING, INC., as a Lender

By: _____
Name: Eugene F. Martin
Title: Vice President

FIRST AMENDMENT AND CONSENT

THIS FIRST AMENDMENT AND CONSENT, dated as of January 2, 2009 (this "First Amendment"), to the Amended and Restated First Lien Credit Agreement, dated as of November 29, 2007, (the "First Lien Credit Agreement"), among Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company"), the several banks and other financial institutions or entities from time to time parties thereto (the "First Lien Lenders"), Goldman Sachs Credit Partners L.P., and Citibank, N.A., as syndication agents (in such capacity, the "Syndication Agents"), and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity the "Administrative Agent").

W I T N E S S E T H:

WHEREAS, the Company has requested that the Administrative Agent and the Required Lenders agree to amend the First Lien Credit Agreement as herein set forth;

WHEREAS, the Administrative Agent and the Required Lenders have consented to such amendments on the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the First Lien Credit Agreement (as amended hereby) are used herein as therein defined.

SECTION 2. AMENDMENTS TO THE FIRST LIEN CREDIT AGREEMENT

2.1 Amendment to Section 1.1 (Defined Terms). Section 1.1 of the First Lien Credit Agreement is hereby amended by:

(a) adding the following new definitions in the appropriate alphabetical order:

> "'US Loan Agreement': the credit agreement, dated as of January 2, 2009, between Chrysler Holding LLC, as borrower, the guarantors party thereto and the United States Department of the Treasury, as lender.";
>
> "'US Loan Documents': collectively, (a) the US Loan Agreement and (b) the other agreements, instruments and other documents executed in connection with the US Loan Agreement."; and
>
> "'US Loans': the loans made pursuant to the US Loan Agreement.";

(b) inserting in the definition of "Change of Control" the phrase "(except for Liens in favor of the United States Department of the Treasury on the Capital Stock of Carco Intermediate Holdco I LLC and Holdings granted in accordance with the terms of the US Loan Agreement to secure the US Loans)" after the term "encumbrances" in clause (a) therein;

(c) amending and restating in its entirety, the definition of "MOPAR Subsidiary" to read as follows:

> "'MOPAR Subsidiary': a subsidiary of the Company which will undertake the financing of inventory of Chrysler Motors LLC's aftermarket and replacement parts business and incur Indebtedness permitted pursuant to clause (w) of the definition of Permitted Indebtedness or incur Liens permitted pursuant to clause (z) of the definition of Permitted Liens, in each case, substantially all of the assets of which consist of such inventory and the proceeds thereof.";

(d) making the following changes to the definition of "Permitted Indebtedness":

(i) inserting the phrase ", including, without limitation, Indebtedness arising from loans, grants or other arrangements made pursuant to Section 136 of the Energy Independence and Security Act of 2007 (Public Law 110-140; 42 U.S.C. 17013)" after the term "entity" at the end of clause (o) thereof;

(ii) deleting the word "and" at the end of clause (v) thereof;

(iii) deleting the period at the end of clause (w) and inserting "; and" in lieu thereof; and

(iv) inserting the following new clause (x) at the end thereof:

"(x) Guarantee Obligations of Holdings, the Company and any of its Domestic Subsidiaries in respect of the Indebtedness of Chrysler Holding LLC incurred pursuant to the US Loan Agreement, in an aggregate principal amount not to exceed $4,266,800,000.";

(e) making the following changes to the definition of "Permitted Liens":

(i) inserting the phrase "or the US Loan Documents" after the phrase "Security Documents" and inserting the phrase ", the Guarantee Obligations permitted by clause (x) of the definition of Permitted Indebtedness in respect of the US Loans" after the phrase "Second Lien Credit Agreement" in clause (n) thereof;

(ii) deleting the word "and" at the end of clause (w) thereof;

(iii) deleting the period at the end of clause (x) and inserting a semi-colon in lieu thereof;

(iv) inserting the following new clause (y) in the appropriate order:

"(y) Liens on unencumbered real property and improvements of the Company and its Subsidiaries listed on Schedule 1.1I to secure Guarantee Obligations permitted by clause (x) of the definition of Permitted Indebtedness and in each case which real

property or improvements shall be removed from the Borrowing Base (to the extent included) upon the incurrence of such Liens;";

(v) inserting the following new clause (z) in the appropriate order:

"(z) Liens on the aftermarket and replacement parts inventory of (i) the MOPAR division of Chrysler Motors LLC or (ii) the MOPAR Subsidiary, and in each case on the proceeds thereof, that secure Guarantee Obligations permitted by clause (x) of the definition of Permitted Indebtedness and in each case, which inventory or proceeds shall be removed (to the extent included) from the Borrowing Base upon the incurrence of such Liens provided, however that the Liens described in this clause (z) may only be incurred to the extent that, after giving pro forma effect to the release of Liens on Collateral in connection with such Liens, the Borrowing Base exceeds the Outstanding Amount of Covered Debt; and"; and

(vi) inserting the following new clause (aa) in the appropriate order:

"(aa) Liens securing Indebtedness arising from loans, grants or other arrangements made pursuant to Section 136 of the Energy Independence and Security Act of 2007, permitted by clause (o) of the definition of Permitted Indebtedness; provided that such Liens do not encumber any property other than the intellectual property and fixed assets acquired, constructed, developed or financed with the proceeds of such Indebtedness."; and

(f) amending and restating in its entirety, clause (c) of the definition of "Temporary Cash Investments" to read as follows:

"(c) repurchase obligations with a term of not more than 60 days that are collateralized by securities of the type described in clause (a) above and entered into with banks or broker-dealer subsidiaries of bank holding companies, in each case, listed on the Federal Reserve Bank of New York's list of primary and other reporting dealers ("Repo Counterparties"), which Repo Counterparties have capital, surplus and undivided profits aggregating in excess of $100.0 million (or the foreign equivalent thereof) and which Repo Counterparties or their parents (if the Repo Counterparties are not rated) will at the time of the transaction be rated "A-1" by S&P (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization;".

2.2 Amendments to Section 2.5 (Mandatory Prepayment). Section 2.5(a) of the First Lien Credit Agreement is hereby amended by inserting the following new paragraph immediately after subclause (ii) thereof:

"Notwithstanding anything to the contrary herein, no Mandatory Prepayment shall be required in respect of (i) Capital Stock issued in connection with the receipt by the Company or any Subsidiary of the

proceeds from the US Loans or (ii) Net Cash Proceeds from any MOPAR Financing Amount received in connection with the US Loans (other than, for the avoidance of doubt, as a consequence of complying with Section 6.1)."

2.3 Amendment to Section 5.1 (Financial Statements). Section 5.1 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (b) thereof; and

(b) designating the existing clause (c) thereof as clause (d) and inserting prior thereto the following new clause (c):

"(c) as soon as available, but in any event not later than forty-five days after the end of each month occurring during each fiscal year of the Company (beginning with the month ending January 31, 2010), the unaudited consolidated balance sheet of the Company and its consolidated Subsidiaries as at the end of such month and the related unaudited consolidated statements of operations and comprehensive income, member's interest and of cash flows for such month and the portion of the fiscal year through the end of such month, setting forth in each case in comparative form the figures for the previous year, certified by a Responsible Officer as being fairly stated in all material respects (subject to the absence of normal year-end audit adjustments and footnotes); and".

2.4 Amendment to Section 5.2 (Borrowing Base Certificate). Section 5.2 of the First Lien Credit Agreement is hereby amended by inserting at the end of clause (a) thereof a new sentence as follows:

"As soon as available, but in any event not later than forty-five days after the end of each month occurring during each fiscal year of the Company, the Company shall deliver to the Administrative Agent a Borrowing Base Certificate duly executed by a Responsible Officer setting forth a calculation of the Borrowing Base as of the end of the most recent fiscal month; provided, that a Borrowing Base Certificate delivered pursuant to this Section 5.2(a) for either of the first two months of a fiscal quarter may use good faith estimates of amounts not readily available and may be based on assumptions believed by the Company to be reasonable when made."

2.5 Amendment to Section 5.7 (Additional Collateral, etc.). Section 5.7 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the phrase "clause (w)" in clause (a) thereof and inserting in lieu thereof "clause (x) or (w)";

(b) deleting the phrase "clause (h)" in clause (i) thereof and inserting in lieu thereof "clause (g) or (aa)";

(c) inserting at the end thereof a new clause (l) as follows:

"(l) Notwithstanding anything to the contrary herein, upon the sale of any real property or improvements listed on Schedule 1.1I, the Company shall (i) use the proceeds of such sale to prepay the US Loans to the extent required by the US Loan Agreement or (ii) utilize such proceeds to purchase assets over which the United States Department of the Treasury may have a first priority lien; provided, however, that in the case of any assets purchased pursuant to this clause (ii) over which the United States Department of the Treasury is to be granted a first priority lien, such assets must remain segregated and identifiable in a manner at all times satisfactory to the Administrative Agent."

2.6 Other Amendment to Section 5 (Affirmative Covenants). Section 5 of the First Lien Credit Agreement is hereby amended by inserting at the end thereof new Sections 5.10 and 5.11 as follows:

"5.10. US Loans. The Company shall, and shall cause each Group Member to, provide the Administrative Agent with copies of any and all periodic reports, certifications, business plans, term sheets and notices (other than routine or immaterial notices under the US Loan Agreement) provided to the United States Department of the Treasury in connection with the US Loans, within one Business Day after the same have been delivered or sent to the United States Department of the Treasury."

"5.11. Financial Covenants. To the extent the Company is required to comply with any financial covenants pursuant to Section 7.03 of the US Loan Agreement, the Company shall comply with such financial covenants for the benefit of the Lenders hereunder and shall negotiate with the Administrative Agent on behalf of the Lenders in good faith to amend this Agreement to include such financial covenants (*mutatis mutandis*) on terms no more restrictive than those in the US Loan Agreement as it may be so amended. Any such amendment to this Agreement shall also provide that, in the event that non-compliance with any financial covenants under Section 7.03 of the US Loan Agreement (or the event of default thereunder resulting from such non-compliance) is waived by the requisite holders of the US Loans, or any such financial covenants in the US Loan Agreement are subsequently modified or amended in any manner in accordance with the US Loan Agreement, the Administrative Agent and the Lenders shall be deemed automatically, and without any action on their part, to have waived non-compliance with the financial covenants included in this Agreement pursuant to the provision (and any Default or Event of Default resulting therefrom) or to have consented to a comparable modification or amendment to the financial covenants included herein."

2.7 Amendment to Section 6.6 (Restricted Payments). Section 6.6 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (j) thereof;

(b) deleting the period at the end of clause (k) and inserting in lieu thereof "; and"; and

(c) inserting the following new clause (l) at the end thereof:

> "(l) provided that no Default or Event of Default has occurred and is continuing, the Company may make Restricted Payments to any Parent Entity to enable such Person to make (i) scheduled payments of interest required under the US Loan Agreement and (ii) mandatory prepayments of the US Loans required pursuant to the terms thereof to the extent that a Mandatory Prepayment is not required (or would be required but for the delivery of a Reinvestment Notice) to be made hereunder with the amounts to be paid as a Restricted Payment, provided further that, notwithstanding the existence of a Default or Event of Default or any other provision of this clause (l), the Company may make Restricted Payments to any Parent Entity to enable such Person to make mandatory prepayments of the US Loans required pursuant to the terms thereof from the proceeds of the assets in respect of which the United States Department of the Treasury has a first priority Lien permitted pursuant to clauses (y) and (z) of the definition of Permitted Liens."

2.8 Amendment to Section 6.11 (Transactions with Affiliates). Section 6.11 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (f) thereof;

(b) deleting the period at the end of clause (g) and inserting in lieu thereof "; and"; and

(c) inserting the following new clause (h) at the end thereof:

> "(h) the transactions of the Company and its Subsidiaries pursuant to the US Loan Documents."

2.9 Amendment to Section 6.17 (Prepayments). Section 6.17 of the First Lien Credit Agreement is hereby amended by:

(a) inserting the phrase "and US Loan Agreement" after the phrase "Second Lien Credit Agreement" in the section heading thereto;

(b) inserting the phrase "or the US Loan Agreement" after the phrase "Second Lien Credit Agreement" where it appears therein; and

(c) inserting the phrase "(it being understood that nothing in this Section 6.17 restricts prepayments funded with Restricted Payments permitted under clause (ii) or the proviso thereto of Section 6.6(l))" after the term "full" at the end thereof.

2.10 Amendment to Section 7 (Events of Default). Section 7 of the First Lien Credit Agreement is hereby amended by:

(a) inserting the phrase "(v) Guarantee Obligations in respect of the US Loans," after the term "except" in clause (k) thereof;

(b) inserting the phrase "or termination event" after the term "event of default" and inserting the phrase "or the US Loan Agreement; or" in place of the semi-colon in clause (l) thereof;

(c) inserting the following new clause (m) in the appropriate order:

> "(m) the US Loan Documents or any provision thereof shall be amended, modified, waived or otherwise changed in a manner that would shorten the maturity or increase the amount of any payment of principal thereof or increase the rate or accelerate any date for payment of interest thereon or make more restrictive any covenant or other restriction binding upon the Company or any of its Subsidiaries, or otherwise make any change that is material and adverse, taken as a whole, to the Administrative Agent and the Lenders; provided, however, that the US Loan Agreement may be amended to include financial covenants as contemplated by Section 7.03 thereof but only if and to the extent this Agreement is amended substantially contemporaneously therewith as provided in Section 5.11 hereof; or"; and

(d) inserting the following new clause (n) in the appropriate order:

> "(n) if at any time on or after August 31, 2011, the maturity date of the US Loan shall not have been extended to a date (or such loan shall not have been refinanced with a credit facility or bond that has a maturity that is) at least six months after the Term Loan Maturity Date;".

2.11 Amendment to Schedules. The Schedules to the First Lien Credit Agreement are hereby amended by adding Schedule 1.1I thereto in the form attached hereto as Exhibit A.

SECTION 3. MISCELLANEOUS

3.1 Consent. The parties hereto hereby consent to (i) the execution and delivery by the Administrative Agent and the Collateral Trustee of the Second Amended and Restated Collateral Trust Agreement, substantially in the form attached hereto as Exhibit B (the "Amended and Restated Collateral Trust Agreement") and (ii) the execution and delivery by the Administrative Agent (as administrative agent under the Second Lien Credit Agreement) of the amendment to the Second Lien Credit Agreement, substantially in the form attached hereto as Exhibit C (the "Second Lien Credit Agreement Amendment"; and together with the Amended and Restated Collateral Trust Agreement and this First Amendment, the "Amendment Documents").

3.2 Release. Pursuant to clause 6.12(e) of the Amended and Restated Collateral Trust Agreement, the Required Lenders hereby direct the Collateral Trustee to cause the Liens on the inventory of Chrysler Motors LLC and its MOPAR Subsidiary's aftermarket and replacement parts business conducted by its MOPAR division to be released and discharged.

3.3 Conditions Precedent; Effectiveness. This First Amendment shall become effective on the date that: (i) the Administrative Agent shall have received executed signature pages to this First Amendment from Lenders constituting the Required Lenders, (ii) the Administrative Agent shall have received an executed copy of the Amended and Restated Collateral Trust Agreement, (iii) the Second Lien Credit Agreement Amendment shall have become effective and the Administrative Agent shall have received an executed copy thereof, (iv) the Administrative Agent shall have received executed copies of the US Loan Agreement and all loan and security documents related thereto in form and substance acceptable to the Required Lenders, (v) the US Loans shall have been made and (vi) the

Administrative Agent shall have received a pro forma (after giving effect to the transactions contemplated hereby) Borrowing Base Certificate demonstrating compliance with the Borrowing Base.

3.4 Representations and Warranties. Each Loan Party hereby represents and warrants that, on the date hereof after giving effect to the provisions of this First Amendment, (a) each of the representations and warranties made by any Loan Party in the First Lien Credit Agreements (other than the representations and warranties contained in Sections 3.2 and 3.18) are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except to the extent such representations and warranties expressly relate to a particular date, in which case such representations and warranties were true and correct in all material respects as of such date and (b) no Default or Event of Default has occurred and is continuing.

3.5 Continuing Effect of the Loan Documents. This First Amendment shall not constitute an amendment of any other provisions of the Loan Documents not expressly referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of any Loan Party that would require the consent of the Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions each of the Loan Documents are and shall remain in full force and effect.

3.6 Counterparts. This First Amendment may be executed by the parties hereto in any number of separate counterparts (including facsimiled or electronic PDF counterparts), each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument.

3.7 Expenses. Each of the Loan Parties agrees to pay or reimburse the Administrative Agent and the Collateral Trustee for all of their reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this First Amendment, including, without limitation, the fees and disbursements of counsel to the Agents.

3.8 Limited Effect. Except as expressly modified by this First Amendment, each of the Loan Documents are ratified and confirmed and are, and shall continue to be, in full force and effect in accordance with their respective terms. Each Loan Party acknowledges and agrees that such Loan Party is truly and justly indebted to the Lenders and the Administrative Agent for the Obligations, without defense, counterclaim or offset of any kind, other than as provided in the Loan Documents, and such Loan Party ratifies and reaffirms the validity, enforceability and binding nature of such Obligations. The Company acknowledges and agrees that nothing in this First Amendment shall constitute an indication of the Lenders' willingness to consent to any other amendment or waiver of any other provision of any of the Loan Documents or a waiver of any Default or Event of Default. Nothing contained in this First Amendment or any other Amendment Document shall be construed as a waiver of any rights the Administrative Agent, the Collateral Trustee or any Lender may have to object in any insolvency proceeding under the Bankruptcy Code or otherwise either (x) to any action taken by the United States Department of the Treasury or any other lender or secured party under or in connection with the US Loan Agreement, including the seeking by any such entity to provide "debtor-in possession" or similar financing or of adequate protection except as set forth in clause 8.2(g) of the Amended and Restated Collateral Trust Agreement or (y) to the assertion by any such party of any of its rights and remedies under any US Loan Document in respect of obligations under the US Loan Documents or otherwise. All rights of the Administrative Agent, the Collateral Trustee and each Lender as a secured creditor in any proceeding are expressly reserved.

3.9 Loan Document. This First Amendment is a Loan Document executed pursuant to the First Lien Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Documents.

3.10 GOVERNING LAW. THIS FIRST AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name: Lenard Tessler
Title: Secretary

CHRYSLER LLC

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

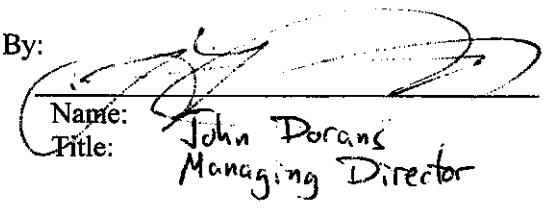
By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender

By: 

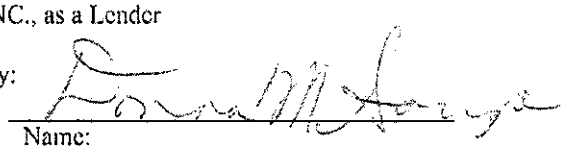
Name: Richard W. Duker
Title: Managing Director

CITIBANK, N.A.,
as a Lender

By: 

Name: John Dorans
Title: Managing Director

MORGAN STANLEY SENIOR FUNDING,
INC., as a Lender

By: 

Name:
Title:

Donna M. Souza
Vice President

GOLDMAN SACHS
CREDIT PARTNERS, L.P.
as a Lender

By:
Name: Andrew Caditz
Title: Authorized Signatory

ARCHER CAPITAL MASTER FUND, L.P.,
as a Lender

By: _____

Name: Eric Edidin
Title: Authorized Person

Casplan Capital Partners, L.P.
By: Mariner Investment Group,
as Investment Advisor

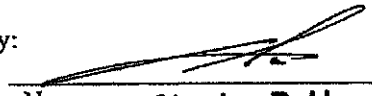
[INSERT LENDER NAME],
as a Lender

By: _____

Name: Charles R. Howe II
Title: President

Caspian Select Credit Master Fund, Ltd.
By: Mariner Investment Group,
as Investment Advisor

[INSERT LENDER NAME], as a Lender

By: 

Name: Charles R. Howe II
Title: President

Mariner LDC
By: Mariner Investment Group,
as Investment Advisor

[INSERT LENDER NAME], as a Lender

By: _____

Name: Charles R. Howe II
Title: President

Cetus Capital, LLC
as a Lender

By: _____

Name: Robert E. Davis
Title: Managing Director

Concordia Institutional Multi-Strategy Fund Ltd., as a Lender

By: _____

Name: Allan A. Brown
Title: Portfolio Manager

Concordia MAC29 Ltd., as a Lender

By: _____

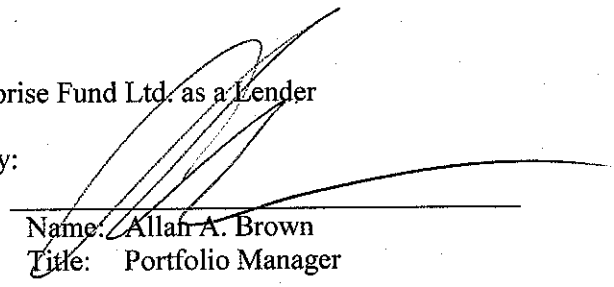
Name: Allan A. Brown
Title: Portfolio Manager

Concordia Partners, LP as a Lender

By: _____

Name: Allan A. Brown
Title: Portfolio Manager

Enterprise Fund Ltd. as a Lender

By: 

Name: Allan A. Brown
Title: Portfolio Manager

CREDIT SUISSE CANDLEWOOD SPECIAL SITUATIONS MASTER FUND, LTD.,
as a Lender

By: 

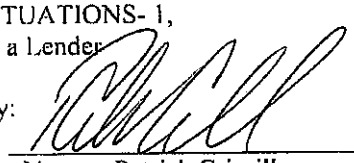
Name:
Title: Micheal Lau
Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender
By: DB Services New Jersey, Inc.

By: _____
Name: Alice L. Wagner
Title: Vice President

By: _____
Name: Edward Schaffer
Title: Vice President

DISTRESSED SECURITIES & SPECIAL SITUATIONS- 1,
as a Lender

By: 

Name: Patrick Criscillo
Title: Chief Financial Officer
Quattro Global Capital, LLC,
As Trading Advisor

QUATTRO SPECIAL SITUATIONS, LLC,
as a Lender

By: _____

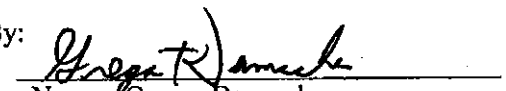
Name: Patrick Criscillo
Title: Chief Financial Officer
Quattro Global Capital, LLC,
As Investment Manager

FOXHILL MAC, LP
FOXHILL OPPORUNITY FOND, LP
[~~INSERT LENDER NAME~~],
as a Lender

By: _____

Name: Neil Weiner
Title: Managing Member

KAMUNTING STREET MASTER FUND, LTD,
as a Lender

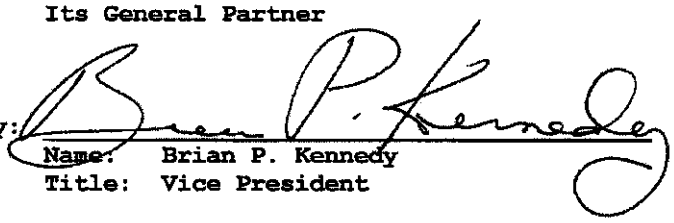
By: 

Name: Gregor Dannacher
Title: Director
Kamunting Street Capital Management, L.P. as Investment Manager for Kamunting Street Master Fund, LTD

Loomis Sayles Bond Fund, a Series of
Loomis Sayles Funds I,
As Lender

By: Loomis, Sayles & Company, L.P.,
Its Investment Adviser

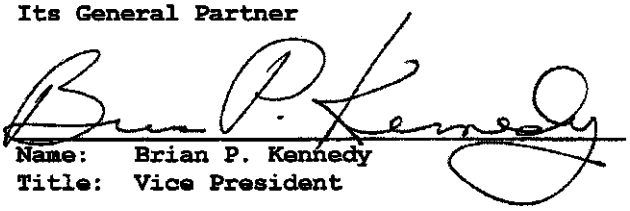
By: Loomis, Sayles & Company, Incorporated,
Its General Partner

By: 
Name: Brian P. Kennedy
Title: Vice President

Loomis Sayles Strategic Income Fund,
a Series of Loomis Sayles Funds II,
As Lender

By: Loomis, Sayles & Company, L.P.,
Its Investment Adviser

By: Loomis, Sayles & Company, Incorporated,
Its General Partner

By: 

Name: Brian P. Kennedy
Title: Vice President

MAC CAPITAL, LTD.
By: TCW Asset Management Company as its Portfolio Manager

By: _____
EDISON HWANG
VICE PRESIDENT

By: _____
G. WAYNE HOSANG
SENIOR VICE PRESIDENT

TCW Senior Secured Loan Fund , LP
By: TCW Asset Management Company, as its Investment Advisor

By: _____
EDISON HWANG
VICE PRESIDENT

By: _____
G. WAYNE HOSANG
SENIOR VICE PRESIDENT

RGA Reinsurance Company
By: TCW Asset Management Company as its Investment Advisor

By: _____
EDISON HWANG
VICE PRESIDENT

By: _____
G. WAYNE HOSANG
SENIOR VICE PRESIDENT

TCW Absolute Return Credit Fund, L.P.
By: TCW Asset Management Company, its Investment Manager

By:
Name: John A. Fekete
Title: Senior Vice President

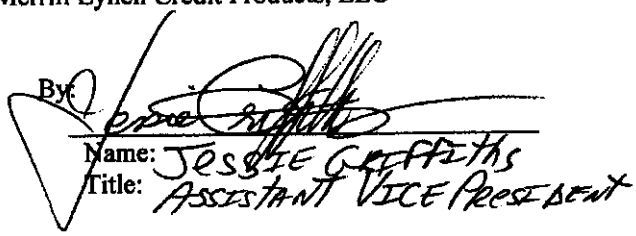
By:
Name:
Title:

TCW Shared Opportunity Fund V, L.P.
By: TCW Asset Management Company, its Investment Adviser

By: _____
Jason A. Breaux
Senior Vice President

By: _____
Michael K. Parks
Managing Director

Merrill Lynch Credit Products, LLC

By: 

Name: JESSIE GRIFFITHS
Title: ASSISTANT VICE PRESIDENT

MSD Value Investments, L.P., as a Lender

By: _____

Name: Marc R. Lisker
Title: General Counsel

SOF Investments, L.P., as a Lender

By: 

Name: Marc R. Lisker
Title: General Counsel

[Newstart Factors, Inc.,
as a Lender

By: _____
Name: John V Koerber
Title:

OMNICOM CAPITAL INC.,
as a Lender

By: _____

Name: Eric Lemon
Title: EVP

PENTWATER CREDIT PARTNERS, Ltd,

as a Lender

By: _____

Name: Neal Nenadovic
Title: CFO

PERELLA WEINBERG PARTNERS XERION MASTER FUND LTD.,
as a Lender

By: _____

Name: William Kourakos
Title: Director

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SATELLITE SENIOR INCOME FUND, LLC,
BY SATELLITE ASSET MANAGEMENT, L.P.,
as a Lender

By: _____

Name: Simon Raykher
Title: General Counsel & Principal

SATELLITE SENIOR INCOME FUND II, LLC,
BY SATELLITE ASSET MANAGEMENT, L.P.,
as a Lender

By: _____

Name: Simon Raykher
Title: General Counsel & Principal

Stairway Capital Management II LP, as a Lender

By: _____

Name: John Rijo
Title: Principal

[Teak Hill Master Fund LP],
as a Lender

By: Varkki P. Chacko

Name: Varkki Chacko
Title: Managing Principal,
Credit Capital Investments LLC
On behalf of Teak Hill Master Fund LP

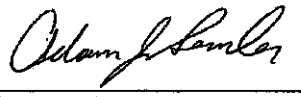
VÄRDE INVESTMENT PARTNERS, L.P.
as a Lender

By: Värde Investment Partners, G.P., LLC,
Its General Partner
By: Värde Partners, L.P., Its Managing Member
By: Värde Partners, Inc., Its General Partner

By: _____

Name:
Title: Jeremy D. Hedberg
Vice President

York Capital Management, L.P.,
as a Lender

By: 

Name: Adam Semler
Title: CFO

EXHIBIT A

SCHEDULE 1.1I
UNENCUMBERED REAL ESTATE

[see attached]

EXHIBIT B

AMENDED AND RESTATED COLLATERAL TRUST AGREEMENT

[see attached]

EXHIBIT C

SECOND LIEN CREDIT AGREEMENT AMENDMENT

[see attached]

SECOND AMENDMENT AND CONSENT

THIS SECOND AMENDMENT AND CONSENT, dated as of April 6, 2009 (this "Amendment"), to the Amended and Restated First Lien Credit Agreement, dated as of November 29, 2007 (as amended by the First Amendment thereto, dated as of January 2, 2009, the "First Lien Credit Agreement"), among Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company"), the several banks and other financial institutions or entities from time to time parties thereto (the "First Lien Lenders"), Goldman Sachs Credit Partners L.P., and Citibank, N.A., as syndication agents (in such capacity, the "Syndication Agents"), and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity the "Administrative Agent").

W I T N E S S E T H:

WHEREAS, the Company has requested that the Administrative Agent and the Required Lenders agree to amend the First Lien Credit Agreement as herein set forth;

WHEREAS, the Administrative Agent and the Required Lenders have consented to such amendments on the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the First Lien Credit Agreement (as amended hereby) are used herein as therein defined.

SECTION 2. AMENDMENTS TO THE FIRST LIEN CREDIT AGREEMENT

2.1 Amendment to Section 1.1 (Defined Terms). Section 1.1 of the First Lien Credit Agreement is hereby amended by:

(a) adding the following new definitions in the appropriate alphabetical order:

> "'Auto Supplier Support Program': a program established by the United States Department of the Treasury to facilitate payment of certain receivables to automotive suppliers, including provisions for the sale of such receivables to the Supplier SPV."
>
> "'Supplier SPV': Chrysler Receivables SPV LLC, a Delaware limited liability company, or any other successor entity thereto.";

(b) making the following changes to the definition of "Collateral":

(i) deleting the word "and" at the end of clause (iv) thereof;

(ii) inserting "and" after the instance of "thereto)" at the end of clause (v) thereof; and

(iii) inserting the following new clause (vi) in the appropriate order:

"the segregated deposit account (and any cash contained therein) that has been pledged to Citibank, N.A., as servicer and collateral agent for the United States Department of the Treasury and as a secured party in connection with the Auto Supplier Support Program, into which the Company (or a Subsidiary) deposits the balance due on a purchased account receivable held by the Supplier SPV provided that (a) such deposit is made no earlier than two Business Days prior to the date such receivable is due in accordance with its stated terms, (b) the balance in such account shall not exceed on any given day the amount due to be paid by the Company (or its Subsidiaries) in respect of receivables held by the Supplier SPV within the following two Business Days (and such excess shall be returned to the Company (or relevant Subsidiary)), and (c) any reversionary rights of the Company thereto shall not be excluded";

(c) adding the following sentence at the end of the definition of "Group Members" to read as follows:

"For the avoidance of doubt, the Supplier SPV will not constitute a Group Member.";

(d) making the following changes to the definition of "Permitted Indebtedness":

(i) deleting the word "and" at the end of clause (w) thereof;

(ii) deleting the period at the end of clause (x) and inserting "; and" in lieu thereof; and

(iii) inserting the following new clause (y) at the end thereof:

"intercompany Indebtedness of any Loan Party owing to the Supplier SPV in respect of payables incurred to suppliers and acquired or held by the Supplier SPV in connection with the Auto Supplier Support Program.";

(e) making the following changes to the definition of "Permitted Liens":

(i) deleting the word "and" at the end of clause (z) thereof;

(ii) deleting the period at the end of clause (aa) and inserting "; and" in lieu thereof; and

(iii) inserting the following new clause (bb) in the appropriate order:

"Liens on the Capital Stock of the Supplier SPV in favor of Citibank, N.A. as collateral agent for the United States Department of the Treasury in connection with the Auto Supplier Support Program."; and

(f) adding the following sentence at the end of the definition of "Subsidiary" to read as follows:

"Notwithstanding the foregoing, the Supplier SPV shall not be deemed a Subsidiary of any Group Member for purposes of this Agreement or any other Loan Documents."

2.2 Amendment to Section 6.10 (Investments): Section 6.10 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (p) thereof;

(b) deleting the period at the end of clause (q) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (r) at the end thereof:

"(r) Investments in the Supplier SPV in connection with the Auto Supplier Support Program as required by the United States Department of the Treasury or other Governmental Authority pursuant to the Auto Supplier Support Program, in an aggregate principal amount not to exceed $75,000,000."

2.3 Amendment to Section 6.11 (Transaction with Affiliates): Section 6.11 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (g) thereof;

(b) deleting the period at the end of clause (h) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (i) at the end thereof:

"(i) transactions of the Company and its Subsidiaries with the Supplier SPV pursuant to the Auto Supplier Support Program consisting of payment by the Company and its Subsidiaries of receivables of the Company and its Subsidiaries held by the Supplier SPV."

SECTION 3. MISCELLANEOUS

3.1 Consent. The parties hereto hereby consent to the execution and delivery by the Administrative Agent (as administrative agent under the Second Lien Credit Agreement) of the amendment to the Second Lien Credit Agreement, substantially in the form attached hereto as Exhibit A (the "Second Lien Credit Agreement Amendment"; and together with this Amendment, the "Amendment Documents").

3.2 Conditions Precedent; Effectiveness. This Amendment shall become effective on the date that:

(a) the Administrative Agent shall have received executed signature pages to this Amendment from Lenders constituting the Required Lenders;

(b) the Second Lien Credit Agreement Amendment shall have become effective and the Administrative Agent shall have received an executed copy thereof;

(c) the Administrative Agent shall have received an interim draft of the financial statements required to be delivered pursuant to Section 5.1(a) of the First Lien Credit Agreement for the period ending December 31, 2008;

(d) the Administrative Agent shall have received an executed copy of a similar amendment to the US Loan Agreement in form and substance acceptable to the Required Lenders; and

(e) the advisors to the Administrative Agent and the Lead Arrangers (including for avoidance of doubt Simpson Thacher & Bartlett LLP and Chilmark Partners) shall have received all outstanding fees and expenses required to be paid and for which invoices have been presented (excluding any fees and expenses incurred in connection with this Amendment).

3.3 Representations and Warranties. Each Loan Party hereby represents and warrants that, on the date hereof after giving effect to the provisions of this Amendment, (a) each of the representations and warranties made by any Loan Party in the First Lien Credit Agreements (other than the representations and warranties contained in Sections 3.2, 3.7 and 3.18) are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except to the extent such representations and warranties expressly relate to a particular date, in which case such representations and warranties were true and correct in all material respects as of such date and (b) no Default (other than one arising as a result of the Company's failure to deliver the financial statements required under Section 5.1(a) for the fiscal year ended December 31, 2008) or Event of Default has occurred and is continuing.

3.4 Continuing Effect of the Loan Documents. This Amendment shall not constitute an amendment of any other provisions of the Loan Documents not expressly referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of any Loan Party that would require the consent of the Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions each of the Loan Documents are and shall remain in full force and effect.

3.5 Counterparts. This Amendment may be executed by the parties hereto in any number of separate counterparts (including facsimiled or electronic PDF counterparts), each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument.

3.6 Expenses. Each of the Loan Parties agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the fees and disbursements of counsel to the Agents.

3.7 Limited Effect. Except as expressly modified by this Amendment, each of the Loan Documents are ratified and confirmed and are, and shall continue to be, in full force and effect in accordance with their respective terms. Each Loan Party acknowledges and agrees that such Loan Party is truly and justly indebted to the Lenders and the Administrative Agent for the Obligations, without

defense, counterclaim or offset of any kind, other than as provided in the Loan Documents, and such Loan Party ratifies and reaffirms the validity, enforceability and binding nature of such Obligations. The Company acknowledges and agrees that nothing in this Amendment shall constitute an indication of the Lenders' willingness to consent to any other amendment or waiver of any other provision of any of the Loan Documents or a waiver of any Default or Event of Default.

3.8 Loan Document. This Amendment is a Loan Document executed pursuant to the First Lien Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Documents.

3.9 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: Carco International Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: Carco International Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: Jan A Bertsch
Name: JAN A. BERTSCH
Title: SENIOR VICE PRESIDENT & TREASURER

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender

By: Susan E Atkins
Name: Susan E Atkins
Title: Managing Director

MORGAN STANLEY SENIOR FUNDING,
INC., as a Lender

By: _____

Name:
Title: Thomas Doster, MD

CITIBANK, N.A.,
as a Lender

By: _____

Name: Wayne Beckmann
Title: Managing Director

GOLDMAN SACHS CREDIT PARTNERS,
L.P., as a Lender

By: _____

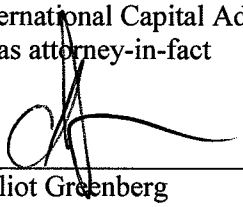
Name:
Title:

Denis P. Coleman III
AUTHORIZED SIGNATORY

APR-06-2009 10:22 From:GOLDMAN SACHS 12129020366 To:Goldman Sachs Co P.1/1

KENSINGTON INTERNATIONAL LIMITED,
as a Lender

By: Elliott International Capital Advisors Inc., as attorney-in-fact



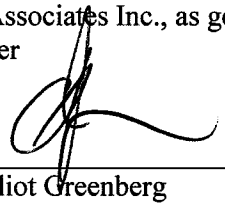
Name: Elliot Greenberg
Title: Vice-President

SPRINGFIELD ASSOCIATES, LLC,
as a Lender

By: Elliott Associates, L.P., as managing member

By: Elliott Capital Advisors, L.P., as general partner

By: Braxton Associates Inc., as general partner

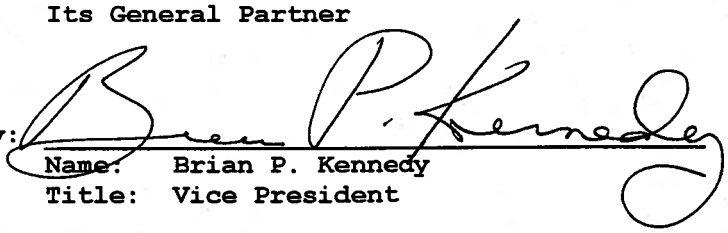


Name: Elliot Greenberg
Title: Vice President

Loomis Sayles Bond Fund, a Series of
Loomis Sayles Funds I,
As Lender

By: Loomis, Sayles & Company, L.P.,
Its Investment Adviser

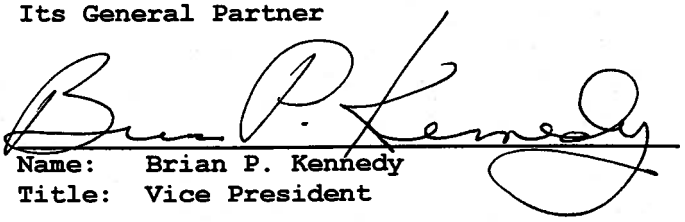
By: Loomis, Sayles & Company, Incorporated,
Its General Partner

By: 
Name: Brian P. Kennedy
Title: Vice President

Loomis Sayles Strategic Income Fund,
a Series of Loomis Sayles Funds II,
As Lender

By: Loomis, Sayles & Company, L.P.,
Its Investment Adviser

By: Loomis, Sayles & Company, Incorporated,
Its General Partner

By: 

Name: Brian P. Kennedy
Title: Vice President

VÄRDE INVESTMENT PARTNERS, L.P.
as a Lender

By: Värde Investment Partners G.P., LLC,
Its General Partner
By: Värde Partners, L.P., Its Managing Member
By: Värde Partners, Inc., Its General Partner

By: _____

Name: Thomas E. Simonson
Title: Vice President

Pentwater Growth Fund, Ltd.
as a Lender

By: _____

Name: Neal Nenadovic
Title: Chief Financial Officer
Pentwater Capital Management LP

Foxhill Opportunity Master Fund LP,
as a Lender

By: _____

Name: Neil Weiner

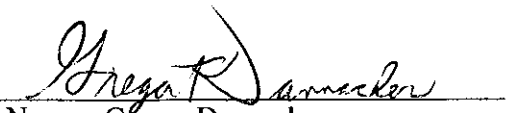
Title: Managing Member

ARCHER CAPITAL MASTER FUND, L.P.,
as a Lender

By: 

Name: Eric Edidin
Title: Authorized Officer

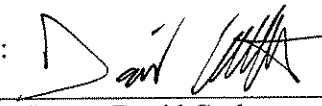
Kamunting Street Master Fund, LTD,
as a Lender

By: 

Name: Gregor Dannacher
Title: Director
Kamunting Street Capital Management, L.P. as investment manager for Kamunting Street Master Fund, LTD

Mariner LDC
By: Mariner Investment Group,
as Investment Advisor

[INSERT LENDER NAME],
as a Lender

By: 

Name: David Corleto
Title: Principal, Mariner Investment Group, as Investment Advisor

Caspian Select Credit Master Fund, Ltd.
By: Mariner Investment Group,
as Investment Advisor

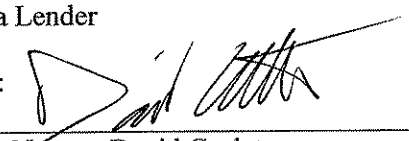
[INSERT LENDER NAME],
as a Lender

By: 

Name: David Corleto
Title: Principal, Mariner Investment Group, as Investment Advisor

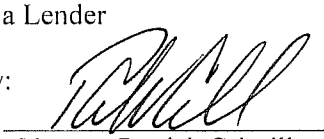
Caspian Capital Partners, L.P.
By: Mariner Investment Group,
as Investment Advisor

[INSERT LENDER NAME],
as a Lender

By: 

Name: David Corleto
Title: Principal, Mariner Investment Group, as Investment Advisor

QUATTRO SPECIAL SITUATIONS, LLC,
as a Lender

By: 

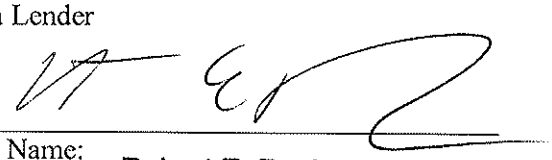
Name: Patrick Criscillo
Title: CFO, Quattro Global Capital, LLC

DISTRESSED SECURITIES & SPECIAL SITUATIONS - 1,
as a Lender

By: 

Name: Patrick Criscillo
Title: CFO, Quattro Global Capital, LLC

Cetus Capital, LLC
as a Lender

By: 

Name: Robert E. Davis
Title: Managing Director

EXHIBIT A

SECOND LIEN CREDIT AGREEMENT AMENDMENT

[see attached]

FOURTH AMENDMENT AND CONSENT

THIS FOURTH AMENDMENT AND CONSENT, dated as of April 6, 2009 (this "Amendment"), to the Second Lien Credit Agreement, dated as of August 3, 2007 (as amended by the First, Second and Third Amendments thereto, dated as of September 28, 2007, November 29, 2007 and January 2, 2009, respectively, the "Second Lien Credit Agreement"), among Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company"), the several banks and other financial institutions or entities from time to time parties thereto (the "Second Lien Lenders"), Goldman Sachs Credit Partners L.P., and Citibank, N.A., as syndication agents (in such capacity, the "Syndication Agents"), and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity the "Administrative Agent").

W I T N E S S E T H:

WHEREAS, the Company has requested that the Administrative Agent and the Required Lenders agree to amend the Second Lien Credit Agreement as herein set forth;

WHEREAS, the Administrative Agent and the Required Lenders have consented to such amendments on the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the Second Lien Credit Agreement (as amended hereby) are used herein as therein defined.

SECTION 2. AMENDMENTS TO THE SECOND LIEN CREDIT AGREEMENT

2.1 Amendment to Section 1.1 (Defined Terms). Section 1.1 of the Second Lien Credit Agreement is hereby amended by:

(a) adding the following new definitions in the appropriate alphabetical order:

> "'Auto Supplier Support Program': a program established by the United States Department of the Treasury to facilitate payment of certain receivables to automotive suppliers, including provisions for the sale of such receivables to the Supplier SPV."
>
> "'Supplier SPV': Chrysler Receivables SPV LLC, a Delaware limited liability company, or any other successor entity thereto.";

(b) making the following changes to the definition of "Collateral":

> (i) deleting the word "and" at the end of clause (iv) thereof;

(ii) inserting "and" after the instance of "thereto)" at the end of clause (v) thereof; and

(iii) inserting the following new clause (vi) in the appropriate order:

"the segregated deposit account (and any cash contained therein) that has been pledged to Citibank, N.A., as servicer and collateral agent for the United States Department of the Treasury and as a secured party in connection with the Auto Supplier Support Program, into which the Company (or a Subsidiary) deposits the balance due on a purchased account receivable held by the Supplier SPV provided that (a) such deposit is made no earlier than two Business Days prior to the date such receivable is due in accordance with its stated terms, (b) the balance in such account shall not exceed on any given day the amount due to be paid by the Company (or its Subsidiaries) in respect of receivables held by the Supplier SPV within the following two Business Days (and such excess shall be returned to the Company (or relevant Subsidiary)), and (c) any reversionary rights of the Company thereto shall not be excluded";

(c) adding the following sentence at the end of the definition of "Group Members" to read as follows:

"For the avoidance of doubt, the Supplier SPV will not constitute a Group Member.";

(d) making the following changes to the definition of "Permitted Indebtedness":

(i) deleting the word "and" at the end of clause (w) thereof;

(ii) deleting the period at the end of clause (x) and inserting "; and" in lieu thereof; and

(iii) inserting the following new clause (y) at the end thereof:

"intercompany Indebtedness of any Loan Party owing to the Supplier SPV in respect of payables incurred to suppliers and acquired or held by the Supplier SPV in connection with the Auto Supplier Support Program.";

(e) making the following changes to the definition of "Permitted Liens":

(i) deleting the word "and" at the end of clause (z) thereof;

(ii) deleting the period at the end of clause (aa) and inserting "; and" in lieu thereof; and

(iii) inserting the following new clause (bb) in the appropriate order:

"Liens on the Capital Stock of the Supplier SPV in favor of Citibank, N.A. as collateral agent for the United States Department of the Treasury in connection with the Auto Supplier Support Program."; and

(f) adding the following sentence at the end of the definition of "Subsidiary" to read as follows:

"Notwithstanding the foregoing, the Supplier SPV shall not be deemed a Subsidiary of any Group Member for purposes of this Agreement or any other Loan Documents."

2.2 Amendment to Section 6.10 (Investments): Section 6.10 of the Second Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (p) thereof;

(b) deleting the period at the end of clause (q) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (r) at the end thereof:

"(r) Investments in the Supplier SPV in connection with the Auto Supplier Support Program as required by the United States Department of the Treasury or other Governmental Authority pursuant to the Auto Supplier Support Program, in an aggregate principal amount not to exceed $75,000,000."

2.3 Amendment to Section 6.11 (Transaction with Affiliates): Section 6.11 of the Second Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (g) thereof;

(b) deleting the period at the end of clause (h) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (i) at the end thereof:

"(i) transactions of the Company and its Subsidiaries with the Supplier SPV pursuant to the Auto Supplier Support Program consisting of payment by the Company and its Subsidiaries of receivables of the Company and its Subsidiaries held by the Supplier SPV."

SECTION 3. MISCELLANEOUS

3.1 Consent. The parties hereto hereby consent to the execution and delivery by the Administrative Agent (as administrative agent under the First Lien Credit Agreement) of the amendment to the First Lien Credit Agreement, substantially in the form attached hereto as Exhibit A (the "First Lien Credit Agreement Amendment"; and together with this Amendment, the "Amendment Documents").

3.2 Conditions Precedent; Effectiveness. This Amendment shall become effective on the date that:

(a) the Administrative Agent shall have received executed signature pages to this Amendment from Lenders constituting the Required Lenders;

(b) the First Lien Credit Agreement Amendment shall have become effective and the Administrative Agent shall have received an executed copy thereof;

(c) the Administrative Agent shall have received an interim draft of the financial statements required to be delivered pursuant to Section 5.1(a) of the Second Lien Credit Agreement for the period ending December 31, 2008;

(d) the Administrative Agent shall have received an executed copy of a similar amendment to the US Loan Agreement in form and substance acceptable to the Required Lenders; and

(e) the advisors to the Administrative Agent and the Lead Arrangers (including for avoidance of doubt Simpson Thacher & Bartlett LLP and Chilmark Partners) shall have received all outstanding fees and expenses required to be paid and for which invoices have been presented (excluding any fees and expenses incurred in connection with this Amendment).

3.3 Representations and Warranties. Each Loan Party hereby represents and warrants that, on the date hereof after giving effect to the provisions of this Amendment, (a) each of the representations and warranties made by any Loan Party in the Second Lien Credit Agreements (other than the representations and warranties contained in Sections 3.2, 3.7 and 3.18) are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except to the extent such representations and warranties expressly relate to a particular date, in which case such representations and warranties were true and correct in all material respects as of such date and (b) no Default (other than one arising as a result of the Company's failure to deliver the financial statements required under Section 5.1(a) for the fiscal year ended December 31, 2008) or Event of Default has occurred and is continuing.

3.4 Continuing Effect of the Loan Documents. This Amendment shall not constitute an amendment of any other provisions of the Loan Documents not expressly referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of any Loan Party that would require the consent of the Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions each of the Loan Documents are and shall remain in full force and effect.

3.5 Counterparts. This Amendment may be executed by the parties hereto in any number of separate counterparts (including facsimiled or electronic PDF counterparts), each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument.

3.6 Expenses. Each of the Loan Parties agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the fees and disbursements of counsel to the Agents.

3.7 Limited Effect. Except as expressly modified by this Amendment, each of the Loan Documents are ratified and confirmed and are, and shall continue to be, in full force and effect in accordance with their respective terms. Each Loan Party acknowledges and agrees that such Loan Party is truly and justly indebted to the Lenders and the Administrative Agent for the Obligations, without

defense, counterclaim or offset of any kind, other than as provided in the Loan Documents, and such Loan Party ratifies and reaffirms the validity, enforceability and binding nature of such Obligations. The Company acknowledges and agrees that nothing in this Amendment shall constitute an indication of the Lenders' willingness to consent to any other amendment or waiver of any other provision of any of the Loan Documents or a waiver of any Default or Event of Default.

3.8 Loan Document. This Amendment is a Loan Document executed pursuant to the Second Lien Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Documents.

3.9 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: Carco International Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name: Lenard Tessler
Title: Secretary

CHRYSLER LLC

By: _____
Name: Jan. A. Bertsch
Title: Senior Vice President & Treasurer

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: _____

Name:
Title:

[INSERT LENDER NAME],
as a Lender

By: _____

Name:
Title:

THIRD AMENDMENT AND CONSENT

THIS THIRD AMENDMENT AND CONSENT, dated as of April 24, 2009 (this "Amendment"), to the Amended and Restated First Lien Credit Agreement, dated as of November 29, 2007 (as amended by the First Amendment thereto, dated as of January 2, 2009, and the Second Amendment thereto, dated as of April 6, 2009, the "First Lien Credit Agreement"), among Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company"), the several banks and other financial institutions or entities from time to time parties thereto (the "First Lien Lenders"), Goldman Sachs Credit Partners L.P., and Citibank, N.A., as syndication agents (in such capacity, the "Syndication Agents"), and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity the "Administrative Agent").

W I T N E S S E T H:

WHEREAS, the Company has requested that the Administrative Agent and the Required Lenders agree to amend the First Lien Credit Agreement as herein set forth; and

WHEREAS, the Administrative Agent and the Required Lenders have consented to such amendments on the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the First Lien Credit Agreement (as amended hereby) are used herein as therein defined.

SECTION 2. AMENDMENTS TO THE FIRST LIEN CREDIT AGREEMENT

2.1 Amendment to Section 1.1 (Defined Terms). Section 1.1 of the First Lien Credit Agreement is hereby amended by:

(a) adding the following new definitions in the appropriate alphabetical order:

> "'Warranty SPV': Chrysler Warranty SPV LLC, a Delaware limited liability company, or any other successor entity thereto."; and
>
> "'Warranty Support Program': a program established by the United States Department of the Treasury to provide coverage for certain vehicle warranty obligations of the Company and its Subsidiaries, including provisions for extensions of credit to the Warranty SPV.";

(b) amending and restating the last sentence of the definition of "Group Members" to read as follows:

"For the avoidance of doubt, neither the Supplier SPV nor the Warranty SPV will constitute a Group Member.";

(c) deleting the reference to "$4,266,800,000" in clause (x) of the definition of "Permitted Indebtedness" and inserting in lieu thereof "$4,800,150,000";

(d) making the following changes to the definition of "Permitted Liens":

(i) deleting the word "and" at the end of clause (aa) thereof;

(ii) deleting the period at the end of clause (bb) and inserting "; and" in lieu thereof; and

(iii) inserting the following new clause (cc) in the appropriate order:

"Liens on the Capital Stock of the Warranty SPV in favor of the United States Department of the Treasury."; and

(e) amending and restating the last sentence of the definition of "Subsidiary" to read as follows:

"Notwithstanding the foregoing, neither the Supplier SPV nor the Warranty SPV shall be deemed a Subsidiary of any Group Member for purposes of this Agreement or any other Loan Document."

2.2 Amendments to Section 2.5 (Mandatory Prepayment). Section 2.5(a) of the First Lien Credit Agreement is hereby amended by amending and restating the paragraph immediately after subclause (ii) thereof as follows:

"Notwithstanding anything to the contrary herein, no Mandatory Prepayment shall be required in respect of (i) Capital Stock issued in connection with the receipt by the Company or any Subsidiary of the proceeds from (x) the US Loans or (y) loans or other funds advanced pursuant to the Warranty Support Program or (ii) Net Cash Proceeds from any MOPAR Financing Amount received in connection with the US Loans (other than, for the avoidance of doubt, as a consequence of complying with Section 6.1)."

2.3 Amendment to Section 6.6 (Restricted Payments). Section 6.6 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (k) thereof;

(b) deleting the period at the end of clause (l) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (m) at the end thereof:

"(m) the Company may make Restricted Payments to any Parent Entity to enable such Person to make payments in respect of the Warranty

Advance (as defined in the US Loan Agreement) solely with proceeds of distributions, dividends or other payments from the Warranty SPV."

2.4 Amendment to Section 6.10 (Investments). Section 6.10 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (q) thereof;

(b) deleting the period at the end of clause (r) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (s) at the end thereof:

"(s) Investments in the Warranty SPV in connection with the Warranty Support Program as required by the United States Department of the Treasury or other Governmental Authority pursuant to the Warranty Support Program in an aggregate principal amount not to exceed 125% of the projected warranty costs for vehicles sold during the period covered by the Warranty Support Program of which approximately $282,000,000 will be funded from proceeds of the Warranty Advance (as defined in the US Loan Agreement)."

2.5 Amendment to Section 6.11 (Transaction with Affiliates). Section 6.11 of the First Lien Credit Agreement is hereby amended by:

(a) deleting the word "and" at the end of clause (h) thereof;

(b) deleting the period at the end of clause (i) thereof and inserting "; and" in lieu thereof; and

(c) inserting the following new clause (j) at the end thereof:

"(j) transactions of the Company and its Subsidiaries with the Warranty SPV pursuant to the Warranty Support Program."

2.6 Amendment to Section 6.17 (Prepayments of Second Lien Credit Agreement and US Loan Agreement). Section 6.17 of the Loan Agreement is hereby amended by inserting the phrase "(other than the Warranty Advance (as defined in the US Loan Agreement) with proceeds of distributions, dividends or other payments from the Warranty SPV)" immediately after the term "US Loan Agreement" where it appears in such section.

SECTION 3. MISCELLANEOUS

3.1 Consent. The parties hereto hereby consent to the execution and delivery by (a) the Administrative Agent (as administrative agent under the Second Lien Credit Agreement) of the amendment to the Second Lien Credit Agreement, substantially in the form attached hereto as Exhibit A (the "Second Lien Credit Agreement Amendment") and (b) Chrysler Holding LLC and the United States

Department of the Treasury of the amendment to the US Loan Agreement, substantially in the form attached hereto as Exhibit B (the "US Loan Amendment").

3.2 Conditions Precedent; Effectiveness. This Amendment shall become effective on the date that:

(a) the Administrative Agent shall have received executed signature pages to this Amendment from Lenders constituting the Required Lenders;

(b) the Second Lien Credit Agreement Amendment shall have become effective and the Administrative Agent shall have received an executed copy thereof; and

(c) the US Loan Amendment shall have become effective and the Administrative Agent shall have received an executed copy thereof.

3.3 Representations and Warranties. Each Loan Party hereby represents and warrants that, on the date hereof after giving effect to the provisions of this Amendment, (a) each of the representations and warranties made by any Loan Party in the First Lien Credit Agreements (other than the representations and warranties contained in Sections 3.2, 3.7 and 3.18) are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except to the extent such representations and warranties expressly relate to a particular date, in which case such representations and warranties were true and correct in all material respects as of such date and (b) no Default (other than one arising as a result of the Company's failure to deliver the financial statements required under Section 5.1(a) for the fiscal year ended December 31, 2008) or Event of Default has occurred and is continuing.

3.4 Continuing Effect of the Loan Documents. This Amendment shall not constitute an amendment of any other provisions of the Loan Documents not expressly referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of any Loan Party that would require the consent of the Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions each of the Loan Documents are and shall remain in full force and effect.

3.5 Counterparts. This Amendment may be executed by the parties hereto in any number of separate counterparts (including facsimiled or electronic PDF counterparts), each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument.

3.6 Expenses. Each of the Loan Parties agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the fees and disbursements of counsel to the Agents.

3.7 Limited Effect. Except as expressly modified by this Amendment, each of the Loan Documents are ratified and confirmed and are, and shall continue to be, in full force and effect in accordance with their respective terms. Each Loan Party acknowledges and agrees that such Loan Party is truly and justly indebted to the Lenders and the Administrative Agent for the Obligations, without defense, counterclaim or offset of any kind, other than as provided in the Loan Documents, and such Loan Party ratifies and reaffirms the validity, enforceability and binding nature of such Obligations. The Company acknowledges and agrees that nothing in this Amendment shall constitute an indication of the Lenders' willingness to consent to any other amendment or waiver of any other provision of any of the Loan Documents or a waiver of any Default or Event of Default.

3.8 Loan Document. This Amendment is a Loan Document executed pursuant to the First Lien Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Documents.

3.9 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

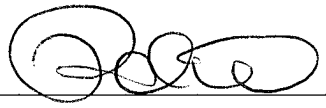
By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender

By: 

Name: RICHARD W. DUKER
Title: MANAGING DIRECTOR

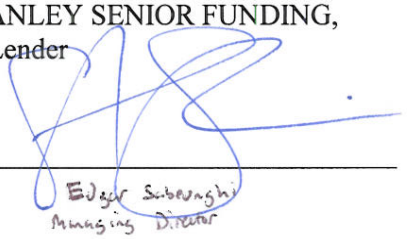
CITIBANK, N.A.,
as a Lender

By: _____

Name:
Title:

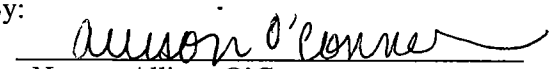
WAYNE BECKMANN
Managing Director - Citibank, N.A.
Global Autos and Industrials Dept.
388 Greenwich Street/23rd Fl.
Ph: 212-816-5566/Fax: 212-816-5572

MORGAN STANLEY SENIOR FUNDING, INC., as a Lender

By: 

Name: Edgar Sabanghi
Title: Managing Director

GOLDMAN SACHS LENDING PARTNERS LLC
as a Lender

By: 
Name: Allison O'Connor
Title: Vice President

Allison O'Connor
Authorized Signatory

KENSINGTON INTERNATIONAL LIMITED,
as a Lender

By: Elliott International Capital Advisors Inc., as attorney-in-fact

Name: Elliot Greenberg
Title: Vice President

SPRINGFIELD ASSOCIATES, LLC,
as a Lender

By: Elliott Associates, L.P., as managing member

By: Elliott Capital Advisors, L.P., as general partner

By: Braxton Associates Inc., as general partner

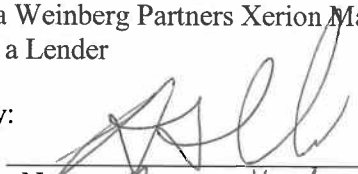
Name: Elliot Greenberg
Title: Vice President

STAIRWAY CAPITAL MANAGEMENT II LP,
as a Lender

By: _____

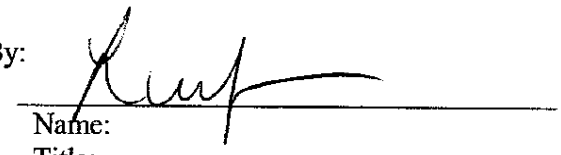
Name: John C. Rijo
Title: Principal

Perella Weinberg Partners Xerion Master Fund Ltd.
as a Lender

By: 

Name: Aaron Hood
Title: Authorised Person

OPPENHEIMER Senior Floating Rate Fund
as a Lender

By: 

Name: Lisa Chaffee
Title: Vice President

OPPENHEIMER Master Loan Fund
as a Lender

By: _____

Name: Lisa Chaffee
Title: Vice President

HARBOURVIEW CLO 2006-1
as a Lender

By: 

Name: Lisa Chaffee
Title: Vice President

Credit Suisse Candlewood Special Situations Fund, LTD.,

By: Credit Suisse Alternative Capital, Inc. as investment manager

as Lender

By: David Koenig

Name:
Title:

David Koenig
Authorized Signatory

Pentwater Growth Fund, Ltd
as a Lender

By: _____

Name:
Title:

Neal Nenadovic
Chief Financial Officer
Pentwater Capital Management LP

Deutsche Bank Trust Company Americas, as a Lender

By: DB Services New Jersey, Inc.

By: _____
Name: Deirdre D. Cesario
Title: Assistant Vice President

By: _____
Name: Jonathan Shin
Title: Assistant Vice President

Foxhill Opportunity Master Fund, LP
[INSERT LENDER NAME],
as a Lender

By: _____

Name:
Title:

Kamunting Street Master Fund LTD,
as a Lender

By: Gregor T Dannacher

Name: Gregor Dannacher
Title: Director
Kamunting Street Capital Management, LP as investment manager for Kamunting Street Master Fund, LTD

QUATTRO SPECIAL SITUATIONS,
as a Lender

By: _____

Name: Patrick Criscillo
Title: CFO

Merrill Lynch Credit Products, LLC,
as a Lender

Name: NEYDA DARIAS
Title: VICE PRESIDENT

STONE LION PORTFOLIO, L.P. as a Lender

STONE LION PORTFOLIO L.P.
By: Stone Lion GP L.P., Its: General Partner
By: Stone Lion Capital Partners L.P., Investment Manager
By: SL Capital Partners LLC, Its: General Partner
By: Tudor Investment Corporation, Managing Member

By: _____

Name:
Title:

Alan J. Mintz
Co-Director, Distressed Debt Group

SCHULTZE APEX MASTER FUND LTD, as a Lender

By: 

Name: George Schultze
Title: Director

SCHULTZE MASTER FUND LTD, as a
Lender

By: 

Name: George Schultze
Title: Director

ARROW DISTRESSED SECURITIES FUND,
as a Lender

By: 

Name: George J. Schultze
Title: Managing Member of
Investment Manager

Cetus Capital, LLC
as a Lender

By: 

Name: Robert E. Davis
Title: Managing Director

EXHIBIT A

SECOND LIEN CREDIT AGREEMENT AMENDMENT

[see attached]

EXHIBIT B

AMENDMENT TO US LOAN AGREEMENT

[see attached]

EXECUTION COPY

SECOND AMENDED AND RESTATED COLLATERAL TRUST AGREEMENT

Dated as of January 2, 2009

among

CARCO INTERMEDIATE HOLDCO II LLC

CHRYSLER LLC

CERTAIN OF ITS SUBSIDIARIES PARTIES HERETO

JPMORGAN CHASE BANK, N.A.,
as First Priority Agent

JPMORGAN CHASE BANK, N.A.,
as Second Priority Agent

THE UNITED STATES DEPARTMENT OF THE TREASURY,

as Third Priority Agent

and

WILMINGTON TRUST COMPANY,
as Collateral Trustee

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ANNEXES

I Trust Security Documents

EXHIBITS

A Form of Notice of Event of Default
B Form of Joinder Agreement
C Form of Notice of Designation
D Form of Notice of Cancellation

SECOND AMENDED AND RESTATED COLLATERAL TRUST AGREEMENT, dated as of January 2, 2008, among CARCO INTERMEDIATE HOLDCO II LLC, a Delaware limited liability company ("Holdings"), CHRYSLER LLC, a Delaware limited liability company (the "Company"), the subsidiaries of the Company from time to time parties hereto (together with Holdings and the Company, the "Grantors"), JPMORGAN CHASE BANK, N.A., as First Priority Agent (as defined below), JPMORGAN CHASE BANK, N.A., as Second Priority Agent (as defined below), THE UNITED STATES DEPARTMENT OF THE TREASURY, as Third Priority Agent (as defined below), and WILMINGTON TRUST COMPANY, a Delaware banking corporation, as Collateral Trustee (together with any successors, the "Collateral Trustee").

W I T N E S S E T H:

WHEREAS, the Company and the other Grantors have agreed to secure certain of their obligations from time to time outstanding:

WHEREAS, the Grantors, the First Priority Agent, the Second Priority Agent and the Collateral Trustee had previously entered into the Collateral Trust Agreement, dated as of August 3, 2007 (the "Original Collateral Trust Agreement"):

WHEREAS, the Original Collateral Trust Agreement was amended and restated in its entirety by the Amended and Restated Collateral Trust Agreement, dated as of November 29, 2007 (the "Existing Collateral Trust Agreement")

WHEREAS, in connection with the incurrence of the Third Priority Secured Obligations (as defined below), the parties have agreed to amend and restate the Existing Collateral Trust Agreement, as set forth herein:

DECLARATION OF TRUST:

NOW, THEREFORE, in order to secure the prompt and complete payment and performance when due of the Collateral Trust Obligations (such term and certain other capitalized terms used hereinafter being defined in subsection 1.1) and in consideration of the premises and the mutual agreements set forth herein, the Collateral Trustee does hereby declare that it holds and will hold as trustee in trust under this Collateral Trust Agreement all of its right, title and interest in, to and under the Trust Security Documents and the collateral granted to the Collateral Trustee thereunder whether now existing or hereafter arising (and the Grantors do hereby consent thereto).

TO HAVE AND TO HOLD the Trust Security Documents and the entire Collateral (the right, title and interest of the Collateral Trustee in the Trust Security Documents and the Collateral being hereinafter referred to as the "Trust Estate") unto the Collateral Trustee and its successors in trust under this Collateral Trust Agreement and its assigns forever.

IN TRUST NEVERTHELESS, under and subject to the conditions herein set forth and for the benefit of the Secured Parties, and for the enforcement of the payment of all Secured Obligations, and as security for the performance of and compliance with the covenants

and conditions of this Collateral Trust Agreement, each of the Secured Instruments and each of the Trust Security Documents.

PROVIDED, HOWEVER, that these presents are upon the condition that if the Grantors, their successors or assigns, shall satisfy the conditions set forth in subsection 6.12(a), then this Collateral Trust Agreement, and the estates and rights hereby assigned, shall cease, determine and be void; otherwise they shall remain and be in full force and effect.

IT IS HEREBY FURTHER COVENANTED AND DECLARED, that the Trust Estate is to be held and applied by the Collateral Trustee, subject to the further covenants, conditions and trusts hereinafter set forth.

SECTION 1.

DEFINED TERMS

1.1 Definitions. (a) Unless otherwise defined herein, terms defined in the First Priority Credit Agreement and used herein shall have the meanings given to them in the First Priority Credit Agreement.

(b) The following terms shall have the respective meanings set forth below:

"Bankruptcy Code" shall mean the United States Bankruptcy Code (11 U.S.C. §101 et seq.), as amended from time to time.

"Bankruptcy Law" shall mean each of the Bankruptcy Code and any similar federal, state or foreign law for the relief of debtors.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banks in the State of New York or the State of Delaware are permitted to close.

"Capital Stock" shall mean any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Cash Equivalents" shall mean (i) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (ii) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any Lender or by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000; (iii) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody's, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within thirteen months from the date of acquisition; (iv) repurchase obligations of any commercial bank

satisfying the requirements of clause (ii) of this definition, having a term of not more than 30 days, with respect to securities issued or fully guaranteed or insured by the United States government; (v) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's; (vi) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (ii) of this definition; (vii) money market mutual or similar funds that invest exclusively in assets satisfying the requirements of clauses (i) through (vi) of this definition; (viii) money market funds that (A) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (B) are rated AAA by S&P and Aaa by Moody's and (C) have portfolio assets of at least $5,000,000,000; (ix) asset-backed securities rated AAA by S&P maturing within one year from the date of acquisition; (x) corporate notes and other debt instruments with maturities of one year or less from the date of acquisition that are rated at least A by S&P or A2 by Moody's; or (xi) auction rate securities with a maximum interest rate reset period of one month that are rated AAA by S&P.

"Class" shall mean, as the context may require, the First Lien Class, the Second Lien Class or the Third Lien Class.

"Collateral" shall mean, collectively, all collateral in which the Collateral Trustee is granted a security interest pursuant to any Trust Security Document.

"Collateral Account" shall have the meaning assigned in subsection 3.1.

"Collateral Enforcement Action" shall mean, with respect to any Secured Party, for such Secured Party, whether or not in consultation with any other Secured Party, to exercise, seek to exercise, join any Person in exercising or to institute or to maintain or to participate in any action or proceeding with respect to, any rights or remedies with respect to any Collateral, including (i) instituting or maintaining, or joining any Person in instituting or maintaining, any enforcement, contest, protest, attachment, collection, execution, levy or foreclosure action or proceeding with respect to any Collateral, whether under any Security Instrument, Trust Security Document or otherwise, (ii) exercising any right of set-off with respect to any Grantor, or (iii) exercising any other right or remedy under the Uniform Commercial Code of any applicable jurisdiction or under any Bankruptcy Law or other applicable law.

"Collateral Trust Agreement" shall mean this Second Amended and Restated Collateral Trust Agreement as the same may from time to time be amended, modified, supplemented, extended or renewed.

"Collateral Trustee" shall have the meaning set forth in the recitals hereto.

"Collateral Trust Obligations" shall mean, collectively, (i) all First Priority Secured Obligations and (ii) all Second Priority Secured Obligations

"Common Collateral" shall mean all collateral in which both the Collateral Trustee and the Third Priority Secured Parties are granted a security interest pursuant to any Trust Security Document or any Third Priority Loan Agreement; provided, however, that in no case shall the Common Collateral include any Third Priority Exclusive Collateral.

"Company" shall have the meaning set forth in the recitals hereto.

"Controlling Party" shall mean (a) at any time when any First Priority Secured Obligations or commitments in respect thereof have not been paid in full, the First Priority Agent, (b) at any time when the foregoing clause (a) is not applicable and any Second Priority Secured Obligations or commitments in respect thereof remain outstanding, the Second Priority Agent, and (c) at any time when the foregoing clauses (a) and (b) are not applicable and any Third Priority Secured Obligations or commitments in respect thereof remain outstanding, the Third Priority Agent.

"DIP Financing" shall mean any financing obtained by any Grantor during any Insolvency Proceeding or otherwise pursuant to any Bankruptcy Law, including any such financing obtained by any Grantor under Section 363 or 364 of the Bankruptcy Code or consisting of any arrangement for use of cash collateral held in respect of any Secured Obligation under Section 363 of the Bankruptcy Code or under any similar provision of any Bankruptcy Law.

"Distribution Date" shall mean each date fixed by the Collateral Trustee for a distribution to the Secured Parties of funds held in the Collateral Account, the first of which shall be within 120 days after the Collateral Trustee receives a Notice of Event of Default then in effect and the remainder of which shall be monthly thereafter (or more frequently if requested by the Controlling Party) on the day of the month corresponding to the first Distribution Date (or, if there be no such corresponding day, the last day of such month) provided that if any such day is not a Business Day, such Distribution Date shall be the next Business Day.

"Dollars" and "$" shall mean the lawful money of the United States.

"Effective Date" shall mean August 3, 2007.

"Extensions of Credit" shall mean, with respect to any holder of First Priority Credit Agreement Obligations, Second Priority Credit Agreement Obligations or Third Priority Credit Agreement Obligations, the aggregate principal amount of all loans under the First Priority Credit Agreement, the Second Priority Credit Agreement or the Third Priority Credit Agreement, as the case may be, held by such holder then outstanding.

"First Lien Class" shall mean, collectively, the Secured Parties which are holders of any of First Priority Credit Agreement Obligations.

"First Priority Agent" shall mean JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent under the First Priority Credit Agreement, and any successor First Priority Agent appointed thereunder.

"First Priority Credit Agreement" shall mean (i) the $7,000,000,000 Amended and Restated Credit Agreement, dated as of November 29, 2007, among the Company, Holdings, the Lenders parties thereto, and JPMorgan Chase Bank, N.A., as First Priority Agent, and the other agents named therein, and (ii) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any Indebtedness or other financial accommodation that has been incurred to Refinance (whether by the same or different lenders) in whole or in part (under one or more agreements) the Indebtedness and other obligations outstanding under the First Priority Credit Agreement referred to in clause (i) above or any other agreement or instrument referred to in this clause (ii) (including, without limitation, increasing the amount available for borrowing or adding or removing Persons as a borrower, guarantor or other obligor thereunder) unless such agreement or instrument expressly provides that it is not a First Priority Credit Agreement hereunder.

"First Priority Credit Agreement Obligations" shall mean, collectively, the unpaid principal of and interest on the Loans and all other obligations and liabilities of the Company (including, without limitation, interest accruing at the then applicable rate provided in the First Priority Credit Agreement after the maturity of the Loans and Post-Petition Interest) to any Agent or any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Loan Documents or any other document made, delivered or given in connection with any of the foregoing, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the First Priority Agent or the Lenders that are required to be paid by the Company pursuant to the terms of any of the foregoing agreements).

"First Priority Guarantee" shall mean the Guarantee Agreement, dated as of the Effective Date, delivered by Holdings and each Subsidiary Guarantor pursuant to the First Priority Credit Agreement.

"First Priority Secured Obligations" shall mean, without duplication, (a) all First Priority Credit Agreement Obligations and all Permitted First Lien Non-Loan Exposure; and (b) all Guarantor First Priority Credit Agreement Obligations; provided, however, that to the extent any payment with respect to the First Priority Secured Obligations (whether by or on behalf of any Grantor, as proceeds of Collateral, enforcement of any right of set off or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor in possession, trustee, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"First Priority Secured Parties" shall mean at any time the Collateral Trustee (in its capacity as the holder of the Lien on the Collateral securing the First Priority Secured

Obligations), the First Priority Agent, and any other holder of First Priority Secured Obligations outstanding at such time.

"Governmental Authority" shall mean any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or any federal, state or municipal court, in each case whether of the United States or foreign.

"Grantors" shall have the meaning assigned in the preamble hereto.

"Guarantor" shall mean each of Holdings and each Subsidiary Guarantor.

"Guarantor First Priority Credit Agreement Obligations" shall mean, with respect to any Guarantor, all obligations and liabilities of such Guarantor which may arise under or in connection with the Guarantee or any other Loan Document, in each case whether on account of guarantee obligations, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the First Priority Agent or the Lenders that are required to be paid by such Guarantor pursuant to the terms of the Guarantee or any other Loan Document).

"Guarantor Second Priority Credit Agreement Obligations" shall mean with respect to any Guarantor, all obligations and liabilities of such Guarantor which may arise under or in connection with the Second Priority Loan Documents to which such Guarantor is a party, in each case whether on account of guarantee obligations, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel that are required to be paid by such Subsidiary Grantor pursuant to the terms of such documentation).

"Guarantor Third Priority Credit Agreement Obligations" shall mean with respect to any Guarantor, all obligations and liabilities of such Guarantor or which may arise under or in connection with the Third Priority Loan Documents to which such Guarantor is a party, in each case whether on account of guarantee obligations, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel that are required to be paid by such Subsidiary Grantor pursuant to the terms of such documentation).

"Holder Representative" shall mean (i) in respect of the First Priority Credit Agreement Obligations, the First Priority Agent, (ii) in respect of the Second Priority Credit Agreement Obligations, the Second Priority Agent and (iii) in respect of the Third Priority Credit Agreement Obligations, the Third Priority Agent.

"Holdings" shall have the meaning set forth in the recitals hereto.

"Included Grantor" shall have the meaning assigned in Section 6.12(c) hereto.

"Insolvency Proceeding" shall mean each of the following, in each case with respect to the Company or any Grantor or any property or Indebtedness of the Company or any Grantor (a)(i) any voluntary or involuntary case or proceeding under any Bankruptcy Law or any other voluntary or involuntary insolvency, reorganization or

bankruptcy case or proceeding, (ii)any case or proceeding seeking receivership, liquidation, reorganization, winding up or other similar case or proceeding, (iii) any case or proceeding seeking arrangement, adjustment, protection, relief or composition of any debt and (iv) any case or proceeding seeking the entry of an order for relief or the appointment of a custodian, receiver, trustee or other similar official and (b) any general assignment for the benefit of creditors.

"Majority Class Holders" shall mean, on any date, each of the following: (i) First Lien Class members holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no notice of acceleration is outstanding with respect thereto, unfunded commitments) under the Loan Documents on such date; (ii) Second Lien Class members holding (or representing) more than 50% of the aggregate principal amount of the Second Priority Credit Agreement Obligations outstanding on such date; and (iii) Third Lien Class members holding (or representing) more than 50% of the aggregate principal amount of the Third Priority Credit Agreement Obligations outstanding on such date.

"Majority First Priority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no notice of acceleration is outstanding with respect thereto, unfunded commitments) under the Loan Documents on such date.

"Majority Second Priority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the aggregate principal amount of the Second Priority Credit Agreement Obligations outstanding on such date.

"Majority Third Priority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the aggregate principal amount of the Third Priority Credit Agreement Obligations outstanding on such date.

"Majority Secured Parties" shall mean, on any date, Secured Parties holding (or representing) more than 50% of the sum of (i) the aggregate Extensions of Credit (and, if no notice of acceleration is outstanding with respect thereto, unfunded commitments) under the Loan Documents on such date, (ii) the aggregate principal amount of the Second Priority Credit Agreement Obligations outstanding on such date and (iii) the aggregate principal amount of the Third Priority Credit Agreement Obligations outstanding on such date.

"Notice of Cancellation" shall have the meaning assigned in subsection 2.1(c).

"Notice of Designation" shall have the meaning assigned in subsection 7.2.

"Notice of Event of Default" shall mean a written notice delivered to the Collateral Trustee, while any First Priority Secured Obligations are outstanding, by the First Priority Agent, and thereafter while any Second Priority Secured Obligations are outstanding, by the Second Priority Agent, and thereafter while any Third Priority Secured Obligations are outstanding, by the Third Priority Agent, stating that (a) an Event of Default has occurred and is continuing under the First Priority Credit

Agreement, Second Priority Credit Agreement or Third Priority Credit Agreement, as the case may be. Each Notice of Event of Default shall be in substantially the form of Exhibit A.

"Opinion of Counsel" shall mean an opinion in writing signed by legal counsel reasonably satisfactory to the Collateral Trustee, who may be counsel regularly retained by the Collateral Trustee or counsel (including, if reasonably satisfactory to the Collateral Trustee, in-house counsel) to the Company.

"paid in full" or "payment in full" or "pay such amounts in full" shall mean, with respect to any Secured Obligations, (i) with respect to the First Priority Credit Agreement Obligations, the payment in full (other than as part of a Refinancing) in cash of the principal of, accrued (but unpaid) interest (including Post-Petition Interest) and premium, if any on all such Secured Obligations and, with respect to letters of credit outstanding thereunder, delivery of cash collateral or backstop letters of credit in respect thereof in compliance with the Loan Documents, after or concurrently with termination of all commitments thereunder and payment in full of all fees payable at or prior to the time such principal and interest are paid, (ii) with respect to the Second Priority Credit Agreement Obligations, the payment in full (other than as part of a Refinancing) in cash of the principal of, accrued (but unpaid) interest (including Post-Petition Interest) and premium, if any on all such Secured Obligations, after or concurrently with termination of all commitments thereunder and payment in full of all fees payable at or prior to the time such principal and interest are paid, (iii) with respect to the Third Priority Credit Agreement Obligations, the payment in full (other than as part of a Refinancing) in cash of the principal of, accrued (but unpaid) interest (including Post-Petition Interest) and premium, if any on all such Secured Obligations, after or concurrently with termination of all commitments thereunder and payment in full of all fees payable at or prior to the time such principal and interest are paid, and (iv) with respect to any other Secured Obligations, the payment in full in cash of such other Secured Obligations in compliance with the applicable documentation.

"Permitted Second Lien Non-Loan Exposure" shall mean Designated Hedging Obligations, Designated Cash Management Obligations, reimbursement obligations in respect of letters of credit and bank guarantees, and guarantees provided by the Company or a Guarantor (including in respect of Indebtedness and other obligations of the Company or a Guarantor that do not constitute Indebtedness) that have been designated as "Permitted Second Lien Non-Loan Exposure" pursuant to Section 7.2.

"Post-Petition Interest" shall mean all interest (or entitlement to fees or expenses or other charges) accruing or that would have accrued, whether as a result of the classification of the Second Priority Secured Obligations and the First Priority Secured Obligations as one secured claim with respect to the Collateral (and not separate classes of senior and junior secured claims), the classification of Third Priority Secured Obligations and the Second Priority Secured Obligations as one secured claim with respect to the Collateral (and not separate classes of senior and junior secured claims) , the classification of the Third Priority Secured Obligations, the Second Priority Secured Obligations and the First Priority Secured Obligations as one secured claim with respect to the Collateral (and not separate classes of senior and junior secured claims), or

otherwise, after the commencement of any Insolvency Proceeding, irrespective of whether a claim for post-filing or petition interest (or entitlement to fees or expenses or other charges) is allowed in any such Insolvency Proceeding.

"Proceeds" shall mean all "proceeds" as such term is defined in Section 9-102(a)(64) of the Uniform Commercial Code in effect in the State of New York on the date hereof.

"Post-Petition Securities" shall mean any debt securities or other Indebtedness received in full or partial satisfaction of any claim as part of any Insolvency Proceeding.

"Refinancing or Refinance" shall mean, with respect to any Indebtedness, any other Indebtedness (including under any DIP Financing and under any Post-Petition Securities received on account of such Indebtedness) issued as part of a refinancing, extension, renewal, defeasance, discharge, amendment, restatement, modification, supplement, substitution, restructuring, replacement, exchange, refunding or repayment thereof.

"Related Obligations" shall have the meaning assigned in subsection 6.4.

"Required Secured Parties" shall mean, as of a particular date, (i) at any time when any First Priority Secured Obligations or commitments in respect thereof have not been paid in full, Secured Parties holding (or representing) more than 50% of the aggregate Extensions of Credit (and, if no notice of acceleration is outstanding with respect thereto, unfunded commitments) under the Loan Documents on such date; (ii) at any time when clause (i) is not applicable and any Second Priority Secured Obligations or commitments in respect thereof have not been paid in full, Secured Parties holding (or representing) more than 50% of the aggregate principal amount of the Second Priority Credit Agreement Obligations outstanding under the Secured Instruments on such date; and (iii) at any time when clauses (i) and (ii) are not applicable and any Third Priority Secured Obligations or commitments in respect thereof have not been paid in full, Secured Parties holding (or representing) more than 50% of the aggregate principal amount of the Third Priority Credit Agreement Obligations outstanding under the Secured Instruments on such date. For the purpose of this definition (i) the First Priority Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, the First Priority Credit Agreement Obligations, (ii) the Second Priority Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Second Priority Credit Agreement Obligations and (iii) the Third Priority Agent shall be deemed to hold or represent, and shall be entitled to vote and give notices and directions with respect to, its respective Third Priority Credit Agreement Obligations.

"Requirement of Law" shall mean, as to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court of competent jurisdiction or other Governmental Authority, in each case applicable to and binding upon such Person and any of its property, and to which such Person and any of its property is subject

"Second Lien Class" shall mean, collectively, the Secured Parties which are holders of any of Second Priority Credit Agreement Obligations.

"Second Priority Agent" shall mean JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent under the Second Priority Credit Agreement, and any successor Second Priority Agent appointed thereunder.

"Second Priority Credit Agreement" shall mean (i) the $2,000,000,000 Second Lien Term Loan Agreement, dated as of August 3, 2007, among the Company, Holdings, the Lenders parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent, and the other agents named therein, and (ii) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any Indebtedness or other financial accommodation that has been incurred to Refinance (whether by the same or different lenders) in whole or in part (under one or more agreements) the Indebtedness and other obligations outstanding under the Second Priority Credit Agreement referred to in clause (i) above or any other agreement or instrument referred to in this clause (ii) (including, without limitation, increasing the amount available for borrowing or adding or removing Persons as a borrower, guarantor or other obligor thereunder) unless (x) such agreement or instrument expressly provides that it is not a Second Priority Credit Agreement hereunder or (y) such agreement or instrument is the unsecured credit agreement referred to in the second sentence of Section 6.18 of the First Priority Credit Agreement.

"Second Priority Credit Agreement Obligations" shall mean, collectively, the unpaid principal of, and interest on, the loans under the Second Priority Credit Agreement and all other obligations and liabilities of the Company or any other Grantor (including, without limitation, interest accruing at the then applicable rate provided in the Second Priority Loan Documents after the maturity of the Indebtedness thereunder and all Post-Petition Interest) to the holders of such Indebtedness or other obligations, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, which may arise under, out of, or in connection with, the Second Priority Loan Documents or any other document made, delivered or given in connection with any of the foregoing, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including without limitation all fees and disbursements of counsel to any Second Priority Agent or to the holders of such obligations that are required to be paid by the Company or any of the Grantors pursuant to the terms of any of foregoing agreements).

"Second Priority Loan Documents" shall mean the "Loan Documents" as such term is defined in the Second Priority Credit Agreement.

"Second Priority Secured Obligations" shall mean, without duplication, (a) all Second Priority Credit Agreement Obligations and all Permitted Second Lien Non-Loan Exposure; and (b) all Guarantor Second Priority Credit Agreement Obligations; provided, however, that to the extent any payment with respect to the Second Priority Secured Obligations (whether by or on behalf of any Grantor, as proceeds of Collateral, enforcement of any right of set off or otherwise) is declared to be fraudulent or

preferential in any respect, set aside or required to be paid to a debtor in possession, trustee, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Second Priority Secured Parties" shall mean at any time the Collateral Trustee (in its capacity as the holder of the Lien on the Collateral securing the Second Priority Secured Obligations), the Second Priority Agent and any other holder of Second Priority Secured Obligations outstanding at such time.

"Secured Instruments" shall mean at any time (i) the Loan Documents, (ii) the Second Priority Loan Documents, (iii) the Third Priority Loan Documents and (iv) any agreements or other instruments governing or evidencing any Secured Non-Loan Exposure.

"Secured Non-Loan Exposure" shall mean, collectively, (i) all Permitted First Lien Non-Loan Exposure and (ii) all Permitted Second Lien Non-Loan Exposure.

"Secured Obligations" shall mean, collectively, (i) all First Priority Secured Obligations, (ii) all Second Priority Secured Obligations and (iii) all Third Priority Secured Obligations.

"Secured Parties" shall mean, collectively, (i) the Collateral Trustee, (ii) any First Priority Secured Party, (iii) any Second Priority Secured Party and (iv) any Third Priority Secured Party.

"Third Lien Class" shall mean, collectively, the Secured Parties which are holders of any of Third Priority Credit Agreement Obligations.

"Third Priority Agent" shall mean The United States Department of the Treasury, as the initial Third Priority Secured Party, and any successor representative appointed for the Third Priority Secured Parties.

"Third Priority Credit Agreement" shall mean (i) the Loan and Security Agreement between Chrysler Holding LLC and The United States Department of the Treasury, dated as of January 2, 2009, and (ii) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any Indebtedness or other financial accommodation that has been incurred to Refinance (whether by the same or different lenders) in whole or in part (under one or more agreements) the Indebtedness and other obligations outstanding under the Third Priority Credit Agreement referred to in clause (i) above or any other agreement or instrument referred to in this clause (ii) (including, without limitation, increasing the amount available for borrowing or adding or removing Persons as a borrower, guarantor or other obligor thereunder) unless such agreement or instrument expressly provides that it is not a Third Priority Credit Agreement hereunder.

"Third Priority Credit Agreement Obligations" shall mean, collectively, the unpaid principal of and interest on the advances under the Third Priority Credit

Agreement and all other obligations and liabilities of Chrysler Holding LLC (including, without limitation, interest accruing at the then applicable rate provided in the Third Priority Credit Agreement after the maturity of the Indebtedness thereunder and all Post-Petition Interest) to the holders of such Indebtedness or other obligations, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Third Priority Loan Documents or any other document made, delivered or given in connection with any of the foregoing, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to any Third Priority Agent or to the holders of such obligations that are required to be paid by Chrysler Holding LLC, the Company or any of the Guarantors pursuant to the terms of any of the foregoing agreements).

"Third Priority Exclusive Collateral" shall mean (i) the aftermarket and replacement parts inventory of (A) the MOPAR division of Chrysler Motors LLC and (B) the MOPAR Subsidiary, and in each case the proceeds thereof and (ii) any collateral in which any Third Priority Secured Party is granted a security interest pursuant to mortgages with respect to the real property and improvements listed on Schedule 1.1I to the First Priority Credit Agreement.

"Third Priority Guarantee" shall mean the Guaranty and Security Agreement, dated as of January 2, 2009, delivered by the Company, Holdings, Carco Intermediate Holdco I LLC and each Subsidiary Guarantor pursuant to the Third Priority Credit Agreement.

"Third Priority Loan Documents" shall mean the "Loan Documents" as such term is defined in the Third Priority Credit Agreement.

"Third Priority Secured Obligations" shall mean, without duplication, (a) all Third Priority Credit Agreement Obligations; and (b) all Guarantor Third Priority Credit Agreement Obligations; provided, however, that to the extent any payment with respect to the Third Priority Secured Obligations (whether by or on behalf of any Grantor, as proceeds of Collateral, enforcement of any right of set off or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor in possession, trustee, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Third Priority Secured Parties" shall mean at any time The United States Department of the Treasury, and any other holder of Third Priority Secured Obligations outstanding at such time.

"Trust Estate" shall have the meaning assigned in this Declaration of Trust in this Collateral Trust Agreement.

"Trust Security Documents" shall mean each of the instruments described in Annex I to this Collateral Trust Agreement and each agreement entered into pursuant to clause (ii) of subsection 6.3(b) of this Collateral Trust Agreement.

"Trustee Fees" shall mean all fees, costs and expenses of the Collateral Trustee of the types described in subsections 4.2, 4.3, 4.4 and 4.5.

"Voting Stock" shall mean, with respect to any Person, such Person's Capital Stock having the right to vote for election of directors (or the equivalent thereof) of such Person under ordinary circumstances.

(c) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Collateral Trust Agreement shall refer to this Collateral Trust Agreement as a whole and not to any particular provision of this Collateral Trust Agreement, and section and subsection references are to this Collateral Trust Agreement unless otherwise specified. References to agreements defined in subsection 1.1(b) shall, unless otherwise specified, be deemed to refer to such agreements as amended, supplemented, restated or otherwise modified from time to time.

SECTION 2.

ENFORCEMENT OF SECURED OBLIGATIONS

2.1 Notices of Events of Default. (a) Upon receipt by the Collateral Trustee of a Notice of Event of Default, the Collateral Trustee shall immediately notify the Company and the Holder Representatives of the receipt and contents thereof. So long as such Notice of Event of Default is in effect in accordance with subsection 2.1(b) hereof, the Collateral Trustee shall exercise the rights and remedies provided in this Collateral Trust Agreement and in the Trust Security Documents subject to the direction of the Controlling Party, as provided herein.

(b) A Notice of Event of Default delivered by a Holder Representative shall become effective upon receipt thereof by the Collateral Trustee. Notwithstanding anything in this Collateral Trust Agreement to the contrary, a Notice of Event of Default shall be deemed to be in effect whenever an Event of Default under Section 7(e) of the First Priority Credit Agreement, Section 7(e) of the Second Priority Credit Agreement or Section 9.01(i) or 9.01(j) of the Third Priority Credit Agreement has occurred and is continuing. A Notice of Event of Default, once effective, shall remain in effect unless and until it is cancelled as provided in subsection 2.1(c).

(c) Any Holder Representative shall be entitled to cancel its own Notice of Event of Default by delivering a written notice of cancellation in the form attached hereto as Exhibit D (a "Notice of Cancellation") to the Collateral Trustee (i) before the Collateral Trustee takes any action to exercise any remedy with respect to the Collateral or (ii) thereafter; provided, that (i) any actions taken by the Collateral Trustee prior to receipt of such Notice of Cancellation to exercise any remedy or remedies with respect to the Collateral which can, in a commercially reasonable manner, be reversed, canceled or stopped, shall be so reversed, cancelled or stopped, and (ii) any actions taken by the Collateral Trustee prior to receipt of such Notice of Cancellation to exercise any remedy or remedies with respect to the Collateral which cannot, in a

commercially reasonable manner, be reversed, canceled or stopped, may be completed. The Collateral Trustee, notwithstanding such Notice of Cancellation, shall cooperate with the Company so that the actions referred to in clauses (i) and (ii) above are done at the direction of the Company. The Collateral Trustee shall immediately notify the Company as to the receipt and contents of any such Notice of Cancellation. The Collateral Trustee shall not be liable to any Person for any losses, damages or expenses arising out of or related to actions taken at the direction of the Company after the issuance of a Notice of Cancellation.

2.2 General Authority of the Collateral Trustee over the Collateral. Each Grantor hereby irrevocably constitutes and appoints the Collateral Trustee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in its or his own name, from time to time in the Collateral Trustee's discretion, subject to subsection 2.1, so long as any Notice of Event of Default is in effect, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Collateral Trust Agreement and the Trust Security Documents and accomplish the purposes hereof and thereof and, without limiting the generality of the foregoing, each Grantor hereby gives the Collateral Trustee, subject to subsection 2.1, the power and right on behalf of such Grantor, without notice to or further assent by such Grantor, so long as any Notice of Event of Default is in effect, to take any Collateral Enforcement Actions permitted under the Trust Security Documents and to do, at its option and at the expense and for the account of Grantors, all acts and things which the Collateral Trustee deems necessary to protect or preserve the Collateral and to realize upon the Collateral in accordance with the provisions of the Trust Security Documents. Notwithstanding the foregoing, so long as no Notice of Event of Default is in effect, the Collateral Trustee shall take such actions as are permitted by this Collateral Trust Agreement or the Trust Security Documents in accordance with the instructions of the Controlling Party delivered to the Collateral Trustee.

2.3 Right to Initiate Judicial Proceedings. If a Notice of Event of Default is in effect, the Collateral Trustee, subject to the provisions of subsection 2.5(b) and Section 5, (i) shall have the right and power to institute and maintain such suits and proceedings as it may deem appropriate to protect and enforce the rights vested in it by this Collateral Trust Agreement and each Trust Security Document and (ii) may, either after entry, or without entry, proceed by suit or suits at law or in equity to enforce such rights and to foreclose upon the Collateral and to sell all or, from time to time, any of the Collateral under the judgment or decree of a court of competent jurisdiction.

2.4 Right to Appoint a Receiver. If a Notice of Event of Default is in effect, upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Collateral Trustee under this Collateral Trust Agreement or any Trust Security Document, the Collateral Trustee shall, to the extent permitted by law, with notice to the Company but without notice to any party claiming through the Grantors, without regard to the solvency or insolvency at the time of any Person then liable for the payment of any of the Secured Obligations, without regard to the then value of the Trust Estate, and without requiring any bond from any complainant in such proceedings, be entitled as a matter of right to the appointment by a court of law of a receiver or receivers (who may be the Collateral Trustee) of the Trust Estate, or any part thereof, and of the rents, issues, tolls, profits, royalties, revenues and other income thereof, pending such proceedings, with such powers as the court making such

appointment shall confer, and to the entry of an order directing that the rents, issues, tolls, profits, royalties, revenues and other income of the property constituting the whole or any part of the Trust Estate be segregated, sequestered and impounded for the benefit of the Collateral Trustee and the Secured Parties, and each Grantor irrevocably consents to the appointments of such receiver or receivers and to the entry of such order; provided that, notwithstanding the appointment of any receiver, the Collateral Trustee shall be entitled to retain possession and control of all cash and Cash Equivalents held by or deposited with it pursuant to this Collateral Trust Agreement or any Trust Security Document.

2.5 Exercise of Powers; Instructions of the First Priority Agent. (a) All of the powers, remedies and rights of the Collateral Trustee as set forth in this Collateral Trust Agreement may be exercised by the Collateral Trustee in respect of any Trust Security Document as though set forth in full therein and all of the powers, remedies and rights of the Collateral Trustee, each Holder Representative and the other Secured Parties as set forth in any Trust Security Document may be exercised from time to time as herein and therein provided.

(b) The Controlling Party shall at all times have the right, by one or more notices in writing executed and delivered to the Collateral Trustee (or by telephonic notice promptly confirmed in writing), to direct the time, method and place of conducting any proceeding for any right or remedy available to the Collateral Trustee, or of exercising any trust or power conferred on the Collateral Trustee, or for the appointment of a receiver, or to direct the taking or the refraining from taking of any action authorized by this Collateral Trust Agreement or any Trust Security Document; provided that (i) such direction shall not conflict with any Requirement of Law or this Collateral Trust Agreement or any Trust Security Document, (ii) the Collateral Trustee shall be adequately secured and indemnified as provided in subsection 5.4(d) and (iii) no Collateral Enforcement Action may be taken unless a Notice of Event of Default is in effect. In the absence of such direction, the Collateral Trustee shall have no duty to take or refrain from taking any action unless explicitly required herein.

(c) Whether or not any Insolvency Proceeding has been commenced by or against any Grantor, no Holder Representative or any other Secured Party shall do (and no such Holder Representative or Secured Party (other than the Controlling Party) shall direct the Collateral Trustee to do) any of the following without the consent of the Controlling Party: (i) take any Collateral Enforcement Action or commence, seek to commence or join any other Person in commencing any Insolvency Proceeding; or (ii) object to, contest or take any other action that is reasonably likely to hinder (1) any Collateral Enforcement Action initiated by the Collateral Trustee, (2) any release of Collateral permitted under Section 6.12, whether or not done in consultation with or with notice to such Secured Party or (3) any decision by the Controlling Party to forbear or refrain from bringing or pursuing any such Collateral Enforcement Action or to effect any such release.

(d) The Third Priority Agent, on behalf of the Third Priority Secured Parties, agrees that with respect to all Common Collateral, that neither it nor any of the Third Priority Secured Parties shall take any Collateral Enforcement Action with respect to the Common Collateral directly or indirectly (except through the Collateral Trustee pursuant to the provisions of this Collateral Trust Agreement), prior to the time at which the First Priority Secured Obligations or commitments with respect thereto have been paid in full, and the Second Priority Secured Obligations or commitments with respect thereto have been paid in full.

2.6 Remedies Not Exclusive. (a) No remedy conferred upon or reserved to the Collateral Trustee herein or in the Trust Security Documents is intended to be exclusive of any other remedy or remedies, but every such remedy shall be cumulative and shall be in addition to every other remedy conferred herein or in any Trust Security Document or now or hereafter existing at law or in equity or by statute.

(b) No delay or omission by the Collateral Trustee to exercise any right, remedy or power hereunder or under any Trust Security Document shall impair any such right, remedy or power or shall be construed to be a waiver thereof, and every right, power and remedy given by this Collateral Trust Agreement or any Trust Security Document to the Collateral Trustee may be exercised from time to time and as often as may be deemed expedient by the Collateral Trustee.

(c) If the Collateral Trustee shall have proceeded to enforce any right, remedy or power under this Collateral Trust Agreement or any Trust Security Document and the proceeding for the enforcement thereof shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Collateral Trustee, then the Grantors, the Collateral Trustee and the Secured Parties shall, subject to any determination in such proceeding, severally and respectively be restored to their former positions and rights hereunder or thereunder with respect to the Trust Estate and in all other respects, and thereafter all rights, remedies and powers of the Collateral Trustee shall continue as though no such proceeding had been taken.

(d) All rights of action and of asserting claims upon or under this Collateral Trust Agreement and the Trust Security Documents may be enforced by the Collateral Trustee without the possession of any Secured Instrument or instrument evidencing any Secured Obligation or the production thereof at any trial or other proceeding relative thereto, and any suit or proceeding instituted by the Collateral Trustee shall be, subject to subsections 5.5(c) and 5.10(c)(ii), brought in its name as Collateral Trustee and any recovery of judgment shall be held as part of the Trust Estate.

2.7 Waiver and Estoppel. (a) Each Grantor agrees, to the extent it may lawfully do so, that it will not at any time in any manner whatsoever claim, or take the benefit or advantage of, any appraisement, valuation, stay, extension, moratorium, turnover or redemption law, or any law permitting it to direct the order in which the Collateral shall be sold, now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance or enforcement of this Collateral Trust Agreement, or any Trust Security Document, and hereby waives all benefit or advantage of all such laws and covenants that it will not hinder, delay or impede the execution of any power granted to the Collateral Trustee in this Collateral Trust Agreement or any Trust Security Document and will suffer and permit the execution of every such power as though no such law were in force.

(b) Each Grantor, to the extent it may lawfully do so, on behalf of itself and all who may claim through or under it, including without limitation any and all subsequent creditors, vendees, assignees and lienors, waives and releases all rights to demand or to have any marshalling of the Collateral upon any sale, whether made under any power of sale granted herein or in any Trust Security Document or pursuant to judicial proceedings or upon any foreclosure or any enforcement of this Collateral Trust Agreement or any Trust Security Document and consents and agrees that all the Collateral may at any such sale be offered and sold as an entirety.

(c) Each Grantor waives, to the extent permitted by applicable law, presentment, demand, protest and any notice of any kind (except notices explicitly required hereunder, under any Secured Instrument or under any other Trust Security Document) in connection with this Collateral Trust Agreement and the Trust Security Documents and any action taken by the Collateral Trustee with respect to the Collateral.

2.8 Limitation on Collateral Trustee's Duty in Respect of Collateral. Beyond its duties as to the custody of the Collateral expressly provided herein or in any Trust Security Document and to account to the Secured Parties and the Grantors for moneys and other property received by it hereunder or under any Trust Security Document, the Collateral Trustee shall not have any other duty to the Grantors or to the Secured Parties as to any Collateral in its possession or control or in the possession or control of any of its agents or nominees, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto.

2.9 Limitation by Law. All rights, remedies and powers provided in this Collateral Trust Agreement or any Trust Security Document may be exercised only to the extent that the exercise thereof does not violate any applicable Requirement of Law, and all the provisions hereof are intended to be subject to all applicable mandatory Requirements of Law which may be controlling and to be limited to the extent necessary so that they will not render this Collateral Trust Agreement invalid, unenforceable in whole or in part or not entitled to be recorded, registered or filed under the provisions of any applicable law.

2.10 Rights of Secured Parties under Secured Instruments. Notwithstanding any other provision of this Collateral Trust Agreement or any Trust Security Document, the right of each Secured Party to receive payment of the Secured Obligations held by such Secured Party when due (whether at the stated maturity thereof, by acceleration or otherwise) as expressed in the related Secured Instrument or other instrument evidencing or agreement governing a Secured Obligation or to institute suit for the enforcement of such payment on or after such due date or to exercise any other remedy it may have as an unsecured creditor against the Grantors, and the obligation of the Grantors to pay such Secured Obligations when due, shall not be impaired or affected without the consent of such Secured Party given in the manner prescribed by the Secured Instrument under which such Secured Obligation is outstanding; provided, however, that in the event any Secured Party (other than with respect to any Secured Non-Loan Exposure) becomes a judgment lien creditor or otherwise obtains any Lien as a result of its enforcement of its rights as an unsecured creditor, in each case with respect to the Common Collateral, such judgment lien and the Common Collateral subject thereto shall be subject to all of the terms and conditions of this Collateral Trust Agreement, and if such judgment lien is held by a Second Priority Secured Creditor such Lien or Liens shall be junior and subordinate to the Liens securing the First Priority Secured Obligations hereunder on the same basis as any other Lien securing the Second Priority Secured Obligations, and if such judgment lien is held by a Third Priority Secured Creditor such Lien or Liens shall be junior and subordinate to the Liens securing the First Priority Secured Obligations and the Second Priority Secured Obligations hereunder on the same basis as any other Lien securing the Third Priority Secured Obligations

2.11 Collateral Use Prior to Event of Default. (a) So long as no Notice of Event of Default is in effect, the Grantors shall have the right: (i) to remain in possession and retain exclusive control of the Collateral (except for such property which the Grantors are required to give possession of or control over to the Collateral Trustee pursuant to the terms of any Trust

Security Document) with power freely and without let or hindrance on the part of the Secured Parties to operate, manage, develop, use and enjoy the Collateral, to receive the rents, issues , tolls, profits, royalties, revenues and other income thereof, and (ii) to sell or otherwise dispose of, free and clear of the Lien created by the Trust Security Documents and this Collateral Trust Agreement, any Collateral if such sale or other disposition is not prohibited by the Loan Documents, the Second Priority Loan Documents or the Third Priority Loan Documents or has been expressly approved in accordance with the terms of the Loan Documents, the Second Priority Loan Documents and the Third Priority Loan Documents or if any Person is legally empowered to take any Collateral under the power of condemnation or eminent domain. The Collateral Trustee shall have no duty to monitor the exercise by the Grantors of their rights under this subsection 2.11(a).

(b) When a Notice of Event of Default is in effect, cash Proceeds received by the Collateral Trustee in connection with the sale or other disposition of Collateral shall be deposited in the Collateral Account. Any such Proceeds received by any Grantor shall be held by such Grantor in trust for the Collateral Trustee, shall be segregated from other funds of such Grantor and shall, forthwith upon receipt by such Grantor, be turned over the Collateral Trustee, in same form as received by such Grantor (duly indorsed to the Collateral Trustee, if required) for deposit in the Collateral Account. Notwithstanding anything to the contrary in this Collateral Trust Agreement, unless a Notice of Event of Default is in effect, each Grantor may upon written or oral request (confirmed in writing to the Collateral Trustee) obtain the prompt release to it or its order of funds in the Collateral Account, provided that the failure to confirm an oral request in writing shall not affect the validity of such request and the Collateral Trustee's obligations to promptly release such funds. Any written or oral request or instruction by any Grantor pursuant to the preceding sentence shall be full authority for and direction to the Collateral Trustee to make the requested release, and the Collateral Trustee shall promptly do so. The Collateral Trustee in so doing shall have no liability to any Person.

(c) When a Notice of Event of Default is in effect, any insurance proceeds in respect of any Collateral, any Proceeds from the exercise of rights of eminent domain or condemnation in respect of any Collateral and any liquidating dividends paid in respect of any Collateral received by any of the Grantors shall be deposited in the Collateral Account, to be held therein and applied in accordance with Section 3 hereof. If for any reason any Grantor shall receive or hold any insurance proceeds, condemnation proceeds or liquidating dividends that are required to be held by the Collateral Trustee pursuant to the first sentence of this subsection, such Grantor shall hold such proceeds or dividends in trust for the Collateral Trustee and the Secured Parties and shall, as promptly as practicable, deliver such proceeds or dividends to the Collateral Trustee to be held in accordance with the provision of this subsection.

SECTION 3.

COLLATERAL ACCOUNT; DISTRIBUTIONS

3.1 The Collateral Account. On the Effective Date there was established and, at all times thereafter until the trusts created by this Collateral Trust Agreement shall have terminated, there has been and shall be maintained in the name of the Collateral Trustee at the office of the Collateral Trustee's corporate trust division (or at such other office selected by the

Collateral Trustee) an account which is entitled the "Chrysler Collateral Account" (the "Collateral Account"). All moneys which are required by this Collateral Trust Agreement or any Trust Security Document to be delivered to the Collateral Trustee while a Notice of Event of Default is in effect or which are received by the Collateral Trustee or any agent or nominee of the Collateral Trustee in respect of the Collateral, whether in connection with the exercise of the remedies provided in this Collateral Trust Agreement or any Trust Security Document or otherwise, while a Notice of Event of Default is in effect shall be deposited in the Collateral Account, to be held by the Collateral Trustee as part of the Trust Estate and applied in accordance with the terms of this Collateral Trust Agreement. Upon the cancellation of all Notices of Event of Default pursuant to subsection 2.1(c) or the receipt by the Collateral Trustee of any moneys at any time when no Notice of Event of Default is in effect, the Collateral Trustee shall (subject to subsection 3.4(a)) cause all funds on deposit in the Collateral Account or otherwise received by the Collateral Trustee to be paid over as promptly as possible to the Grantors in accordance with their respective interests.

3.2 Control of Collateral Account. All right, title and interest in and to the Collateral Account shall vest in the Collateral Trustee, and funds on deposit in the Collateral Account shall constitute part of the Trust Estate. The Collateral Account shall be subject to the exclusive dominion and control of the Collateral Trustee. Each Grantor hereby grants (i) a security interest in the Collateral Account to the Collateral Trustee for the benefit of the First Priority Secured Parties, as collateral security for such Grantor's First Priority Secured Obligations, (ii) a security interest in the Collateral Account to the Collateral Trustee for the benefit of the Second Priority Secured Parties, as collateral security for such Grantor's Second Priority Secured Obligations, and (iii) a security interest in the Collateral Account to the Collateral Trustee for the benefit of the Third Priority Secured Parties, as collateral security for such Grantor's Third Priority Secured Obligations.

3.3 Investment of Funds Deposited in Collateral Account. The Collateral Trustee shall, at the direction of the Controlling Party, invest and reinvest moneys on deposit in the Collateral Account at any time in Cash Equivalents. All such investments and the interest and income received thereon and the net proceeds realized on the sale or redemption thereof shall be held in the Collateral Account as part of the Trust Estate. Neither the Collateral Trustee nor any other Secured Party shall be responsible for any diminution in funds resulting from such investments or any liquidation prior to maturity. In the absence of such directions, the Collateral Trustee shall have no obligation to invest or reinvest any moneys.

3.4 Application of Moneys. (a) The Collateral Trustee shall have the right (pursuant to subsection 4.6) at any time to apply moneys held by it in the Collateral Account to the payment of due and unpaid Trustee Fees without any requirement that such applications be made ratably from such accounts.

(b) All moneys held by the Collateral Trustee in the Collateral Account while a Notice of Event of Default is in effect shall, to the extent available for distribution (it being understood that the Collateral Trustee may liquidate investments prior to maturity in order to make a distribution pursuant to this subsection 3.4(b)), be distributed (subject to the provisions of subsections 3.5 and 3.7) by the Collateral Trustee on each Distribution Date in the following order of priority (with such distributions being made by the Collateral Trustee to the respective Holder Representative for the Secured Parties entitled thereto as provided in subsection 3.4(d),

and each such Holder Representative shall be responsible for insuring that amounts distributed to it are distributed to its Secured Parties in the order of priority set forth below):

First: to the Collateral Trustee for any unpaid Trustee Fees and then to any Secured Party which has theretofore advanced or paid any Trustee Fees constituting administrative expenses allowable under Section 503(b) of the Bankruptcy Code, an amount equal to the amount thereof so advanced or paid by such Secured Party and for which such Secured Party has not been reimbursed prior to such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Secured Parties in proportion to the amounts of such Trustee Fees advanced by the respective Secured Parties and remaining unpaid on such Distribution Date;

Second: to any Secured Party which has theretofore advanced or paid any Trustee Fees other than such administrative expenses, an amount equal to the amount thereof so advanced or paid by such Secured Party and for which such Secured Party has not been reimbursed prior to such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably (without priority of any one over any other) to such Secured Parties in proportion to the amounts of such Trustee Fees advanced by the respective Secured Parties and remaining unpaid on such Distribution Date;

Third: to the First Priority Agent for any unpaid expenses payable to it pursuant to the Loan Documents to the extent the same constitute First Priority Secured Obligations;

Fourth: to the holders of First Priority Secured Obligations in an amount equal to the unpaid principal and unpaid interest on and premium and other charges, if any, with respect to the First Priority Secured Obligations, termination amounts in respect of Designated Hedging Obligations that constitute Permitted First Lien Non-Loan Exposure, amounts due in respect of Designated Cash Management Obligations that constitute Permitted First Lien Non-Loan Exposure, and interest and fees thereon, in each case to the extent the same are due and payable, as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date;

Fifth: to the holders of First Priority Secured Obligations in an amount equal to all other amounts constituting First Priority Secured Obligations (including but not limited to indemnities and payments for increased costs), in each case to the extent the same are due and payable, as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date;

Sixth: to the holders of Second Priority Secured Obligations in an amount equal to all Second Priority Secured Obligations which have not been paid, including termination amounts in respect of Designated Hedging Obligations that constitute Permitted Second Priority Non-Loan Exposure, amounts due in respect of Designated Cash Management Agreements that constitute Permitted Second Priority Non-Loan

Exposure, and all other Second Priority Secured Obligations (including but not limited to the unpaid principal and unpaid interest on and premium and other charges, if any, with respect to Second Priority Credit Agreement Obligations) then outstanding, in each case to the extent then due and payable, as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date;

Seventh: to the holders of Third Priority Secured Obligations in an amount equal to all Third Priority Secured Obligations (including but not limited to the unpaid principal and unpaid interest on and premium and other charges, if any, with respect to Third Priority Credit Agreement Obligations) then outstanding as of such Distribution Date, and, if such moneys shall be insufficient to pay such amounts in full, then ratably to such holders in proportion to the unpaid amounts thereof on such Distribution Date; and

Eighth: any surplus then remaining shall be paid to the Grantors or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(c) The term "unpaid" as used in clauses Third, Fourth, Sixth, and Seventh of subsection 3.4(b) with respect to the relevant Grantor(s), refers to all amounts of First Priority Secured Obligations, Second Priority Secured Obligations or Third Priority Secured Obligations, as the case may be, outstanding as of a Distribution Date, whether or not such amounts are fixed or contingent, and, in the case of an Insolvency Proceeding, with respect to any Grantor, whether or not such amounts are allowed in such Insolvency Proceeding, to the extent that prior distributions (whether actually distributed or set aside pursuant to subsection 3.5) have not been made in respect thereof.

(d) The Collateral Trustee shall make all payments and distributions under this subsection 3.4: (i) on account of First Priority Credit Agreement Obligations to the First Priority Agent, pursuant to directions of the First Priority Agent, for re-distribution in accordance with the provisions of the First Priority Credit Agreement; (ii) on account of Second Priority Credit Agreement Obligations, to the Second Priority Agent, for re-distribution in accordance with the provisions of the Second Priority Loan Documents; (iii) on account of Third Priority Credit Agreement Obligations, to the Third Priority Agent, for re-distribution in accordance with the provisions of the Third Priority Loan Documents; and (iv) on account of any other Secured Obligation, to the relevant Secured Party based on the information supplied to the Collateral Trustee by the Company pursuant to subsection 7.2.

3.5 Amounts Held for Contingent Secured Obligations. In the event any Secured Party shall be entitled to receive any moneys in respect of the unliquidated, unmatured or contingent portion of the outstanding Secured Obligations (including, without limitation, obligations under then outstanding letters of credit, guarantees and termination liabilities with respect to Designated Hedging Obligations which are not determinable or are unmatured), then the Collateral Trustee shall invest such moneys in obligations of the kinds referred to in subsection 3.3 maturing within three months after they are acquired by the Collateral Trustee and shall hold all such amounts so distributable, and all such investments and the net proceeds thereof, in trust solely for such Secured Party and for no other purpose until (i) such Secured

Party shall have notified the Collateral Trustee that all or part of such unliquidated, unmatured or contingent claim shall have become matured or fixed, in which case the Collateral Trustee shall distribute from such investments and the proceeds thereof an amount equal to such matured or fixed claim to such Secured Party for application to the payment of such matured or fixed claim, and shall promptly give notice thereof to the Company or (ii) all or part of such unliquidated, unmatured or contingent claim shall have been extinguished, whether as the result of an expiration without drawing of any letter of credit, payment of amounts secured or covered by any letter of credit other than by drawing thereunder, payment of amounts covered by any guarantee or otherwise, in which case (x) such Secured Party shall, as soon as practicable thereafter, notify the Company and the Collateral Trustee and (y) such investments, and the proceeds thereof, shall be held in the Collateral Account in trust for all Secured Parties pending application in accordance with the provisions of subsection 3.4.

3.6 Collateral Trustee's Calculations. In making the determinations and allocations required by subsection 3.4, the Collateral Trustee may conclusively rely upon information supplied by the First Priority Agent as to the amounts of unpaid principal and interest and other amounts outstanding with respect to the First Priority Credit Agreement Obligations, information supplied by the Second Priority Agent as to the amounts of unpaid principal and interest and other amounts outstanding with respect to the Second Priority Credit Agreement Obligations, information supplied by the Third Priority Agent as to the amounts of unpaid principal and interest and other amounts outstanding with respect to the Third Priority Credit Agreement Obligations, and information supplied by the applicable Secured Party in respect of the relevant Secured Non-Loan Exposure as to the unpaid amount of such Secured Obligations, and the Collateral Trustee shall have no liability to any of the Secured Parties for actions taken in reliance on such information, provided that nothing in this sentence shall prevent any Grantor from contesting any amounts claimed by any Secured Party in any information so supplied. Upon the reasonable request of the Collateral Trustee, the First Priority Agent, the Second Priority Agent, the Third Priority Agent or any other Secured Party, as the case may be, shall deliver to the Collateral Trustee a certificate setting forth the information specified in this subsection 3.6. All distributions made by the Collateral Trustee pursuant to subsection 3.4 shall be (subject to subsection 3.7 and to any decree of any court of competent jurisdiction) final (absent manifest error), and the Collateral Trustee shall have no duty to inquire as to the application by any Holder Representative in respect of any amounts distributed to them.

3.7 Pro Rata Sharing. If, through the operation of any Bankruptcy Law or otherwise, the Collateral Trustee's security interest hereunder and under the Trust Security Documents is enforced with respect to some, but not all, of the Secured Obligations then outstanding, the Collateral Trustee shall nonetheless apply the proceeds of the Collateral for the benefit of the holders of all Secured Obligations in the proportions and subject to the priorities specified herein; provided, however, that nothing in this subsection 3.7 shall be deemed to require the Collateral Trustee to disregard or violate any court order binding upon it.

SECTION 4.

AGREEMENTS WITH TRUSTEE

4.1 Delivery of Secured Instruments. On the Effective Date, the Company delivered to the Collateral Trustee copies of each Secured Instrument and each Trust Security Document then in effect. The Company shall deliver to the Collateral Trustee, promptly upon the execution thereof, a copy of all amendments, modifications or supplements to any Secured Instrument entered into after the Effective Date.

4.2 Compensation and Expenses. The Company agrees to pay to the Collateral Trustee, from time to time upon demand, (i) reasonable compensation (which shall not be limited by any Requirement of Law in regard to compensation of fiduciaries or of a trustee of an express trust) for its services hereunder and under the Trust Security Documents and for administering the Trust Estate as shall have been agreed to in a separate agreement between the Company and the Collateral Trustee and (ii) all of the reasonable fees, costs and expenses of the Collateral Trustee (including, without limitation, the reasonable fees and disbursements of its counsel, advisors and agents) (A) arising in connection with the preparation, execution, delivery, modification, and termination of this Collateral Trust Agreement and each Trust Security Document or the enforcement of any of the provisions hereof or thereof, (B) incurred or required to be advanced in connection with the administration of the Trust Estate, the sale or other disposition of Collateral pursuant to any Trust Security Document and the preservation, protection or defense of the Collateral Trustee's rights under this Collateral Trust Agreement and the Trust Security Documents and in and to the Collateral and the Trust Estate, (C) incurred by the Collateral Trustee in connection with the removal of the Collateral Trustee pursuant to subsection 5.7(a) or (D) incurred in connection with the execution of the directions provided by the Controlling Party. Such fees, costs and expenses are intended to constitute expenses of administration under any bankruptcy law relating to creditors' rights generally. If the Company fails to pay any amounts owing to the Collateral Trustee pursuant to this subsection 4.2, the obligations of the Secured Parties to indemnify the Collateral Trustee pursuant to Section 8.7 of the First Priority Credit Agreement or Section 8.7 of the Second Priority Credit Agreement shall be applicable to such amounts on a pro rata basis amongst such Secured Parties. The obligations of the Company under this subsection 4.2 shall survive the termination of the other provisions of this Collateral Trust Agreement and the resignation or removal of the Collateral Trustee hereunder.

4.3 Stamp and Other Similar Taxes. The Company agrees to indemnify and hold harmless the Collateral Trustee, each Holder Representative and each Secured Party from any present or future claim for liability for any stamp or any other similar tax, and any penalties or interest with respect thereto, which may be assessed, levied or collected by any jurisdiction in connection with this Collateral Trust Agreement, any Trust Security Document, the Trust Estate or any Collateral. The obligations of the Company under this subsection 4.3 shall survive the termination of the other provisions of this Collateral Trust Agreement and the resignation or removal of the Collateral Trustee hereunder.

4.4 Filing Fees, Excise Taxes, Etc. The Company agrees to pay or to reimburse the Collateral Trustee for any and all payments made by the Collateral Trustee in respect of all

search, filing, recording and registration fees, taxes, excise taxes and other similar imposts which may be payable or determined to be payable in respect of the execution and delivery of this Collateral Trust Agreement and each Trust Security Document. The obligations of the Company under this subsection 4.4 shall survive the termination of the other provisions of this Collateral Trust Agreement and the resignation or removal of the Collateral Trustee hereunder.

4.5 Indemnification. The Company agrees to pay, indemnify, and hold the Collateral Trustee (and its directors, officers, agents and employees) harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including, without limitation, the reasonable fees and expenses of counsel, advisors and agents) or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Collateral Trust Agreement and the Trust Security Documents, except to the extent arising from the gross negligence or willful misconduct of the indemnified party or any of its affiliates or any of their respective directors, officers, agents or employees, including for taxes in any jurisdiction in which the Collateral Trustee is subject to tax by reason of actions hereunder or under the Trust Security Documents, unless such taxes are imposed on or measured by compensation paid to the Collateral Trustee under subsection 4.2. In any suit, proceeding or action brought by the Collateral Trustee under or with respect to any contract, agreement, interest or obligation constituting part of the Collateral for any sum owing thereunder, or to enforce any provisions thereof, the Company will save, indemnify and keep the Collateral Trustee harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of any Grantor thereunder, arising out of a breach by such Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such Grantor or its successors from any Grantor, and all such obligations of the Company shall be and remain enforceable against and only against the Company and shall not be enforceable against the Collateral Trustee. If the Company fails to pay any amounts owing to the Collateral Trustee pursuant to this subsection 4.5, the obligations of the Secured Parties to indemnify the Collateral Trustee pursuant to Section 8.7 of the First Priority Credit Agreement or Section 8.7 of the Second Priority Credit Agreement shall be applicable to such amounts on a pro rata basis amongst such Secured Parties. The agreements in this subsection 4.5 shall survive the termination of the other provisions of this Collateral Trust Agreement and the resignation or removal of the Collateral Trustee hereunder.

4.6 Trustee's Lien. Notwithstanding anything to the contrary in this Collateral Trust Agreement, as security for the payment of Trustee Fees (i) the Collateral Trustee is hereby granted a lien upon all Common Collateral which shall have priority ahead of all other Secured Obligations secured by such Collateral and (ii) the Collateral Trustee shall have the right to use and apply any of the funds held by the Collateral Trustee in the Collateral Account to cover such Trustee Fees.

4.7 Further Assurances. At any time and from time to time, upon the written request of the Collateral Trustee, and at the expense of the Company, each Grantor will promptly execute and deliver any and all such further instruments and documents and take such further action as is necessary or reasonably requested further to perfect, or to protect the perfection of, the liens and security interests granted under the Trust Security Documents, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial

Code in effect in any jurisdiction; provided, however, that notwithstanding anything to the contrary contained herein or in any Trust Security Document, no Grantor shall be required to perfect the security interests granted by it in any Collateral by any means other than by (a) in the case of real estate Collateral, execution, delivery and recordation of a Mortgage, (b) filings pursuant to the Uniform Commercial Code of the relevant State(s) and (c) such additional actions as may be required pursuant to any Security Instrument or Trust Security Document. Notwithstanding the foregoing, in no event shall the Collateral Trustee have any obligation to monitor the perfection or continuation of perfection or the sufficiency or validity of any security interest in or related to the Collateral.

4.8 Inspection of Properties and Books. So long as a Notice of Event of Default shall be in effect, the Company and the Grantors shall give the Collateral Trustee access, at its request, to all Collateral and to all books, records, documents and information in the possession of the Company or any other Grantor or any of their respective Subsidiaries relating thereto. The Company and the Grantors shall not have any obligation to disclose materials that are protected by attorney-client privilege and materials the disclosure of which would violate confidentiality obligations of the Company and the Grantors.

SECTION 5.

THE COLLATERAL TRUSTEE

5.1 Acceptance of Trust. The Collateral Trustee, for itself and its successors, hereby accepts the trusts created by this Collateral Trust Agreement upon the terms and conditions hereof.

5.2 Exculpatory Provisions. (a) The Collateral Trustee shall not be responsible in any manner whatsoever for the correctness of any recitals, statements, representations or warranties herein, all of which are made solely by the Grantors. The Collateral Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Grantors thereto or as to the security afforded by this Collateral Trust Agreement or any Trust Security Document, or as to the validity, execution (except its execution), enforceability, legality or sufficiency of this Collateral Trust Agreement, the Trust Security Documents or the Secured Obligations, and the Collateral Trustee shall incur no liability or responsibility in respect of any such matters.

(b) The Collateral Trustee shall not be required to ascertain or inquire as to the performance by the Grantors of any of the covenants or agreements contained herein or in any Trust Security Document or Secured Instrument. Whenever it is necessary, or in the opinion of the Collateral Trustee advisable, for the Collateral Trustee to ascertain the amount of Secured Obligations then held by Secured Parties, the Collateral Trustee may rely on (i) a certificate of the First Priority Agent, in the case of First Priority Credit Agreement Obligations, (ii) a certificate of the Second Priority Agent, in the case of the Second Priority Credit Agreement Obligations, (iii) a certificate of the Third Priority Agent, in the case of the Third Priority Credit Agreement Obligations, and (iv) a certificate of the relevant Secured Party, in the case of any Secured Non-Loan Exposure, and, if the First Priority Agent, the Second Priority Agent, the Third Priority Agent or any relevant Secured Party shall not give such information to the Collateral Trustee, it

shall not be entitled to receive distributions hereunder (in which case distributions to those Persons who have supplied such information to the Collateral Trustee shall be calculated by the Collateral Trustee using, for those Persons who have not supplied such information, the most recent information, if any, received by the Collateral Trustee), and the amount so calculated to be distributed to the Person who fails to give such information shall be held in trust for such Person until such Person does supply such information to the Collateral Trustee, whereupon on the next Distribution Date the amount distributable to such Person shall be recalculated using such information and distributed to it. Nothing in this subsection 5.2(b) shall prevent any Grantor from contesting any amounts claimed by any Secured Party in any certificate so supplied. Notwithstanding anything to the contrary set forth in this subsection 5.2(b), so long as no Notice of Event of Default is in effect, the Collateral Trustee may rely conclusively on a certificate of a Responsible Officer of the Company with respect to the matters set forth in the second sentence of this subsection 5.2(b).

(c) The Collateral Trustee shall be under no obligation or duty to take any action under this Collateral Trust Agreement or any Trust Security Document if taking such action (i) would subject the Collateral Trustee to a tax in any jurisdiction where it is not then subject to a tax or (ii) would require the Collateral Trustee to qualify to do business in any jurisdiction where it is not then so qualified, unless the Collateral Trustee receives security or indemnity satisfactory to it against such tax (or equivalent liability), or any liability resulting from such qualification, in each case as results from the taking of such action under this Collateral Trust Agreement or any Trust Security Document.

(d) The Collateral Trustee shall have the same rights with respect to any Secured Obligation held by it as any other Secured Party and may exercise such rights as though it were not the Collateral Trustee hereunder, and may accept deposits from, lend money to, and generally engage in any kind of banking or trust business with, any of the Grantors as if it were not the Collateral Trustee.

(e) Notwithstanding any other provision of this Collateral Trust Agreement, the Collateral Trustee shall not be liable for any action taken or omitted to be taken in accordance with this Collateral Trust Agreement or the Trust Security Documents except to the extent of its own gross negligence or willful misconduct.

5.3 Delegation of Duties. The Collateral Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by or through agents or attorneys-in-fact. The Collateral Trustee shall be entitled to advice of counsel concerning all matters pertaining to such trusts, powers and duties. The Collateral Trustee shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it without gross negligence or willful misconduct.

5.4 Reliance by Collateral Trustee. (a) Whenever in the administration of this Collateral Trust Agreement or the Trust Security Documents the Collateral Trustee shall deem it necessary or desirable that a factual matter be proved or established in connection with the Collateral Trustee taking, suffering or omitting any action hereunder or thereunder, such matter (unless other evidence in respect thereof is herein specifically prescribed) may be deemed to be conclusively proved or established by a certificate of a Responsible Officer of the Company delivered to the Collateral Trustee, and such certificate shall be full warrant to the Collateral

Trustee for any action taken, suffered or omitted in reliance thereon, subject, however, to the provisions of subsection 5.5.

(b) The Collateral Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder or under any Trust Security Document in accordance therewith. While a Notice of Event of Default is in effect, the Collateral Trustee shall have the right at any time to seek instructions concerning the administration of this Collateral Trust Agreement and the Trust Security Documents from any court of competent jurisdiction.

(c) The Collateral Trustee may rely, and shall be fully protected in acting, upon any resolution, statement, certificate, instrument, opinion, report, notice, request, consent, order, bond or other paper or document which it has no reason to believe to be other than genuine and to have been signed or presented by the proper party or parties or, in the case of cables, telecopies and telexes, to have been sent by the proper party or parties. In the absence of its own gross negligence or willful misconduct, the Collateral Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Collateral Trustee and conforming to the requirements of this Collateral Trust Agreement.

(d) The Collateral Trustee shall not be under any obligation to exercise any of the rights or powers vested in the Collateral Trustee by this Collateral Trust Agreement and the Trust Security Documents, at the request or direction of the Controlling Party pursuant to this Collateral Trust Agreement or otherwise, unless the Collateral Trustee shall have been provided adequate security and indemnity against the costs, expenses and liabilities which may be incurred by the Collateral Trustee in compliance with such request or direction, including such reasonable advances as may be requested by the Collateral Trustee.

(e) Upon any application or demand by any of the Grantors (except any such application or demand which is expressly permitted to be made orally) to the Collateral Trustee to take or permit any action under any of the provisions of this Collateral Trust Agreement or any Trust Security Document, the Company shall furnish to the Collateral Trustee a certificate of a Responsible Officer of the Company stating that all conditions precedent, if any, provided for in this Collateral Trust Agreement, in any relevant Trust Security Document or in the First Priority Credit Agreement or the Second Priority Credit Agreement or the Third Priority Credit Agreement relating to the proposed action have been complied with, and in the case of any such application or demand as to which the furnishing of any document is specifically required by any provision of this Collateral Trust Agreement or a Trust Security Document relating to such particular application or demand, such additional document shall also be furnished.

(f) Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate of a Responsible Officer provided to such counsel in connection with such opinion or representations made by a Responsible Officer in a writing filed with the Collateral Trustee.

5.5 Limitations on Duties of Trustee. (a) Unless a Notice of Event of Default is in effect, the Collateral Trustee shall be obligated to perform such duties and only such duties as are specifically set forth in this Collateral Trust Agreement and the Trust Security Documents,

and no implied covenants or obligations shall be read into this Collateral Trust Agreement or any Trust Security Document against the Collateral Trustee. If and so long as a Notice of Event of Default is in effect, the Collateral Trustee shall, subject to the provisions of subsection 2.5(b), exercise the rights and powers vested in the Collateral Trustee by this Collateral Trust Agreement and the Trust Security Documents, and shall not be liable with respect to any action taken, or omitted to be taken, in accordance with the direction of the Controlling Party.

(b) Except as herein otherwise expressly provided, the Collateral Trustee shall not be under any obligation to take any action which is discretionary with the Collateral Trustee under the provisions hereof or of any Trust Security Document, except upon the written request of the Controlling Party at such time. The Collateral Trustee shall make available for inspection and copying by each Holder Representative and each relevant Secured Party in respect of any Secured Non-Loan Exposure, each certificate or other paper furnished to the Collateral Trustee by any of the Grantors under or in respect of this Collateral Trust Agreement or any of the Collateral.

(c) No provision of this Collateral Trust Agreement or of any Trust Security Document shall be deemed to impose any duty or obligation on the Collateral Trustee to perform any act or acts or exercise any right, power, duty or obligation conferred or imposed on it, in any jurisdiction in which it shall be illegal, or in which the Collateral Trustee shall be unqualified or incompetent, to perform any such act or acts or to exercise any such right, power, duty or obligation or if such performance or exercise would constitute doing business by the Collateral Trustee in such jurisdiction or impose a tax on the Collateral Trustee by reason thereof or to risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder.

5.6 Moneys to be Held in Trust. All moneys received by the Collateral Trustee under or pursuant to any provision of this Collateral Trust Agreement or any Trust Security Document (except Trustee Fees) shall be held in trust for the purposes for which they were paid or are held.

5.7 Resignation and Removal of the Collateral Trustee. (a) The Collateral Trustee may at any time, by giving written notice to the Company and each Holder Representative, resign and be discharged of the responsibilities hereby created, such resignation to become effective upon (i) the appointment of a successor Collateral Trustee, (ii) the acceptance of such appointment by such successor Collateral Trustee and (iii) the approval of such successor Collateral Trustee evidenced by one or more instruments signed by the Controlling Party and, so long as no Notice of Event of Default is then in effect, by the Company (which approval, in each case, shall not be unreasonably withheld). If no successor Collateral Trustee shall be appointed and shall have accepted such appointment within 90 days after the Collateral Trustee gives the aforesaid notice of resignation, the Collateral Trustee, the Company (so long as no Notice of Event of Default is then in effect) or the Controlling Party may apply to any court of competent jurisdiction to appoint a successor Collateral Trustee to act until such time, if any, as a successor Collateral Trustee shall have been appointed as provided in this subsection 5.7. Any successor so appointed by such court shall immediately and without further act be superseded by any successor Collateral Trustee appointed by the Controlling Party, as provided in subsection 5.7(b). While a Notice of Event of Default is in effect, the Controlling Party may, at any time upon giving 30 days' prior written notice thereof to the Collateral Trustee, the Company and each other Holder Representative, remove the Collateral Trustee and appoint a successor Collateral Trustee, such removal to be effective upon the acceptance of such

appointment by the successor. If a Notice of Event of Default is not in effect, the Controlling Party may, at any time upon giving 30 days' prior written notice thereof to the Collateral Trustee and each other Holder Representative, and with the consent of the Company (such consent not to be unreasonably withheld) remove the Collateral Trustee and appoint a successor Collateral Trustee, such removal to be effective upon the acceptance of such appointment by the successor. The Collateral Trustee shall be entitled to Trustee Fees to the extent incurred or arising, or relating to events occurring, before such resignation or removal.

(b) If at any time the Collateral Trustee shall resign or be removed or otherwise become incapable of acting, or if at any time a vacancy shall occur in the office of the Collateral Trustee for any other cause, a successor Collateral Trustee may be appointed by the Controlling Party with the consent (not to be unreasonably withheld) of the Company, if no Notice of Event of Default is in effect, and otherwise by the Controlling Party. The powers, duties, authority and title of the predecessor Collateral Trustee shall be terminated and cancelled without procuring the resignation of such predecessor and without any other formality (except for the consent of the Company referred to above and as may be required by applicable law) than appointment and designation of a successor in writing duly delivered to the predecessor and the Company. Such appointment and designation shall be full evidence of the right and authority to make the same and of all the facts therein recited, and this Collateral Trust Agreement and the Trust Security Documents shall vest in such successor, without any further act, deed or conveyance, all the estates, properties, rights, powers, trusts, duties, authority and title of its predecessor; but such predecessor shall, nevertheless, on the written request of the Controlling Party, the Company, or the successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers, trusts, duties, authority and title of such predecessor hereunder and under the Trust Security Documents and shall deliver all Collateral held by it or its agents to such successor. Should any deed, conveyance or other instrument in writing from any Grantor be required by any successor Collateral Trustee for more fully and certainly vesting in such successor the estates, properties, rights, powers, trusts, duties, authority and title vested or intended to be vested in the predecessor Collateral Trustee, any and all such deeds, conveyances and other instruments in writing shall, on request of such successor, be executed, acknowledged and delivered by such Grantor. If such Grantor shall not have executed and delivered any such deed, conveyance or other instrument within 10 days after it received a written request from the successor Collateral Trustee to do so, or if a Notice of Event of Default is in effect, the predecessor Collateral Trustee may execute the same on behalf of such Grantor. Such Grantor hereby appoints any predecessor Collateral Trustee as its agent and attorney to act for it as provided in the next preceding sentence.

5.8 Status of Successor Collateral Trustee. Every successor Collateral Trustee appointed pursuant to subsection 5.7 shall be a bank or trust company in good standing and having power to act as Collateral Trustee hereunder, incorporated under the laws of the United States of America or any State thereof or the District of Columbia and having its principal corporate trust office within the 48 contiguous States and shall also have capital, surplus and undivided profits of not less than $500,000,000, if there be such an institution with such capital, surplus and undivided profits willing, qualified and able to accept the trust hereunder upon reasonable or customary terms.

5.9 Merger of the Collateral Trustee. Any corporation into which the Collateral Trustee may be merged, or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Collateral Trustee shall be a party, shall be Collateral Trustee under this Collateral Trust Agreement and the Trust Security Documents without the execution or filing of any paper or any further act on the part of the parties hereto.

5.10 Co-Collateral Trustee; Separate Collateral Trustee. (a) If at any time or times it shall be necessary or prudent in order to conform to any law of any jurisdiction in which any of the Collateral shall be located, or to avoid any violation of law or imposition on the Collateral Trustee of taxes by such jurisdiction not otherwise imposed on the Collateral Trustee, or the Collateral Trustee shall be advised by counsel, satisfactory to it, that it is necessary or prudent in the interest of the Secured Parties, or any Holder Representative shall in writing so request the Collateral Trustee and the Grantors, or the Collateral Trustee shall deem it desirable for its own protection in the performance of its duties hereunder or under any Trust Security Document, the Collateral Trustee and each of the Grantors shall execute and deliver all instruments and agreements necessary or proper to constitute another bank or trust company, or one or more persons approved by the Collateral Trustee and the Grantors, either to act as co-trustee or co-trustees of all or any of the Collateral under this Collateral Trust Agreement or under any of the Trust Security Documents, jointly with the Collateral Trustee originally named herein or therein or any successor Collateral Trustee, or to act as separate trustee or trustees of any of the Collateral. If any of the Grantors shall not have joined in the execution of such instruments and agreements within 30 days after it receives a written request from the Collateral Trustee to do so, or if a Notice of Event of Default is in effect, the Collateral Trustee may act under the foregoing provisions of this subsection 5.10(a) without the concurrence of such Grantors and execute and deliver such instruments and agreements on behalf of such Grantors. Each of the Grantors hereby appoints the Collateral Trustee as its agent and attorney to act for it under the foregoing provisions of this subsection 5.10(a) in either of such contingencies.

(b) On the Effective Date John M. Beeson, Jr. will be deemed to have been appointed as a co-trustee with respect to the Collateral in which a Lien is granted pursuant to the Mortgages, without the need for any other actions to be taken.

(c) Every separate trustee and every co-trustee, other than any successor Collateral Trustee appointed pursuant to subsection 5.7, shall, to the extent permitted by law, be appointed and act and be such, subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred upon the Collateral Trustee in respect of the custody, control and management of moneys, papers or securities shall be exercised solely by the Collateral Trustee or any agent appointed by the Collateral Trustee;

(ii) all rights, powers, duties and obligations conferred or imposed upon the Collateral Trustee hereunder and under the relevant Trust Security Document or Documents shall be conferred or imposed and exercised or performed by the Collateral Trustee and such separate trustee or separate trustees or co-trustee or co-trustees, jointly, as shall be provided in the instrument appointing such separate trustee or separate trustees or co-trustee or co-trustees, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Collateral Trustee

shall be incompetent or unqualified to perform such act or acts, or unless the performance of such act or acts would result in the imposition of any tax on the Collateral Trustee which would not be imposed absent such joint act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such separate trustee or separate trustees or co-trustee or co-trustees;

(iii) no power given hereby or by the relevant Trust Security Documents to, or which it is provided herein or therein may be exercised by, any such co-trustee or co-trustees or separate trustee or separate trustees shall be exercised hereunder or thereunder by such co-trustee or co-trustees or separate trustee or separate trustees except jointly with, or with the consent in writing of, the Collateral Trustee, anything contained herein to the contrary notwithstanding;

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(v) the Company and the Collateral Trustee, at any time by an instrument in writing executed by them jointly, may accept the resignation of or remove any such separate trustee or co-trustee and, in that case by an instrument in writing executed by them jointly, may appoint a successor to such separate trustee or co-trustee, as the case may be, anything contained herein to the contrary notwithstanding. If the Company shall not have joined in the execution of any such instrument within 30 days after it receives a written request from the Collateral Trustee to do so, or if a Notice of Event of Default is in effect, the Collateral Trustee shall have the power to accept the resignation of or remove any such separate trustee or co-trustee and to appoint a successor without the concurrence of the Company, the Company hereby appointing the Collateral Trustee its agent and attorney to act for it in such connection in such contingency. If the Collateral Trustee shall have appointed a separate trustee or separate trustees or co-trustee or co-trustees as above provided, the Collateral Trustee may at any time, by an instrument in writing, accept the resignation of or remove any such separate trustee or co-trustee and the successor to any such separate trustee or co-trustee shall be appointed by the Company and the Collateral Trustee, or by the Collateral Trustee alone pursuant to this subsection 5.10(c).

5.11 Treatment of Payee or Indorsee by Collateral Trustee; Representatives of Secured Parties. The Collateral Trustee may treat the registered holder or, if none, the payee or indorsee of any promissory note or debenture evidencing a Secured Obligation as the absolute owner thereof for all purposes and shall not be affected by any notice to the contrary, whether such promissory note or debenture shall be past due or not.

SECTION 6.

MISCELLANEOUS

6.1 Notices. Unless otherwise specified herein, all notices, requests, demands or other communications given to any of the Grantors, the Collateral Trustee, the Controlling Party and any Holder Representative shall be given in writing or by electronic transmission and

shall be deemed to have been duly given when personally delivered (or received, if by overnight delivery) or when duly deposited in the mails, registered or certified mail postage prepaid, or when transmitted by electronic transmission, to an electronic mail address (or by other means of electronic delivery) addressed (i) if to any Grantor or the Collateral Trustee, to such party at its address specified on the signature pages hereof or any other address which such party shall have specified as its address for the purpose of communications hereunder, by notice given in accordance with this subsection 6.1 to the party sending such communication, (ii) if to the First Priority Agent, to it at its address specified from time to time as provided in the First Priority Credit Agreement, (iii) if the Second Priority Agent, to it at its address specified from time to time as provided in the Second Priority Credit Agreement, or (iv) if the Third Priority Agent, to it at its address specified from time to time as provided in the Third Priority Credit Agreement; provided that any notice, request or demand to the Collateral Trustee shall not be effective until received by the Collateral Trustee in writing or by facsimile transmission in the corporate trust division at the office designated by it pursuant to this subsection 6.1.

6.2 No Waivers. No failure on the part of the Collateral Trustee, any co-trustee, any separate trustee, the Controlling Party, any Holder Representative or any Secured Party to exercise, no course of dealing with respect to, and no delay in exercising, any right, power or privilege under this Collateral Trust Agreement or any Trust Security Document shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

6.3 Amendments, Supplements and Waivers. (a) With the written consent of the Required Secured Parties, the Collateral Trustee and the Grantors may, from time to time, enter into written agreements supplemental hereto or to any Trust Security Document for the purpose of adding to, or waiving any provisions of, this Collateral Trust Agreement or any Trust Security Document or changing in any manner the rights of the Collateral Trustee, the Secured Parties or the Grantors hereunder or thereunder; provided that no such supplemental agreement shall (i) amend, modify or waive any provision of this subsection 6.3 without the written consent of each Holder Representative, (ii) except as provided in the next succeeding sentence, reduce the percentages or change the numbers specified in the definition of Required Secured Parties, Majority Class Holders, Majority First Priority Secured Parties, Majority Second Priority Secured Parties, Majority Third Priority Secured Parties and Majority Secured Parties or amend, modify or waive any provision of subsection 3.4 or the definition of Secured Obligations, First Priority Secured Obligations, Second Priority Secured Obligations or Third Priority Secured Obligations or otherwise change the relative rights of the Secured Parties under the Collateral Trust Agreement in respect of payments or Collateral without the written consent of holders constituting the Majority Class Holders of each Class whose rights would be adversely affected thereby, (iii) amend, modify or waive any provision of Section 8 without the written consent of the Second Priority Agent if any Second Priority Credit Agreement Obligations are then outstanding, but only if the relative rights of the Second Priority Secured Parties in respect of such Second Priority Credit Agreement Obligations would be adversely affected thereby, (iv) amend, modify or waive any provision of this Collateral Trust Agreement without the written consent of the Third Priority Agent if any Third Priority Credit Agreement Obligations are then outstanding, but only if the relative rights of the Third Priority Secured Parties in respect of such Third Priority Credit Agreement Obligations or their rights under this Collateral Trust

Agreement would be adversely affected thereby, or (v) amend, modify or waive any provision of Section 4 or 5 or alter the duties, rights or obligations of the Collateral Trustee hereunder or under the Trust Security Documents without the written consent of the Collateral Trustee. Any such supplemental agreement shall be binding upon the Grantors, each Holder Representative, the Secured Parties and the Collateral Trustee and their respective successors.

(b) Solely with the consent of the Controlling Party (and without the consent of any other Secured Party), the Collateral Trustee and any of the Grantors, at any time and from time to time, may enter into one or more agreements supplemental hereto or to any Trust Security Document, in form satisfactory to the Collateral Trustee, (i) to add to the covenants of such Grantor for the benefit of the Secured Parties or to surrender any right or power herein conferred upon such Grantor; (ii) to mortgage or pledge to the Collateral Trustee, or grant a security interest in favor of the Collateral Trustee in, any property or assets as additional security for the Secured Obligations other than the Third Priority Exclusive Collateral (for which the consent of the Third Priority Agent would be required); or (iii) to cure any ambiguity, to correct or supplement any provision herein or in any Trust Security Document which may be defective or inconsistent with any other provision herein or therein, or to make any other provision with respect to matters or questions arising hereunder which shall not be inconsistent with any provision hereof; provided that any such action contemplated by this clause (iii) shall not adversely affect the interests of the Secured Parties.

6.4 Holders of Secured Non-Loan Exposure. The benefit of the Trust Security Documents and of the provisions of this Collateral Trust Agreement relating to the Collateral shall extend to and be available in respect of any Secured Obligation arising under any Secured Non-Loan Exposure or that is otherwise owed to Persons other than the holders of First Priority Credit Agreement Obligations, Second Priority Credit Agreement Obligations and Third Priority Credit Agreement Obligations (collectively, the "Related Obligations") solely on the condition and understanding, as among the Collateral Trustee and the Holder Representatives and all Secured Parties, that (i) the Related Obligations shall be entitled to the benefit of the Trust Security Documents and the Collateral to the extent expressly set forth in this Collateral Trust Agreement and the other Trust Security Documents and to such extent the Collateral Trustee shall hold, and have the right and power to act with respect to, the Related Obligations and the Collateral on behalf of and as agent for the holders of the Related Obligations, but the Collateral Trustee shall have no fiduciary duty, duty of loyalty, duty of care, duty of disclosure or other obligation whatsoever to any holder of Related Obligations, (ii) all matters, acts and omissions relating in any manner to the Trust Security Documents, the Collateral, or the omission, creation, perfection, priority, abandonment or release of any Lien, shall be governed solely by the provisions of this Collateral Trust Agreement and the Trust Security Documents and no separate Lien, right, power or remedy shall arise or exist in favor of any Secured Party under any separate instrument or agreement or in respect of any Related Obligation, (iii) each Secured Party shall be bound by all actions taken or omitted, in accordance with the provisions of this Collateral Trust Agreement and the other Trust Security Documents, by the Collateral Trustee (at the direction of the relevant Secured Parties or Holder Representatives), which shall be entitled to act in accordance with the terms of this Collateral Trust Agreement without any duty or liability to any other Secured Party or as to any Related Obligation and without regard to whether any Related Obligation remains outstanding or is deprived of the benefit of the Collateral or becomes unsecured or is otherwise affected or put in jeopardy thereby, and (iv) no holder of Related

Obligations and no other Secured Party (except the Holder Representatives to the extent set forth in this Collateral Trust Agreement) shall have any right to be notified of, or to direct, require or be heard with respect to, any action taken or omitted in respect of the Collateral or under this Collateral Trust Agreement or the Trust Security Documents.

6.5 Headings. The table of contents and the headings of Sections and subsections have been included herein and in the Trust Security Documents for convenience only and should not be considered in interpreting this Collateral Trust Agreement or the Trust Security Documents.

6.6 Severability. Any provision of this Collateral Trust Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

6.7 Successors and Assigns. This Collateral Trust Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns and shall inure to the benefit of each of the Secured Parties and their respective successors and assigns, and nothing herein is intended or shall be construed to give any other Person any right, remedy or claim under, to or in respect of this Collateral Trust Agreement or any Collateral.

6.8 Currency Conversions. In calculating the amount of Secured Obligations or Collateral proceeds for any purpose hereunder, including, without limitation, voting or distribution purposes, the amount of any Secured Obligation which is denominated in a currency other than Dollars shall be converted by the Collateral Trustee into Dollars at the spot rate for purchasing Dollars with such currency as set forth on the applicable Bloomberg currency page at 11:00 a.m. on the Business Day on which such calculation is to be made.

6.9 Acknowledgements. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Collateral Trust Agreement and the other Loan Documents and Second Priority Loan Documents and Third Priority Loan Documents to which it is a party;

(b) neither the Collateral Trustee nor any Secured Party has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Collateral Trust Agreement or any of the other Loan Documents, the Second Priority Loan Documents and the Third Priority Loan Documents, and the relationship between the Grantors, on the one hand, and the Collateral Trustee and Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents, Second Priority Loan Documents or Third Priority Loan Documents otherwise exists by virtue of the transactions contemplated hereby among the Secured Parties or among the Grantors and the Secured Parties.

6.10 Governing Law. This Collateral Trust Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

6.11 Counterparts. This Collateral Trust Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed signature page of this Collateral Trust Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

6.12 Termination and Release. (a) Upon receipt by the Collateral Trustee from the First Priority Agent and the Second Priority Agent of (x) written directions to cause the liens created by subsection 4.6 and by the Trust Security Documents to be released and discharged or (y) written notices (i) from the First Priority Agent pursuant to Section 9.14(b) of the First Priority Credit Agreement and (ii) from the Second Priority Agent pursuant to Section 9.14(b) of the Second Priority Credit Agreement, stating that the conditions for release in connection with the termination of the Loan Documents or the Second Priority Loan Documents, as the case may be, have been satisfied, the security interests created by subsection 4.6 and by the Trust Security Documents shall terminate forthwith and all right, title and interest of the Collateral Trustee in and to the Collateral shall revert to the Grantors, their successors and assigns (subject to the rights of the Third Priority Secured Parties).

(b) Upon the termination of the Collateral Trustee's security interest and the release of the Collateral in accordance with subsection 6.12(a), the Collateral Trustee will promptly, at the Company's written request and expense, (i) execute and deliver to the Company such documents as the Company shall reasonably request to evidence the termination of such security interest or the release of the Collateral and (ii) deliver or cause to be delivered to the Grantors (or, if any Third Priority Secured Obligations are then outstanding, to the Third Priority Agent) all property of the Grantors then held by the Collateral Trustee or any agent thereof.

(c) Upon the sale of all the Capital Stock of a Grantor to any Person (other than another Grantor) in a transaction permitted (or not prohibited, as the case may be) by the Loan Documents, the Second Priority Loan Documents and the Third Priority Loan Documents, and as long as no Notice of Event of Default is then in effect: (i) such Grantor and each Subsidiary of such Grantor which is included in such sale (such Grantor and each such Subsidiary being referred to herein as "Included Grantors") shall cease to be a Grantor hereunder or a party to any Trust Security Document and shall be released automatically from its obligations pursuant hereto and thereto, (ii) the security interests created by the Trust Security Documents entered into by such Included Grantors in all right, title and interest of such Included Grantors in the Collateral, and the security interests created by the Trust Security Documents in the Capital Stock of such Grantor, shall terminate automatically, in each case only with respect to such Included Grantors and such Capital Stock, (iii) all right, title and interest of the Collateral Trustee in and to the Collateral subject to such security interests shall revert automatically to such Included Grantors, their successors and assigns and (iv) any obligations of such Included Grantors shall, unless otherwise expressly notified by the Company to the Collateral Trustee and the Controlling Party in writing, automatically cease to be Secured Obligations. Upon any such termination and receipt by the Collateral Trustee of a certificate from the Company or the relevant Grantor stating that such sale is to a Person other than another Grantor in a transaction permitted or not prohibited, as the case may be, by the Loan Documents, the Second Priority Loan Documents and the Third

Priority Loan Documents, the Collateral Trustee will promptly, at the Company's request and expense, (x) execute and deliver to such Included Grantors (and the Grantor that pledged such Capital Stock under the Trust Security Documents) such documents as the Company shall reasonably request to evidence the termination of such security interest or the release of such Collateral, (y) deliver or cause to be delivered to such Included Grantors all property of such Included Grantors then held by the Collateral Trustee or any agent thereof and (z) deliver such Capital Stock to the Grantor that pledged such Capital Stock under the Trust Security Documents.

(d) Upon the sale of all or any portion of the Collateral to any Person (other than another Grantor) in a transaction permitted (or not prohibited, as the case may be) by the Loan Documents, the Second Priority Loan Documents and the Third Priority Loan Documents (including pursuant to any consent to such sale and /or release of the security interest in such Collateral pursuant to the terms thereof), and as long as no Notice of Event of Default is then in effect, the security interests created by the Trust Security Documents in such Collateral shall terminate and such Collateral shall be automatically released from the Lien created by the Trust Security Documents. Upon any such release and receipt by the Collateral Trustee of a certificate from the Company or the relevant Grantor stating that such sale is permitted or not prohibited, as the case may be, by (or the relevant consent has been received under) the Loan Documents, the Second Priority Loan Documents and the Third Priority Loan Documents, the Collateral Trustee will promptly at the Company's request and expense execute and deliver such documents as the Company shall reasonably request to evidence the termination of such security interest and the release of such Collateral.

(e) Upon (i) receipt by the Collateral Trustee of written notice from the Majority Secured Parties directing the Collateral Trustee to cause the Liens on a portion of the Collateral identified in such notice to be released and discharged and (ii) a certificate of the Company confirming that the Collateral identified in such notice in clause (i) above does not constitute all or substantially all of the Collateral, the security interests created by the Trust Security Documents in such Collateral shall terminate forthwith and all right, title and interest of the Collateral Trustee in and to such Collateral shall revert to the Grantors, their successors and assigns.

(f) This Collateral Trust Agreement shall terminate when the security interest granted under the Trust Security Documents has terminated and the Collateral has been released as provided in subsection 6.12(a); provided that the provisions of subsections 4.2, 4.3, 4.4 and 4.5 shall not be affected by any such termination. If any Third Priority Secured Obligations are then outstanding, the Collateral Trustee shall turn over to the Third Priority Agent any Common Collateral it is then holding to the Third Priority Agent, in the form it is then held.

6.13 New Grantors. During the term of this Collateral Trust Agreement, one or more additional Subsidiaries may become a party to this Collateral Trust Agreement by executing a joinder agreement, substantially in the form of Exhibit B, whereupon such Subsidiary shall become a Grantor for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Collateral Trust Agreement.

6.14 Inspection by Regulatory Agencies. The Collateral Trustee shall make available, and shall cause each custodian and agent acting on its behalf in connection with this Collateral Trust Agreement to make available, all Collateral in such Person's possession at all

times for inspection by any regulatory agency having jurisdiction over any Grantor to the extent required by such regulatory agency in its discretion.

6.15 Confidentiality. The Collateral Trustee agrees to keep confidential all non-public information (a) provided to it by or on behalf of the Company or any of its Subsidiaries pursuant to or in connection with this Collateral Trust Agreement or any Trust Security Document or (b) obtained by the Collateral Trustee based on a review of the books and records of the Company or any of its Subsidiaries; provided that nothing herein shall prevent the Collateral Trustee from disclosing any such information (i) to the First Priority Agent or any other Lender, (ii) to its affiliates, employees, directors, agents, attorneys, accountants and other professional advisors subsequent to the Collateral Trustee advising such Person of the confidentiality provisions contained herein, (iii) upon the request or demand of any Governmental Authority having jurisdiction over the Collateral Trustee upon notice to the Company thereof, unless such notice is prohibited or the Governmental Authority shall require otherwise, (iv) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, after notice to the Company if reasonably feasible, (v) in connection with any litigation to which the Collateral Trustee is a party, after notice to the Company if reasonably feasible, (vii) which has been publicly disclosed other than in breach of this Collateral Trust Agreement, or (viii) to the extent reasonably necessary, in connection with the exercise of any remedy hereunder.

6.16 Submission to Jurisdiction; Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Collateral Trust Agreement and the other Trust Security Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the County of New York, State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) to the extent permitted by applicable law, consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this subsection any special, exemplary, punitive or consequential damages.

6.17 **WAIVERS OF JURY TRIAL**. THE COLLATERAL TRUSTEE AND EACH OF THE GRANTORS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS COLLATERAL TRUST AGREEMENT OR ANY OTHER TRUST SECURITY DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

SECTION 7.

DESIGNATION OF ADDITIONAL SECURED OBLIGATIONS

7.1 Designations of Secured Obligations. The Company may at any time and from time to time designate additional obligations (whether outstanding on the date of such designation or on a prospective "when issued basis") as obligations that are secured by the Collateral pursuant to this Collateral Trust Agreement in accordance with this Section 7 (it being understood that if such notice is prospective such designation shall be contingent upon the issuance or incurrence of the related obligations). The Company shall furnish each Notice of Designation to each Holder Representative promptly after delivering the same to the Collateral Trustee; provided that failure to deliver such notice shall not affect the validity of any such designation. If each Holder Representative receives such notice and none of the parties notifies the Company within five (5) Business Days following the receipt thereof that it disagrees with the certification described in clause (ii) of Section 7.2, then the designation of such additional obligations as Secured Obligations shall be binding among the other holders of Secured Obligations for purposes of this Collateral Trust Agreement; provided, however that nothing in this sentence shall constitute a waiver of any right or remedy of any Holder Representative or other holder of First Priority Credit Agreement Obligations, Second Priority Credit Agreement Obligations or Third Priority Credit Agreement Obligations may have under any Secured Instrument with respect to the incurrence or designation of such obligations.

7.2 Designation of Secured Non-Loan Exposure. Upon receipt by the Collateral Trustee of a written certification from a Responsible Officer of the Company, substantially in the form of Exhibit C (a "Notice of Designation") (i) identifying the obligations and/or agreement(s) it is designating as "Designated Cash Management Obligations", "Designated Hedging Obligations" or other "Secured Non-Loan Exposure" under this Collateral Trust Agreement (which agreements and obligations may be identified specifically or generically by category or type), (ii) designating whether all or a portion of such Secured Non-Loan Exposure will be classified as Permitted First Lien Non-Loan Exposure, (iii) if designated as Permitted First Lien Non-Loan Exposure, specifying the maximum aggregate amount of the obligations in respect thereof that are so designated (it being understood that any amounts in excess of such amount specified shall be Permitted Second Lien Non-Loan Exposure) and (iv) stating that the designation thereof is permitted, or not prohibited, as the case may be, by the Loan Documents or the Second Priority Loan Documents, such obligations will become Designated Cash Management Obligations or Designated Hedging Obligations, as the case may be, and Secured Non-Loan Exposure hereunder or, to the extent specified in such notice, Permitted First Lien Non-Loan Exposure.

7.3 Termination of Designation. Once designated as secured pursuant to this Section 7, the relevant Secured Obligations shall remain secured pursuant to this Collateral Trust Agreement until the first to occur of (i) the termination of this Collateral Trust Agreement in accordance with Section 6.12, (ii) the payment in full of such Secured Obligations and (iii) the delivery to the Collateral Trustee of the written consent of the relevant Secured Party to the release of the security interest in the Collateral securing such Secured Obligations.

SECTION 8.

INTERCREDITOR PROVISIONS

8.1 Second Priority Credit Agreement Debt. The Second Priority Agent for, and each Second Priority Secured Party with respect to, the Second Priority Credit Agreement Obligations shall be bound by the following terms and conditions:

(a) Any and all Liens now existing or hereafter created or arising in favor of any such Second Priority Secured Party securing the Second Priority Secured Obligations with respect to the Second Priority Credit Agreement Obligations, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, are expressly junior in priority, operation and effect to any and all Liens now existing or hereafter created or arising in favor of the First Priority Secured Parties securing the First Priority Secured Obligations, notwithstanding (i) anything to the contrary contained in any agreement or filing to which any such Second Priority Secured Party may now or hereafter be a party, and regardless of the time, order or method of grant, attachment, recording or perfection of any financing statements or other security interests, assignments, pledges, deeds, mortgages and other liens, charges or encumbrances or any defect or deficiency or alleged defect or deficiency in any of the foregoing, (ii) any provision of the Uniform Commercial Code or any applicable law or any agreement with respect to the First Priority Secured Obligations or the Second Priority Secured Obligations or any other circumstance whatsoever and (iii) the fact that any such Liens in favor of any First Priority Secured Party securing any of the First Priority Secured Obligations are (x) subordinated to any Lien securing any obligation of any Grantor other than the Second Priority Secured Obligations or (y) otherwise subordinated, voided, avoided, invalidated or lapsed;

(b) No such Second Priority Secured Party shall object to or contest, or support any other Person in contesting or objecting to, in any proceeding (including without limitation, any Insolvency Proceeding), the validity, extent, perfection, priority or enforceability of any security interest in the Collateral granted to any First Priority Secured Party. Notwithstanding any failure by any First Priority Secured Party to perfect its security interests in the Collateral or any avoidance, invalidation or subordination by any third party or court of competent jurisdiction of the security interests in the Collateral granted to the First Priority Secured Parties, the priority and rights as between the First Priority Secured Parties and the Second Priority Secured Parties with respect to the Collateral shall be as set forth herein;

(c) No such Second Priority Secured Party shall, prior to the payment in full of the First Priority Secured Obligations, assert, demand, request, plead or otherwise claim the benefit of, any marshalling, appraisal, valuation and any other right that may otherwise be available under any applicable Requirement of Law with respect to any Collateral to a creditor in its capacity as beneficiary of a junior lien on such Collateral;

(d) No such Second Priority Secured Party shall, in or in connection with any Insolvency Proceeding, file any pleadings or motions, take any position at any hearing or proceeding of any nature, or otherwise take any action whatsoever, in each case in respect of any of the Collateral, including, without limitation, with respect to the determination of any Liens or claims held by any First Priority Secured Party or the value of any claims of such parties under Section 506(a) of the Bankruptcy Code or otherwise; provided that any such Second Priority

Secured Party may file a proof of claim in an Insolvency Proceeding, subject to the limitations contained in this Collateral Trust Agreement and only if consistent with the terms and the limitations on such Second Priority Secured Party imposed hereby;

(e) If any Grantor becomes subject to any Insolvency Proceeding, and if the Required Secured Parties desire to consent (or not object) to the use of cash collateral under the Bankruptcy Code or to provide any DIP Financing to any Grantor or to consent (or not object) to the provision of any DIP Financing to any Grantor, whether or not proceeds of any such DIP Financing are being used to Refinance all or any portion of the First Priority Credit Agreement Obligations, then each such Second Priority Secured Party (a) will be deemed to have consented to, and will raise no objection to, nor support any other Person objecting to, the use of such cash collateral or such DIP Financing, (b) will not request or accept adequate protection or any other relief in connection with the use of such cash collateral or such DIP Financing except as set forth in subsection 8.1(g) below and (c) will subordinate (and will be deemed hereunder to have subordinated) its Second Priority Secured Obligations (i) to such DIP Financing on the same terms as the First Priority Secured Obligations are subordinated thereto (and such subordination will not alter in any manner the terms of this Collateral Trust Agreement) or, to the extent the proceeds of such DIP Financing refinance all or any portion of the First Priority Secured Obligations, on the same terms as the Second Priority Secured Obligations are subordinated to the First Priority Secured Obligations pursuant to this Collateral Trust Agreement, (ii) to any adequate protection provided to the First Priority Secured Parties and (iii) to any "carve-out" agreed to by the Required Secured Parties, and (d) agrees that notice received two calendar days prior to the entry of an order approving such usage of cash collateral or approving such financing shall be adequate notice;

(f) No such Second Priority Secured Party will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any Collateral, without the prior written consent of the Required Secured Parties;

(g) No such Second Priority Secured Party shall object, contest, or support any other Person objecting to or contesting, (a) any request by any First Priority Secured Party for adequate protection or any adequate protection provided to any First Priority Secured Party or (b) any objection by any First Priority Secured Party to any motion, relief, action or proceeding based on a claim of a lack of adequate protection or (c) the payment of interest, fees, expenses or other amounts to any First Priority Secured Party under Section 506(b) or 506(c) of the Bankruptcy Code or otherwise. Notwithstanding anything contained in this subsection (but subject to all other provisions of this Collateral Trust Agreement), in any Insolvency Proceeding, (i) if the First Priority Secured Parties (or any subset thereof) are granted adequate protection consisting of additional collateral (with replacement liens on such additional collateral) and superpriority claims in connection with any DIP Financing or use of cash collateral, and such First Priority Secured Parties do not object to the adequate protection being provided to them, then in connection with any such DIP Financing or use of cash collateral such Second Priority Secured Parties may seek or accept adequate protection consisting solely of a replacement Lien on the same additional collateral, subordinated to the Liens securing the First Priority Secured Obligations and such DIP Financing on the same basis as the other Liens securing the Second Priority Secured Obligations are so subordinated to the First Priority Secured Obligations under

this Collateral Trust Agreement and superpriority claims junior in all respects to the superpriority claims granted to the First Priority Secured Parties and (ii) in the event any such Second Priority Secured Party seeks or accepts adequate protection in accordance with clause (i) above and such adequate protection is granted in the form of additional collateral, then such Second Priority Secured Party agrees that the First Priority Secured Parties shall also be granted a senior Lien on such additional collateral as security for the First Priority Secured Obligations and any such DIP Financing and that any Lien on such additional collateral securing the Second Priority Secured Obligations shall be subordinated to the Liens on such collateral securing the First Priority Secured Obligations and any such DIP Financing (and all Obligations relating thereto) and any other Liens granted to the First Priority Secured Parties as adequate protection, with such subordination to be on the same terms that the other Liens securing the Second Priority Secured Obligations are subordinated to the Liens securing such First Priority Secured Obligations under this Collateral Trust Agreement. The Second Priority Secured Parties agree that except as expressly set forth in this subsection none of them shall seek or accept adequate protection without the prior written consent of the Required Secured Parties;

(h) If any First Priority Secured Party is required in any Insolvency Proceeding or otherwise to disgorge, turn over or otherwise pay to the estate of any Grantor, because such amount was avoided or ordered to be paid or disgorged for any reason, including without limitation because it was found to be a fraudulent or preferential transfer, any amount (a "Recovery"), whether received as proceeds of security, enforcement of any right of set-off or otherwise, then the First Priority Secured Obligations shall be reinstated to the extent of such Recovery and deemed to be outstanding as if such payment had not occurred and the payment in full of the First Priority Secured Obligations shall be deemed not to have occurred. If this Collateral Trust Agreement shall have been terminated prior to such Recovery, this Collateral Trust Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. The Second Priority Secured Parties agree that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Collateral Trust Agreement, whether by preference or otherwise, it being understood and agreed that the benefits of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Collateral Trust Agreement;

(i) No such Second Priority Secured Party shall, in an Insolvency Proceeding or otherwise, oppose any sale or disposition of any assets of any Grantor that is supported by the Required Secured Parties, and each such Second Priority Secured Party will be deemed to have consented under Section 363 of the Bankruptcy Code (and otherwise) to any sale supported by the Required Secured Parties and to have released its Liens on such assets; provided that the Net Cash Proceeds of such sale shall have been applied to the Secured Obligations in accordance with subsection 3.4;

(j) Each such Second Priority Secured Party acknowledges and agrees that because of, among other things, their differing rights in the Collateral, the Second Priority Secured Obligations are fundamentally different from the First Priority Secured Obligations and must be separately classified in any plan of reorganization proposed or adopted in an Insolvency Proceeding. To further effectuate the intent of the parties as provided in the immediately

preceding sentence, if it is held that the claims of the First Priority Secured Parties and the Second Priority Secured Parties in respect of the Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then the Second Priority Secured Parties hereby acknowledge and agree that all distributions shall be made as if there were separate classes of senior and junior secured claims against the Grantors in respect of the Collateral (with the effect being that, to the extent that the aggregate value of the Collateral is sufficient (for this purpose ignoring all claims held by the Second Priority Secured Parties), the First Priority Secured Parties shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of Post-Petition Interest before any distribution is made in respect of the claims held by the Second Priority Secured Parties, with the Second Priority Secured Parties hereby acknowledging and agreeing to turn over to the First Priority Secured Parties amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Priority Secured Parties;

(k) To the extent that a Second Priority Secured Party has not voted its claim with respect to the Second Priority Secured Obligations in any Insolvency Proceeding on any proposed plan of reorganization prior to the date which is 10 days before the expiration of the time to vote such claim, the Collateral Trustee may vote such claim on behalf of such Second Priority Secured Party at the direction of the Controlling Party;

(l) No such Second Priority Secured Party shall oppose or seek to challenge any claim by any First Priority Secured Party for allowance in any Insolvency Proceeding of Post-Petition Interest, fees or expenses in respect of any First Priority Secured Obligation. No First Priority Secured Party shall oppose or seek to challenge any claim by any Second Priority Secured Party for the accrual (but not payment) in any Insolvency Proceeding of Post-Petition Interest;

(m) No such Second Priority Secured Party shall seek relief from the automatic stay as provided in Section 362 of the Bankruptcy Code or any similar provision of any applicable Bankruptcy Law or any other stay in respect of the Collateral;

(n) Nothing contained herein shall prohibit or in any way limit any First Priority Secured Party from objecting in any Insolvency Proceeding or otherwise to any action taken by any Second Priority Secured Party, including the seeking by any Second Priority Secured Party of adequate protection (except as provided in subsection 8.1(g)) or the asserting by any Second Priority Secured Party of any of its rights and remedies under any Second Priority Loan Document in respect of Second Priority Credit Agreement Obligations, the Trust Security Documents or otherwise;

(o) This Collateral Trust Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under section 510(a) of the Bankruptcy Code, shall be effective before, during and after the commencement of an Insolvency Proceeding;

(p) If, prior to the payment in full of the First Priority Secured Obligations, any such Second Priority Secured Party receives any Post-Petition Securities on account of any Second Priority Secured Obligations in any Insolvency Proceeding and such Post-Petition Securities are secured by any Lien upon any property of any reorganized debtor which is also

subject to Liens securing Post-Petition Securities received on account of any First Priority Secured Obligations in such Insolvency Proceedings, such Liens shall be junior and subordinate to the Liens securing Post-Petition Securities received on account of the First Priority Secured Obligations to the same extent as all other Liens securing Second Priority Secured Obligations hereunder and shall be subject to the terms of this Collateral Trust Agreement;

(q) Each Grantor and each Second Priority Secured Party agrees that it shall not at any time execute or deliver any amendment or other modification to any of the Second Priority Loan Documents that would (i) contravene the provisions of this Collateral Trust Agreement, (ii) result in the terms thereof, taken as a whole, being more restrictive to the Company than those contained in the First Priority Credit Agreement Documents, or (iii) change the final maturity date of any such Second Priority Credit Agreement Obligations to a date earlier than six months after the later of the latest maturity date of any Term Loan;

(r) Each such Second Priority Secured Party agrees that any First Priority Credit Agreement Document may be amended at any time without the consent of any Second Priority Secured Party, provided that this Collateral Trust Agreement and the Trust Security Documents may only be amended in accordance with the terms of this Collateral Trust Agreement;

(s) Each such Second Priority Secured Party agrees that it will not enter into, or accept the benefit of, any security agreement or mortgage to secure the Second Priority Secured Obligations and will not file any financing statements with respect to its Second Priority Credit Agreement Obligations, it being understood that this Collateral Trust Agreement and the Trust Security Documents (together with the filings contemplated thereby) are the only such security documents permitted to secure the Second Priority Credit Agreement Obligations; and

(t) Until the First Priority Secured Obligations have been paid in full, any Collateral, including without limitation any such Collateral constituting Proceeds, that may be received by any Second Priority Secured Party in violation of this Collateral Trust Agreement shall be segregated and held in trust and promptly paid over to the Collateral Trustee, for the benefit of the First Priority Secured Parties, in the same form as received, with any necessary endorsements, and each Second Priority Secured Party hereby authorizes the Collateral Trustee to make any such endorsements as agent for the Second Priority Agent (which authorization, being coupled with an interest, is irrevocable).

8.2 Third Priority Credit Agreement Debt. The Third Priority Agent for, and each Third Priority Secured Party with respect to, the Third Priority Credit Agreement Obligations shall be bound by the following terms and conditions:

(a) Any and all Liens on the Common Collateral now existing or hereafter created or arising in favor of any such Third Priority Secured Party securing the Third Priority Secured Obligations with respect to the Third Priority Credit Agreement Obligations, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, are expressly junior in priority, operation and effect to any and all Liens on the Common Collateral now existing or hereafter created or arising in favor of the First Priority Secured Parties securing the First Priority Secured Obligations and the Second Priority Secured Parties securing the Second Priority Secured Obligations, notwithstanding (i) anything to the contrary contained in any agreement or filing to which any such Third Priority Secured Party may now or hereafter be a

party, and regardless of the time, order or method of grant, attachment, recording or perfection of any financing statements or other security interests, assignments, pledges, deeds, mortgages and other liens, charges or encumbrances or any defect or deficiency or alleged defect or deficiency in any of the foregoing, (ii) any provision of the Uniform Commercial Code or any applicable law or any agreement with respect to the First Priority Secured Obligations, the Second Priority Secured Obligations or the Third Priority Secured Obligations or any other circumstance whatsoever and (iii) the fact that any such Liens in favor of any First Priority Secured Party securing any of the First Priority Secured Obligations or in favor of any Second Priority Secured Party securing any of the Second Priority Secured Obligations are (x) subordinated to any Lien securing any obligation of any Grantor other than the Third Priority Secured Obligations or (y) otherwise subordinated, voided, avoided, invalidated or lapsed;

(b) No such Third Priority Secured Party shall object to or contest, or support any other Person in contesting or objecting to, in any proceeding (including without limitation, any Insolvency Proceeding), the validity, extent, perfection, priority or enforceability of any security interest in the Common Collateral granted to any First Priority Secured Party or Second Priority Secured Party; provided, however, that the Third Priority Secured Parties shall be permitted to negotiate with the First Priority Secured Parties and the Second Priority Secured Parties to amend this Collateral Trust Agreement regarding, inter alia, the relative rights of the Secured Parties in the Common Collateral; provided further, however, that nothing contained herein shall obligate or require any First Priority Secured Party or Second Priority Secured Party to agree to any such suggested amendment. Notwithstanding any failure by any First Priority Secured Party or Second Priority Secured Party to perfect its security interests in the Common Collateral or any avoidance, invalidation or subordination by any third party or court of competent jurisdiction of the security interests in the Common Collateral granted to the First Priority Secured Parties or the Second Priority Secured Parties, the priority and rights as between the First Priority Secured Parties, the Second Priority Secured Parties and the Third Priority Secured Parties with respect to the Common Collateral shall be as set forth herein;

(c) No such Third Priority Secured Party shall, prior to the payment in full of the First Priority Secured Obligations and the Second Priority Secured Obligations, assert, demand, request, plead or otherwise claim the benefit of, any marshalling, appraisal, valuation and any other right that may otherwise be available under any applicable Requirement of Law with respect to any Common Collateral to a creditor in its capacity as beneficiary of a junior lien on such Common Collateral;

(d) No such Third Priority Secured Party shall, in or in connection with any Insolvency Proceeding, file any pleadings or motions, take any position at any hearing or proceeding of any nature, or otherwise take any action whatsoever, in each case in respect of any of the Common Collateral, including, without limitation, with respect to the determination of any Liens or claims held by any First Priority Secured Party or Second Priority Secured Party or the value of any claims of such parties under Section 506(a) of the Bankruptcy Code or otherwise; provided that any such Third Priority Secured Party may file a proof of claim in an Insolvency Proceeding, subject to the limitations contained in this Collateral Trust Agreement and only if consistent with the terms and the limitations on such Third Priority Secured Party imposed hereby; and provided further that any such Third Priority Secured Party may seek to provide DIP Financing to any Grantor and in connection therewith to obtain Liens on any or all of the

Common Collateral which may be superior to, or pari passu with, the rights of the First Priority Secured Parties and/or the Second Priority Secured Parties; and provided further that nothing contained herein shall be construed as a consent by the First Priority Agent, any of the First Priority Secured Parties, the Second Priority Agent or any of the Second Priority Secured Parties to such DIP Financing or any Liens granted in connection therewith, or a waiver by any such party of its right to object to any such DIP Financing or any Liens granted in connection therewith.

(e) If any Grantor becomes subject to any Insolvency Proceeding, each of the Secured Parties hereunder (subject, in the case of the Second Priority Secured Parties, to Section 8.1(e) hereunder) shall retain their rights to seek to provide any DIP Financing to any such Grantor, and to object (subject to the provisions of this subsection (e) and Section 8.1(e) hereunder) to any such proposal for DIP Financing. If any Grantor becomes subject to any Insolvency Proceeding, and if the Required Secured Parties desire to consent (or not object) to the use of cash collateral under the Bankruptcy Code or to provide any DIP Financing to any Grantor or to consent (or not object) to the provision of any DIP Financing to any Grantor, whether or not proceeds of any such DIP Financing are being used to Refinance all or any portion of the First Priority Credit Agreement Obligations or the Second Priority Credit Agreement Obligations, then each such Third Priority Secured Party (a) will be deemed to have consented to, and will raise no objection to, nor support any other Person objecting to, the use of such cash collateral or such DIP Financing, (b) will not request or accept adequate protection or any other relief in connection with the use of such cash collateral or such DIP Financing except as set forth in subsection 8.2(g) below and (c) will subordinate (and will be deemed hereunder to have subordinated) its interests in the Common Collateral (i) to such DIP Financing on the same terms as the First Priority Secured Obligations and Second Priority Secured Obligations are subordinated thereto (and such subordination will not alter in any manner the terms of this Collateral Trust Agreement) or, to the extent the proceeds of such DIP Financing refinance all or any portion of the First Priority Secured Obligations, on the same terms as the Second Priority Secured Obligations are subordinated to the First Priority Secured Obligations pursuant to this Collateral Trust Agreement and (ii) to any adequate protection provided to the First Priority Secured Parties or the Second Priority Secured Parties;

(f) No such Third Priority Secured Party will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case in respect of any Common Collateral, without the prior written consent of the Required Secured Parties; provided, however, that any Third Priority Secured Party shall be permitted to take any of the foregoing action in connection with any proposed DIP Financing to any Grantor; provided further, however, that that nothing contained herein shall be construed as a consent by the First Priority Agent, any of the First Priority Secured Parties, the Second Priority Agent or any of the Second Priority Secured Parties to such DIP Financing, or a waiver by any such party of its right to object to any such relief from the stay;

(g) No such Third Priority Secured Party shall object, contest, or support any other Person objecting to or contesting, (a) any request by any First Priority Secured Party or Second Priority Secured Party for adequate protection or any adequate protection provided to any First Priority Secured Party or Second Priority Secured Party, in each case in connection with the Common Collateral, or (b) any objection by any First Priority Secured Party or Second Priority

Secured Party to any motion, relief, action or proceeding based on a claim of a lack of adequate protection with respect to the Common Collateral or (c) the payment of interest, fees, expenses or other amounts to any First Priority Secured Party or Second Priority Secured Party under Section 506(b) or 506(c) of the Bankruptcy Code or otherwise with respect to the Common Collateral. Notwithstanding anything contained in this subsection (but subject to all other provisions of this Collateral Trust Agreement), in any Insolvency Proceeding, (i) if the First Priority Secured Parties (or any subset thereof) or the Second Priority Secured Parties (or any subset thereof) are granted adequate protection consisting of additional collateral (with replacement liens on such additional collateral) and superpriority claims in connection with any DIP Financing or use of cash collateral, and such First Priority Secured Parties or Second Priority Secured Parties, as the case may be, do not object to the adequate protection being provided to them, then in connection with any such DIP Financing or use of cash collateral such Third Priority Secured Parties may seek or accept adequate protection consisting solely of a replacement Lien on the same additional collateral, subordinated to the Liens securing the First Priority Secured Obligations and Second Priority Secured Obligations and such DIP Financing on the same basis as the other Liens securing the Third Priority Secured Obligations are so subordinated to the First Priority Secured Obligations and the Second Priority Secured Obligations under this Collateral Trust Agreement and superpriority claims junior in all respects to the superpriority claims granted to the First Priority Secured Parties and the Second Priority Secured Parties and (ii) other than with respect to Third Priority Exclusive Collateral, in the event any such Third Priority Secured Party seeks or accepts adequate protection in accordance with clause (i) above and such adequate protection is granted in the form of additional collateral as contemplated by clause (i) above, then such Third Priority Secured Party agrees that the First Priority Secured Parties and the Second Priority Secured Parties shall also be granted a senior Lien on such additional collateral as security for the First Priority Secured Obligations and the Second Priority Secured Obligations, respectively, and any such DIP Financing and that any Lien on such additional collateral securing the Third Priority Secured Obligations shall be subordinated to the Liens on such collateral securing the First Priority Secured Obligations and the Second Priority Secured Obligations and any such DIP Financing (and all Obligations relating thereto) and any other Liens granted to the First Priority Secured Parties or the Second Priority Secured Parties as adequate protection, with such subordination to be on the same terms that the other Liens securing the Third Priority Secured Obligations are subordinated to the Liens securing such First Priority Secured Obligations and Second Priority Secured Obligations under this Collateral Trust Agreement. Other than with respect to Third Priority Exclusive Collateral, the Third Priority Secured Parties agree that except as expressly set forth in this subsection none of them shall seek or accept adequate protection with respect to their interests in the Common Collateral without the prior written consent of the Required Secured Parties;

(h) The First Priority Agent, on behalf of the First Priority Secured Parties, and the Second Priority Agent, on behalf of the Second Priority Secured Parties, hereby disclaim any right, title or interest in the Third Priority Exclusive Collateral and agree that no First Priority Secured Party or Second Priority Secured Party shall object to or contest, or support any other Person in contesting or objecting to, in any proceeding (including without limitation any Insolvency Proceeding), the validity, extent, perfection, priority or enforceability of any security interest in the Third Priority Exclusive Collateral granted to any Third Priority Secured Party. Notwithstanding any failure by any Third Priority Secured Party to perfect its security interest in any Third Priority Exclusive Collateral or any avoidance, invalidation or subordination by any

third party or court of competent jurisdiction of the security interests in the Third Party Exclusive Collateral granted to the Third Priority Secured Parties, the Third Priority Secured Parties shall have first priority and exclusive rights with respect to the Third Priority Exclusive Collateral;

(i) If any First Priority Secured Party or Second Priority Secured Party is required in any Insolvency Proceeding or otherwise to disgorge, turn over or otherwise pay to the estate of any Grantor, because such amount was avoided or ordered to be paid or disgorged for any reason, including without limitation because it was found to be a fraudulent or preferential transfer, any amount (a "Senior Recovery"), whether received as proceeds of security, enforcement of any right of set-off or otherwise, then the First Priority Secured Obligations or Second Priority Secured Obligations, as the case may be, shall be reinstated to the extent of such Senior Recovery and deemed to be outstanding as if such payment had not occurred and the payment in full of the First Priority Secured Obligations or Second Priority Secured Obligations, as the case may be, shall be deemed not to have occurred. If this Collateral Trust Agreement shall have been terminated prior to such Senior Recovery, this Collateral Trust Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. The Third Priority Secured Parties agree that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Collateral Trust Agreement, whether by preference or otherwise, it being understood and agreed that the benefits of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Collateral Trust Agreement;

(j) No such Third Priority Secured Party shall, in an Insolvency Proceeding or otherwise, oppose any sale or disposition of any Common Collateral that is supported by the Required Secured Parties, and each such Third Priority Secured Party will be deemed to have consented under Section 363 of the Bankruptcy Code (and otherwise) to any sale of Common Collateral supported by the Required Secured Parties and to have released its Liens on such Common Collateral; provided that the Net Cash Proceeds of such sale shall have been applied to the Secured Obligations in accordance with subsection 3.4;

(k) Each such Third Priority Secured Party acknowledges and agrees that because of, among other things, their differing rights in the Common Collateral, the Third Priority Secured Obligations are fundamentally different from the First Priority Secured Obligations and Second Priority Secured Obligations and must be separately classified in any plan of reorganization proposed or adopted in an Insolvency Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of the First Priority Secured Parties, the Second Priority Secured Parties and the Third Priority Secured Parties in respect of the Common Collateral constitute only one secured claim, or that the claims of the Second Priority Secured Parties and the Third Priority Secured Parties in respect of the Common Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then the Third Priority Secured Parties hereby acknowledge and agree that all distributions shall be made as if there were separate classes of senior and junior secured claims against the Grantors in respect of the Common Collateral (with the effect being that, to the extent that the aggregate value of the Common Collateral is sufficient (for this purpose ignoring all claims held by the Third Priority Secured Parties), the First Priority Secured Parties or the Second Priority Secured Parties shall be entitled to receive, in addition to amounts distributed to them in

respect of principal, pre-petition interest and other claims, all amounts owing in respect of Post-Petition Interest before any distribution is made in respect of the claims held by the Third Priority Secured Parties, with the Third Priority Secured Parties hereby acknowledging and agreeing to turn over to the First Priority Secured Parties or the Second Priority Secured Parties, as the case may be, amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Third Priority Secured Parties;

(l) No such Third Priority Secured Party shall oppose or seek to challenge any claim by any First Priority Secured Party or Second Priority Secured Party for allowance in any Insolvency Proceeding of Post-Petition Interest, fees or expenses in respect of any First Priority Secured Obligation or Second Priority Secured Obligation. No First Priority Secured Party or Second Priority Secured Party shall oppose or seek to challenge any claim by any Third Priority Secured Party for the accrual (but not payment) in any Insolvency Proceeding of Post-Petition Interest; provided, however, that the Third Priority Secured Parties shall be entitled to receive payment of any interest, principal and other amounts in respect of any Third Priority Secured Obligation from the income and proceeds from any Third Priority Exclusive Collateral;

(m) Nothing contained herein shall (1) prohibit or in any way limit any First Priority Secured Party or Second Priority Secured Party from objecting in any Insolvency Proceeding or otherwise to any action taken by any Third Priority Secured Party, including the seeking by any Third Priority Secured Party of adequate protection (except as provided in subsection 8.2(g)) or the asserting by any Third Priority Secured Party of any of its rights and remedies under any Third Priority Loan Document in respect of Third Priority Credit Agreement Obligations, the Trust Security Documents or otherwise or (2) prohibit or in any way limit any Third Priority Secured Party from objecting in any Insolvency Proceeding or otherwise to any action taken by any First Priority Secured Party or Second Priority Secured Party, including the seeking by any First Priority Secured Party or Second Priority Secured Party of adequate protection (except as provided in subsection 8.2(g)) or the asserting by any First Priority Secured Party or Second Priority Secured Party of any of its rights and remedies under any Loan Document in respect of First Priority Credit Agreement Obligations, any Second Priority Loan Document in respect of Second Priority Credit Agreement Obligations, the Trust Security Documents or otherwise (except as provided in this section 8.2);

(n) This Collateral Trust Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under section 510(a) of the Bankruptcy Code, shall be effective before, during and after the commencement of an Insolvency Proceeding;

(o) If, prior to the payment in full of the First Priority Secured Obligations and the Second Priority Secured Obligations, any such Third Priority Secured Party receives any Post-Petition Securities on account of its security interest in any Common Collateral in any Insolvency Proceeding and such Post-Petition Securities are secured by any Lien upon Common Collateral which is also subject to Liens securing Post-Petition Securities received on account of any First Priority Secured Obligations or Second Priority Secured Obligations in such Insolvency Proceedings, such Liens shall be junior and subordinate to the Liens securing Post-Petition Securities received on account of the First Priority Secured Obligations or the Second Priority Secured Obligations to the same extent as all other Liens securing Third Priority Secured Obligations hereunder and shall be subject to the terms of this Collateral Trust Agreement; and

(p) Until the First Priority Secured Obligations and Second Priority Secured Obligations have been paid in full, any Common Collateral, including without limitation any such Common Collateral constituting Proceeds, that may be received by any Third Priority Secured Party in violation of this Collateral Trust Agreement shall be segregated and held in trust and promptly paid over to the Collateral Trustee, for the benefit of the First Priority Secured Parties and Second Priority Secured Parties, in the same form as received, with any necessary endorsements, and each Third Priority Secured Party hereby authorizes the Collateral Trustee to make any such endorsements as agent for the Third Priority Agent (which authorization, being coupled with an interest, is irrevocable); provided, however, that none of the foregoing restrictions shall apply to any Common Collateral in which the Third Priority Secured Parties have been granted a superior or pari passu Lien in connection with a DIP Financing; provided further, however, that nothing contained herein shall be construed as a consent by the First Priority Agent, any of the First Priority Secured Parties, the Second Priority Agent or any of the Second Priority Secured Parties to such DIP Financing or any Liens granted in connection therewith, or a waiver by any such party of its right to object to any such DIP Financing or any Liens granted in connection therewith.

8.3 First Priority Obligations Unconditional. All rights and interests of the First Priority Secured Parties hereunder, and all agreements and obligations of the Second Priority Secured Parties and the Third Priority Secured Parties (and, to the extent applicable, the Grantors) hereunder, shall remain in full force and effect irrespective of:

(i) any lack of validity or enforceability of any First Priority Credit Agreement Document;

(ii) any change in the time, place or manner of payment of, or in any other term of, all or any portion of the First Priority Secured Obligations, or any amendment, waiver or other modification, whether by course of conduct or otherwise, or any refinancing, replacement, refunding or restatement of any First Priority Credit Agreement Document;

(iii) prior to the payment in full of the First Priority Secured Obligations, any exchange, release, voiding, avoidance or non-perfection of any Lien in any Collateral or any other collateral, or any release, amendment, waiver or other modification, whether by course of conduct or otherwise, or any Refinancing of all or any portion of the First Priority Secured Obligations or any guarantee or guaranty thereof; or

(iv) any other circumstances that otherwise might constitute a defense available to, or a discharge of, any Grantor in respect of the First Priority Secured Obligations or any Second Priority Secured Party in respect of this Collateral Trust Agreement.

8.4 Second Priority Obligations Unconditional. All rights and interests of the Second Priority Secured Parties hereunder, and all agreements and obligations of the First Priority Secured Parties and the Third Priority Secured Parties (and, to the extent applicable, the Grantors) hereunder, shall remain in full force and effect irrespective of:

(i) any lack of validity or enforceability of any Second Priority Credit Agreement Document;

(ii) any change in the time, place or manner of payment of, or in any other term of, all or any portion of the Second Priority Secured Obligations, or any amendment, waiver or other modification, whether by course of conduct or otherwise, or any refinancing, replacement, refunding or restatement of any Second Priority Credit Agreement Document;

(iii) prior to the payment in full of the Second Priority Secured Obligations, any exchange, release, voiding, avoidance or non-perfection of any Lien in any Collateral or any other collateral, or any release, amendment, waiver or other modification, whether by course of conduct or otherwise, or any Refinancing of all or any portion of the Second Priority Secured Obligations or any guarantee or guaranty thereof; or

(iv) any other circumstances that otherwise might constitute a defense available to, or a discharge of, any Grantor in respect of the Second Priority Secured Obligations or any First Priority Secured Party or Third Priority Secured Party in respect of this Collateral Trust Agreement.

8.5 Third Priority Obligations Unconditional. All rights and interests of the Third Priority Secured Parties hereunder, and all agreements and obligations of the First Priority Secured Parties and the Second Priority Secured Parties (and, to the extent applicable, the Grantors) hereunder, shall remain in full force and effect irrespective of:

(i) any lack of validity or enforceability of any Third Priority Credit Agreement Document;

(ii) any change in the time, place or manner of payment of, or in any other term of, all or any portion of the Third Priority Secured Obligations, or any amendment, waiver or other modification, whether by course of conduct or otherwise, or any refinancing, replacement, refunding or restatement of any Third Priority Credit Agreement Document;

(iii) prior to the payment in full of the Third Priority Secured Obligations, any exchange, release, voiding, avoidance or non-perfection of any Lien in any Collateral or any other collateral, or any release, amendment, waiver or other modification, whether by course of conduct or otherwise, or any Refinancing of all or any portion of the Third Priority Secured Obligations or any guarantee or guaranty thereof; or

(iv) any other circumstances that otherwise might constitute a defense available to, or a discharge of, any Grantor in respect of the Third Priority Secured Obligations or any First Priority Secured Party or Second Priority Secured Party in respect of this Collateral Trust Agreement.

8.6 Information Concerning Financial Condition of the Grantors. Each Secured Party hereby assumes responsibility for keeping itself informed of the financial condition of the Company and each of the other Grantors and all other circumstances bearing upon the risk of nonpayment of the First Priority Secured Obligations, the Second Priority Secured Obligations or the Third Priority Secured Obligations. No Secured Party shall have any duty to advise any other Secured Party of information known to it regarding such condition or any such circumstances. In the event any Secured Party, in its sole discretion, undertakes at any time or from time to time to provide any information to any other Secured Party, it shall be under no obligation (a) to provide any such information to such other Secured Party or any other party on any subsequent occasion, (b) to undertake any investigation not a part of its regular business routine, or (c) to disclose any other information.

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Trust Agreement to be duly executed by their respective authorized officers as of the day and year first written above.

CARCO INTERMEDIATE HOLDO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name: Lenard Tessler
Title: Secretary

CHRYSLER LLC

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Trust Agreement to be duly executed by their respective authorized officers as of the day and year first written above.

CARCO INTERMEDIATE HOLDO II LLC

By: Carco Intermediate Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER INTERNATIONAL CORPORATION

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER INTERNATIONAL LIMITED, L.L.C.

By: Chrysler International Corporation, as Member

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER INTERNATIONAL SERVICES, S.A.

By: _____
Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER REALTY COMPANY LLC

By: _____
Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER TECHNOLOGIES MIDDLE EAST LTD.

By: _____
Name: Jan A. Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER SERVICE CONTRACTS INC.

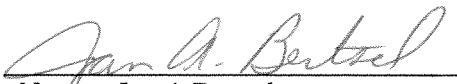
By: _____
Name: Byron C. Babbish
Title: Assistant Secretary

CHRYSLER AVIATION INC.

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

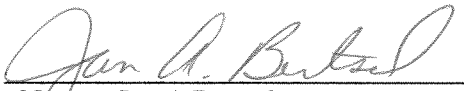
CHRYSLER DE VENEZUELA LLC

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

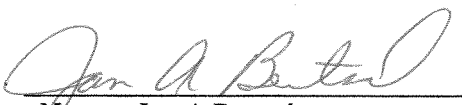
CHRYSLER MOTORS LLC

By: Chrysler LLC, as Member

By: 

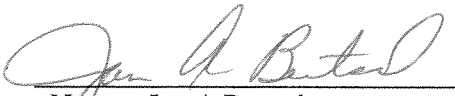
Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER TRANSPORT INC.

By: 

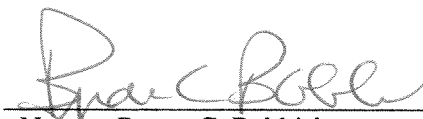
Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER VANS LLC

By: 

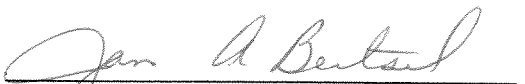
Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

CHRYSLER SERVICE CONTRACTS FLORIDA, INC.

By: 

Name: Byron C. Babbish
Title: Assistant Secretary

DCC 929, INC.

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

DEALER CAPITAL, INC.

By: 

Name: Walter P. Bodden Jr.
Title: Assistant Treasurer

GLOBAL ELECTRIC MOTORCARS, LLC

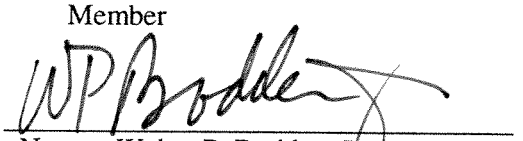
By: Chrysler Motors LLC, as Member

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

NEV MOBILE SERVICE, LLC

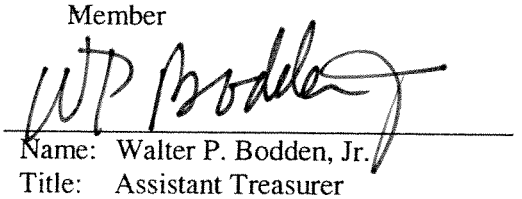
By: Global Electric Motorcars, LLC, as Sole Member

By: 

Name: Walter P. Bodden, Jr.
Title: Assistant Treasurer

NEV SERVICE, LLC

By: Global Electric Motorcars, LLC, as Sole Member

By: 

Name: Walter P. Bodden, Jr.
Title: Assistant Treasurer

TPF ASSSET, LLC

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

TPF NOTE, LLC

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

UTILITY ASSETS LLC

By: 

Name: Jan A Bertsch
Title: Senior Vice President & Treasurer

Address for Notices:

1000 Chrysler Drive
Auburn Hills, MI 48326
CIMS 485-14-78
Attention: Office of the General Counsel
Telecopy: 248-512-1771
Telephone: 248-512-3984

with a copy to:

CG Investor, LLC
c/o Cerberus Capital Management, LP
299 Park Avenue, Floors 21-23
New York, NY 10017
Attention: Dev Kapadia and Robert Warden
Telecopy: 212-735-3009
Telephone: 212-891-2100

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Marc Weingarten
Telecopy: 212-539-5955
Telephone: 212-756-2000

JPMORGAN CHASE BANK, N.A.,
as First Priority Agent

By: 

Name: Richard W. Duker
Title: Managing Director

Address for Notices:

270 Park Avenue
New York, NY 10017
Telecopy: 212-270-5127
Telephone: 212-270-3057

JPMORGAN CHASE BANK, N.A.,
as Second Priority Agent

By: 

Name: Richard W. Duker
Title: Managing Director

Address for Notices:

270 Park Avenue
New York, NY 10017
Telecopy: 212-270-5127
Telephone: 212-270-3057

THE UNITED STATES DEPARTMENT OF THE TREASURY, as Third Priority Agent

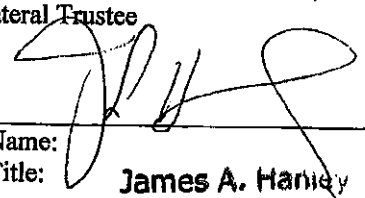
By: _____

Name: Neel Kashkari
Title: Interim Assistant Secretary For Financial Stability

Address for Notices:

The United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Room 2312
Washington, D.C. 20220
Attention: Assistant General Counsel
(Banking and Finance)
Telecopy: (202) 622-1974
Telephone:

WILMINGTON TRUST COMPANY, as
Collateral Trustee

By: 

Name:
Title: James A. Hanley
Vice President

Address for Notices:

Wilmington Trust Company
1100 North Market Street
Rodney Square North
Plaza, 1st Floor
Wilmington, DE 19890-0001
Attention: James A. Hanley
Telecopy: 302-636-4145
Telephone: 302-636-6453

ANNEX I

Trust Security Documents

1. Security Agreement, dated as August 3, 2007, made by Carco Intermediate Holdco II LLC, Chrysler LLC and certain of its Subsidiaries, in favor of Wilmington Trust Company, as Collateral Trustee.

2. Mortgages listed on Schedule 1.1 E hereto.

3. Grant of Security Interest in Trademark Rights, effective as of August 3, 2007, made by Chrysler LLC in favor of Wilmington Trust Company, as Collateral Trustee.

4. Grant of Security Interest in Patent Rights, effective as of August 3, 2007, made by Chrysler LLC in favor of Wilmington Trust Company, as Collateral Trustee.

5. Grant of Security Interest in Copyright Rights, effective as of August 3, 2007, made by Chrysler LLC in favor of Wilmington Trust Company, as Collateral Trustee.

6. Account Control Agreement, dated as of August 3, 2007, among Chrysler LLC, Wilmington Trust Company, and JPMorgan Chase Bank, N.A.

SCHEDULE 1.1E
MORTGAGED PROPERTY

	Owner/Entity of Record	Location Address

EXHIBIT A

FORM OF NOTICE OF EVENT OF DEFAULT

[Date]

To: Wilmington Trust Company, as Collateral Trustee

Re: Second Amended and Restated Collateral Trust Agreement, dated as of January 2, 2009, among Carco Intermediate Holdco II LLC ("Holdings"), Chrysler LLC (the "Company"), the subsidiaries of the Company parties thereto (together with Holdings and the Company, the "Grantors") and Wilmington Trust Company, as Collateral Trustee (the "Collateral Trust Agreement").

An Event of Default has occurred and is continuing under the provisions of the [First Priority Credit Agreement] [Second Priority Credit Agreement] [Third Priority Credit Agreement].

Terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them in the Collateral Trust Agreement.

[JPMorgan Chase Bank, N.A.,
as First Priority Agent]

By:_____
Name:
Title:

[JPMorgan Chase Bank, N.A.,
as Second Priority Agent]

By:_____
Name:
Title:

[The United States Department of the Treasury,
as Third Priority Agent]
By:_____
Name:
Title:

EXHIBIT B

FORM OF JOINDER AGREEMENT

JOINDER AGREEMENT, dated as of _____ __, 200__, made by _____, a _____ corporation (the "New Grantor") in favor of Wilmington Trust Company, as Collateral Trustee under the Collateral Trust Agreement referred to below (in such capacity, the "Collateral Trustee"). All capitalized terms not defined herein shall have the meanings ascribed to them in the Collateral Trust Agreement.

W I T N E S S E T H:

WHEREAS, Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company"), certain subsidiaries of the Company (together with Holdings and the Company, the "Grantors") and the Collateral Trustee have entered into the Second Amended and Restated Collateral Trust Agreement, dated as of January 2, 2009 (as amended, supplemented or otherwise modified from time to time, the "Collateral Trust Agreement"); and

WHEREAS, the New Grantor desires to become a party to the Collateral Trust Agreement in accordance with subsection 6.13 of the Collateral Trust Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Collateral Trust Agreement. By executing and delivering this Joinder Agreement, the New Grantor hereby becomes a party to the Collateral Trust Agreement as an "Grantor" thereunder and, without limiting the foregoing, hereby expressly assumes all obligations and liabilities of an "Grantor" thereunder.

2. GOVERNING LAW. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

[NEW GRANTOR]

By: _____
Name:
Title:

Address for Notices:

Fax:

EXHIBIT C

FORM OF DESIGNATION OF SECURED NON-LOAN EXPOSURE

[Date]

To: Wilmington Trust Company, as Collateral Trustee

[Name of holder of the non-loan exposure being designated]

Re: Second Amended and Restated Collateral Trust Agreement, dated as of January 2, 2009, among Carco Intermediate Holdco II LLC ("Holdings"), Chrysler LLC (the "Company"), the subsidiaries of the Company parties thereto (together with Holdings and the Company, the "Grantors") and Wilmington Trust Company as Collateral Trustee (the "Collateral Trust Agreement").

Pursuant to Section 7.2 of the Collateral Trust Agreement, the Company hereby designates [identify agreements and/or obligations] as ["Designated Cash Management Obligations"/"Designated Hedging Obligations"/"Secured Non-Loan Exposure"] under the Collateral Trust Agreement.

[$_____ of the obligations in respect] of such ["Designated Cash Management Obligations"/"Designated Hedging Obligations"/"Secured Non-Loan Exposure"] shall be designated as Permitted First Lien Non-Loan Exposure. [$_____ of the obligations in respect] of such ["Designated Cash Management Obligations"/"Designated Hedging Obligations"/"Secured Non-Loan Exposure"] shall be designated as Permitted Second Lien Non-Loan Exposure.

The designation of such obligations as provided above is permitted or is not prohibited, as the case may be, by the First Priority Credit Agreement and the Second Priority Credit Agreement.

Terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them in the Collateral Trust Agreement.

CHRYSLER LLC

By:_____
Name:
Title:

cc: JPMorgan Chase Bank, N.A., as First Priority Agent
JPMorgan Chase Bank, N.A., as Second Priority Agent
The United States Department of the Treasury, as Third Priority Agent

EXHIBIT D

FORM OF NOTICE OF CANCELLATION

[Date]

To: Wilmington Trust Company, as Collateral Trustee

Re: Second Amended and Restated Collateral Trust Agreement, dated as of January 2, 2009, among Carco Intermediate Holdco II LLC ("Holdings"), Chrysler LLC (the "Company"), the subsidiaries of the Company parties thereto (together with Holdings and the Company, the "Grantors") and Wilmington Trust Company as Collateral Trustee (the "Collateral Trust Agreement").

The Notice of Event of Default, dated as of _____, pursuant to the [First Priority Credit Agreement] [Second Priority Credit Agreement] [Third Priority Credit Agreement], has been cancelled in accordance with Section 2.1(c) of the Collateral Trust Agreement.

Terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them in the Collateral Trust Agreement.

[JPMorgan Chase Bank, N.A.,
as First Priority Agent]

By:_____
Name:
Title:

[JPMorgan Chase Bank, N.A.,
as Second Priority Agent]

By:_____
Name:
Title:

[The United States Department of the Treasury,
as Third Priority Agent]
By:_____
Name:
Title:

EXECUTION COPY

SECURITY AGREEMENT

made by

CARCO INTERMEDIATE HOLDCO II LLC

CHRYSLER LLC

and certain of its Subsidiaries

in favor of

WILMINGTON TRUST COMPANY
as Collateral Trustee

Dated as of August 3, 2007

TABLE OF CONTENTS

SCHEDULES

SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of August 3, 2007, made by Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company") and each of the other signatories hereto (Holdings, the Company and such signatories, together with any other entity that may become a party hereto as provided herein, the "Grantors"), in favor of Wilmington Trust Company, a Delaware corporation, as Collateral Trustee (in such capacity, the "Collateral Trustee") under the Collateral Trust Agreement, dated as of August 3, 2007 (as amended, supplemented or otherwise modified from time to time, the "Collateral Trust Agreement"), among Holdings, the Company, the Subsidiaries of the Company parties thereto and the Collateral Trustee.

W I T N E S S E T H:

WHEREAS, pursuant to the $10,000,000,000 Credit Agreement, dated as of August 3, 2007 (as amended, supplemented or otherwise modified from time to time, the "First Priority Credit Agreement"), among Holdings, the Company, the Lenders parties thereto, the agents named therein and JPMorgan Chase Bank, N.A., as Administrative Agent, the Lenders have severally agreed to make extensions of credit to the Company thereunder upon the terms and subject to the conditions set forth therein;

WHEREAS, pursuant to the $2,000,000,000 Second Lien Term Loan Agreement, dated as of August 3, 2007 (as amended, supplemented or otherwise modified from time to time, the "Second Priority Credit Agreement"), among Holdings, the Company, the lenders parties thereto, the agents named therein and JPMorgan Chase Bank, N.A., as administrative agent thereunder, the lenders thereunder have severally agreed to make extensions of credit to the Company thereunder upon the terms and subject to the conditions set forth therein

WHEREAS, the Company is a member of an affiliated group of companies that includes each other Grantor;

WHEREAS, the proceeds of the extensions of credit under the First Priority Credit Agreement and the Second Priority Credit Agreement will be used in part to enable the Company to make valuable transfers to one or more of the other Grantors in connection with the operation of their respective businesses;

WHEREAS, the Company and the other Grantors are engaged in related businesses, and each Grantor will derive substantial direct and indirect benefit from the making of the extensions of credit under the First Priority Credit Agreement and the Second Priority Credit Agreement;

WHEREAS, each Grantor (other than the Company) has guaranteed the obligations of the Company under the Loan Documents and the Second Priority Loan Documents; and

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Company under the First Priority Credit Agreement, and to the obligations of the lenders under the Second Priority Credit Agreement to make their respective extensions of credit to the Company under the Second Priority Credit Agreement, that the Grantors shall have executed and delivered this Agreement to the Collateral Trustee for the ratable benefit of the Secured Parties;

NOW, THEREFORE, in consideration of the premises and to induce the Lenders to enter into the First Priority Credit Agreement, to induce the Lenders to make their respective extensions of credit to the Company thereunder, and to induce the lenders under the Second Priority Credit Agreement to enter into the Second Priority Credit Agreement and make their respective extensions of credit to the Company thereunder, each Grantor hereby agrees with the Collateral Trustee, for the ratable benefit of the Secured Parties, as follows:

SECTION 1. DEFINED TERMS

1.1 Definitions. (a) Unless otherwise defined herein, terms defined in the Collateral Trust Agreement and used herein shall have the meanings given to them therein, and the following terms are used herein as defined in Article 8 or 9 of the New York UCC: Accounts, Certificated Security, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Equipment, General Intangibles, Instruments, Inventory, Letter-of-Credit Rights, Records and Supporting Obligations.

(b) The following terms shall have the following meanings:

"ABR Loans": any ABR Loans (as defined in the First Priority Credit Agreement).

"Agreement": this Security Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Collateral": as defined in Section 2.

"Copyrights": (i) all copyright registrations and applications for registrations in the United States Copyright Office (including, without limitation, any of the foregoing referred to in Schedule 3, as such schedule may be amended or supplemented from time to time) and all recordings thereof, (ii) all other copyrights and works of authorship arising under the laws of any country, group of countries, or political subdivision thereof, whether registered or unregistered and whether published or unpublished and all recordings thereof, and (ii) the right to obtain all renewals thereof.

"Copyright Licenses": all agreements, whether written or oral, naming any Grantor as licensor or licensee (including, without limitation, any such agreement relating to Copyrights registered or Copyright applications in the United States Copyright Office referred to in Schedule 3, as such schedule may be amended or restated from time to time), granting any right under any Copyright, including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright.

"Enforcement Event": the receipt by the Collateral Trustee of a Notice of Event of Default, the occurrence of an Event of Default (as defined in the First Priority Credit Agreement) pursuant to Section 7(e) of the First Priority Credit Agreement, or the occurrence of any Event of Default (as defined in the Second Priority Credit Agreement) pursuant to Section 7(e) of the Second Priority Credit Agreement; provided, however, to the extent that such Notice of Event of Default is no longer in effect, or such Event of Default is no longer continuing, the Enforcement Event shall be deemed no longer to be continuing.

"Excluded Property": (i) the Capital Stock of any Charitable Subsidiary, (ii) any property or assets to be transferred to DaimlerChrysler AG or any Affiliate thereof in accordance with Section 6.5(n) of the First Priority Credit Agreement, (iii) the proceeds of any tax refund received by the Company and payable to DaimlerChrysler AG or any of its Affiliates pursuant to the terms of Section 7.02(b) of the Acquisition Agreement, (iv) any cash, Cash Equivalents and Temporary Cash Investments in an aggregate amount not to exceed $2,000,000,000 maintained in a segregated deposit or securities account, to the extent such cash, Cash Equivalents and Temporary Cash Investments have been pledged to FinCo to secure obligations of the Company under the Master Agreement (other than, for the avoidance of doubt, any reversionary rights of a Loan Party thereunder) and (v) any cash, Cash Equivalents and Temporary Cash Investments in an aggregate amount not to exceed $600,000,000 maintained in one or more segregated deposit or securities accounts, to the extent such cash, Cash Equivalents and Temporary Cash Investments have been pledged to the DC Contributors or DaimlerChrysler North American Holdings Corporation to secure obligations of the Company or its Subsidiaries under the DC Credit Support Agreement (other than, for the avoidance of doubt, any reversionary rights of a Loan Party thereunder).

"Foreign Subsidiary": as defined in the First Priority Credit Agreement.

"Foreign Subsidiary Voting Stock": the Voting Stock of any Foreign Subsidiary.

"Intellectual Property": the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks and the Trademark Licenses, and all rights to sue at law or in equity for any infringement, misappropriation, dilution or other impairment or violation of any of the foregoing, including the right to receive all proceeds and damages therefrom.

"Intercompany Note": any promissory note evidencing loans made by any Grantor to Holdings, the Company or any of its Subsidiaries.

"Investment Property": the collective reference to (i) all "investment property" as such term is defined in Section 9-102(a)(49) of the New York UCC (other than any Foreign Subsidiary Voting Stock excluded from the definition of "Pledged Stock") and (ii) whether or not constituting "investment property" as so defined, all Pledged Notes and Pledged Stock.

"Issuers": the collective reference to each issuer of any Investment Property.

"New York UCC": the Uniform Commercial Code as from time to time in effect in the State of New York.

"Patents": (i) all letters patent and all applications for letters patent in the United States Patent and Trademark Office, including, without limitation, any of the foregoing referred to in Schedule 3 (as such schedule may be amended or supplemented from time to time), (ii) all letters patent and all applications for letters patent of any other country, group of countries, and all divisions, continuations and continuations-in-part thereof, and (iii) all divisions, continuations and continuations-in-part thereof and all rights to obtain any reissues or extensions of the foregoing, similar legal protections related thereto, or rights to obtain the foregoing.

"Patent License": all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to make, have made, use, offer to sell, sell or import any invention covered in whole or in part by a Patent, including, without limitation, any such agreement relating to Patents or Patent applications in the United States Patent and Trademark Office to in Schedule 3. (as such schedule may be amended or supplemented from time to time)

"Pledged Notes": all promissory notes listed on Schedule 2, all Intercompany Notes at any time issued to or held by any Grantor and all other promissory notes issued to or held by any Grantor (other than promissory notes issued in connection with extensions of trade credit by any Grantor in the ordinary course of business).

"Pledged Stock": the shares of Capital Stock listed on Schedule 2, together with any other shares, stock certificates, options, interests or rights of any nature whatsoever in respect of the Capital Stock of any Person that may be issued or granted to, or held by, any Grantor while this Agreement is in effect; provided that, except as expressly set forth on Schedule 2, in no event shall more than 65% of the total outstanding Foreign Subsidiary Voting Stock of any Foreign Subsidiary be required to be pledged hereunder.

"Proceeds": all "proceeds" as such term is defined in Section 9-102(a)(64) of the New York UCC and, in any event, shall include, without limitation, all dividends or other income from the Investment Property, collections thereon or distributions or payments with respect thereto.

"Receivable": any right to payment for goods sold or leased or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper and whether or not it has been earned by performance (including, without limitation, any Account).

"Requirements of Law": as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court of competent jurisdiction or other Governmental Authority, in each case applicable to and binding upon such Person and any of its property, and to which such Person and any of its property is subject.

"Securities Act": the Securities Act of 1933, as amended.

"Trademarks": (i) all trademarks, trade names, brand names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, domain

names, service marks, logos and other source or business identifiers, and all goodwill associated therewith as symbolized by, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, in the United States Patent and Trademark Office (including, without limitation, any such registrations, recordings and applications in the United States Patent and Trademark Office referred to in Schedule 3 as such schedule may be amended or supplemented from time to time) or in any similar office or agency of the United States, any State thereof, any other country or group of countries, or any political subdivision thereof, or otherwise, and all common-law rights related thereto, and (ii) the right to obtain all renewals thereof.

"Trademark License": any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, any such agreement relating to Trademarks registered or Trademark applications in the United States Patent and Trademark Office referred to in Schedule 3 (as such schedule may be amended or supplemented from time to time).

"Vehicles": all cars, trucks, trailers and other vehicles covered by a certificate of title law of any state.

1.2 Other Definitional Provisions. (a) The words "hereof," "herein", "hereto" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

SECTION 2. GRANT OF SECURITY INTEREST

(a) Each Grantor hereby grants to the Collateral Trustee, for the benefit of the First Priority Secured Parties, a security interest in, all of the following property now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's First Priority Secured Obligations:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Deposit Accounts;

(iv) all Documents (other than title documents with respect to Vehicles);

(v) all Equipment;

(vi) all General Intangibles;

(vii) all Instruments (including without limitation Instruments evidencing the Pledged Notes listed on Schedule 2 hereof);

(viii) all Intellectual Property;

(ix) all Inventory;

(x) all Investment Property;

(xi) all Letter-of-Credit Rights;

(xii) all Commercial Tort Claims specified on Schedule 4 and otherwise to the extent specifically notified to the Collateral Trustee from time to time;

(xiii) all other property not otherwise described above;

(xiv) all books and Records pertaining to the Collateral; and

(xv) to the extent not otherwise included, all Proceeds, Supporting Obligations and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing;

provided, however, that notwithstanding any of the other provisions set forth in this Section 2(a), the term "Collateral" shall not include, and no Grantor is pledging or granting a security interest in, any property to the extent that such grant by the relevant Grantor of a security interest in such Grantor's right, title or interest therein (i) is prohibited by any Requirement of Law of a Governmental Authority, (ii) requires a consent not obtained of any Governmental Authority pursuant to such Requirement of Law, (iii) is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, lease, license, agreement, instrument or other document, (iv) would result in the invalidation thereof with respect to any intent-to-use Trademark application filed in the United States Patent and Trademark Office prior to the acceptance of a verified Statement of Use in connection therewith, to the extent that granting a security interest or other lien in such Trademark application prior to such filing would adversely affect the enforceability or validity of such Trademark application, or (v) constitutes Excluded Property, except, in the case of clauses (i), (ii) and (iii) above, to the extent that such Requirement of Law or the term in such contract, lease, license, agreement, instrument or other document providing for such prohibition, breach, default or termination or requiring such consent is ineffective under the New York UCC or other applicable law; provided further, however, that if and when any property that at any time is excluded from the Collateral later becomes Collateral, the Collateral Trustee shall have, and at all times from and after the date hereof be deemed to have had, a security interest in such property.

(b) Each Grantor hereby grants to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, a security interest in, all of the Collateral, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Second Priority Secured Obligations;

provided, however, that notwithstanding any of the other provisions set forth in this Section 2(b), the term "Collateral" shall not include, and no Grantor is pledging or granting a security interest in, any property to the extent that such grant by the relevant Grantor of a security interest in such Grantor's right, title or interest therein (i) is prohibited by any Requirement of Law of a Governmental Authority, (ii) requires a consent not obtained of any Governmental Authority pursuant to such Requirement of Law, (iii) is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, lease, license, agreement, instrument or other document, (iv) would result in the invalidation thereof with respect to any intent-to-use Trademark application filed in the United States Patent and Trademark Office prior to the acceptance of a verified Statement of Use in connection therewith, to the extent that granting a security interest or other lien in such Trademark application prior to such filing would adversely affect the enforceability or validity of such Trademark application, or (v) constitutes Excluded Property, except, in the case of clauses (i), (ii) and (iii) above, to the extent that such Requirement of Law or the term in such contract, lease, license, agreement, instrument or other document providing for such prohibition, breach, default or termination or requiring such consent is ineffective under the New York UCC or other applicable law; provided further, however, that if and when any property that at any time is excluded from the Collateral later becomes Collateral, the Collateral Trustee shall have, and at all times from and after the date hereof be deemed to have had, a security interest in such property

SECTION 3. REMEDIAL PROVISIONS

3.1 Certain Matters Relating to Receivables. (a) After the occurrence and during the continuance of an Enforcement Event, the Collateral Trustee shall have the right, with notice to the Company, to make test verifications of the Receivables in accordance with Section 3.2(a) of this Agreement, and each Grantor shall furnish all such assistance and information as the Collateral Trustee may reasonably require in connection with such test verifications. At any time after the occurrence and during the continuance of an Enforcement Event, upon the Collateral Trustee's request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Collateral Trustee to furnish to the Collateral Trustee reports showing reconciliations, aging and test verifications of, and trial balances for, the Receivables.

(b) The Collateral Trustee hereby authorizes each Grantor to collect such Grantor's Receivables, and the Collateral Trustee may curtail or terminate said authority at any time after the occurrence and during the continuance of an Enforcement Event. If required by the Collateral Trustee at any time after the occurrence and during the continuance of an Enforcement Event, any payments of Receivables, when collected by any Grantor, (i) shall be forthwith (and, in any event, within two Business Days) deposited by such Grantor in the exact form received, duly indorsed by such Grantor to the Collateral Trustee if required, in the Collateral Account, subject to withdrawal by the Collateral Trustee for the account of the Secured Parties only as

provided in Section 3.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Collateral Trustee and the Secured Parties, segregated from other funds of such Grantor.

(c) After the occurrence and during the continuation of an Enforcement Event, at the Collateral Trustee's request, each Grantor shall deliver to the Collateral Trustee all original and other documents in its possession or control evidencing, and relating to, the agreements and transactions which gave rise to the Receivables, as the Collateral Trustee shall reasonably request.

3.2 Communications with Obligors; Grantors Remain Liable. (a) The Collateral Trustee in its own name or in the name of others may at any time after the occurrence and during the continuance of an Enforcement Event, with notice to the Company, communicate with obligors under the Receivables to verify with them to the Collateral Trustee's satisfaction the existence, amount and terms of any Receivables.

(b) Upon the request of the Collateral Trustee at any time after the occurrence and during the continuance of an Enforcement Event, each Grantor shall notify obligors on the Receivables that the Receivables have been assigned to the Collateral Trustee for the ratable benefit of the Secured Parties and that payments in respect thereof shall be made directly to the Collateral Trustee.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Receivables (or any agreement giving rise thereto) to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Collateral Trustee nor any Secured Party shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Collateral Trustee or any Secured Party of any payment relating thereto, nor shall the Collateral Trustee or any Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

3.3 Pledged Stock and Pledged Notes. (a) Unless an Enforcement Event shall have occurred and be continuing and the Collateral Trustee shall have given notice to the relevant Grantor and the Company of the Collateral Trustee's intent to exercise its corresponding rights pursuant to Section 3.3(b), each Grantor shall be permitted to receive all cash dividends paid in respect of the Pledged Stock and all payments made in respect of the Pledged Notes, and to exercise all voting and corporate or other organizational rights with respect to the Investment Property.

(b) If an Enforcement Event shall have occurred and be continuing and the Collateral Trustee shall have given notice of its intent to exercise such rights to the relevant Grantor or Grantors and the Company, (i) the Collateral Trustee shall have the right to receive any and all cash dividends, payments or other Proceeds paid in respect of the Pledged Stock and

the Pledged Notes and make application thereof to the Secured Obligations in such order as is set forth in the Collateral Trust Agreement, and (ii) any or all of the Pledged Stock and the Pledged Notes shall be registered in the name of the Collateral Trustee or its nominee, and the Collateral Trustee or its nominee may thereafter exercise (x) all voting, corporate and other rights pertaining to such Pledged Stock or Pledged Notes at any meeting of shareholders of the relevant Issuer or Issuers or otherwise and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Pledged Stock and Pledged Notes as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Stock and Pledged Notes upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate or other organizational structure of any Issuer, or upon the exercise by any Grantor or the Collateral Trustee of any right, privilege or option pertaining to such Pledged Stock or Pledged Notes, and in connection therewith, the right to deposit and deliver any and all of the Pledged Stock or the Pledged Notes with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as the Collateral Trustee may determine), all without liability except to account for property actually received by it, but the Collateral Trustee shall have no duty to any Grantor to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Stock pledged by such Grantor hereunder to comply with any instruction received by it from the Collateral Trustee in writing that (i) states that an Enforcement Event has occurred and is continuing and (ii) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from, or the consent of, such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying.

3.4 Proceeds to be Turned Over To Collateral Trustee. In addition to the rights of the Collateral Trustee and the Secured Parties specified in Section 3.1 with respect to payments of Receivables, if an Enforcement Event shall have occurred and be continuing, all Proceeds received by any Grantor consisting of cash, cash equivalents, checks and Instruments shall be held by such Grantor in trust for the Collateral Trustee and the Secured Parties, segregated from other funds of such Grantor, and shall, forthwith upon receipt by such Grantor be turned over to the Collateral Trustee in the exact form received by such Grantor (duly indorsed by such Grantor to the Collateral Trustee, if required). All Proceeds received by the Collateral Trustee hereunder shall be held by the Collateral Trustee in the Collateral Account in accordance with the terms of the Collateral Trust Agreement. All Proceeds while held by the Collateral Trustee in the Collateral Account (or by such Grantor in trust for the Collateral Trustee and the Lenders) shall continue to be held as collateral security for all the Secured Obligations and shall not constitute payment thereof until applied as provided in Section 3.5.

3.5 Application of Proceeds. The Collateral Trustee shall apply all or any part of Proceeds constituting Collateral, whether or not held in any Collateral Account, in payment of the Secured Obligations at the times and in the manner provided in the Collateral Trust Agreement.

3.6 Code and Other Remedies. If an Enforcement Event shall have occurred and be continuing, the Collateral Trustee, on behalf of the Secured Parties, may exercise, in addition to

all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the New York UCC or any other applicable law. Without limiting the generality of the foregoing, the Collateral Trustee, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice referred to below or otherwise required by law) to or upon any Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived to the extent not prohibited by law), may in such circumstances forthwith, with notice to the Company and the relevant Grantor, collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Collateral Trustee or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Collateral Trustee or any Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released to the extent not prohibited by applicable law. Each Grantor further agrees, at the Collateral Trustee's request, to assemble the Collateral and make it available to the Collateral Trustee at places which the Collateral Trustee shall reasonably select, whether at such Grantor's premises or elsewhere. The Collateral Trustee shall apply the net proceeds of any action taken by it pursuant to this Section 3.6, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Collateral Trustee and the Secured Parties hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Secured Obligations, in such order provided for in the Collateral Trust Agreement, and only after such application and after the payment by the Collateral Trustee of any other amount required by any provision of law, including, without limitation, Section 9-615(a)(3) of the New York UCC, need the Collateral Trustee account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Collateral Trustee or any Secured Party arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

3.7 Registration Rights. (a) If the Collateral Trustee shall determine to exercise its right to sell any or all of the Pledged Stock pursuant to Section 3.6 at any time when an Enforcement Event has occurred and is continuing, and if in the opinion of the Collateral Trustee it is necessary or advisable to have the Pledged Stock, or that portion thereof to be sold, registered under the provisions of the Securities Act, the relevant Grantor will use commercially reasonable efforts to cause the Issuer thereof to (i) execute and deliver, and cause the directors and officers of such Issuer to execute and deliver, all such instruments and documents, and do or cause to be done all such other acts as may be, in the opinion of the Collateral Trustee, necessary or advisable to register the Pledged Stock, or that portion thereof to be sold, under the provisions of the Securities Act, (ii) use its commercially reasonable efforts to cause the registration statement relating thereto to become effective and to remain effective for a period of two years

from the date of the first public offering of the Pledged Stock, or that portion thereof to be sold, and (iii) use commercially reasonable efforts to make all amendments thereto and/or to the related prospectus which, in the opinion of the Collateral Trustee, are necessary, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto. Each Grantor agrees to cause such Issuer to comply with the provisions of the securities or "Blue Sky" laws of any and all jurisdictions which the Collateral Trustee shall designate and to make available to its security holders, as soon as practicable, an earnings statement (which need not be audited) which will satisfy the provisions of Section 11(a) of the Securities Act.

(b) Each Grantor recognizes that the Collateral Trustee may be unable to effect a public sale of any or all the Pledged Stock, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Collateral Trustee shall be under no obligation to delay a sale of any of the Pledged Stock for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

(c) Each Grantor agrees to use commercially reasonable efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Pledged Stock pursuant to this Section 3.7 valid and binding and in compliance with any and all other applicable Requirements of Law. Each Grantor further agrees that a breach of any of the covenants contained in this Section 3.7 will cause irreparable injury to the Collateral Trustee and the Secured Parties, that the Collateral Trustee and the Secured Parties have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 3.7 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees (to the extent not prohibited by applicable law) not to assert any defenses against an action for specific performance of such covenants except for a defense that no Enforcement Event has occurred.

3.8 Deficiency. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay its Secured Obligations and the reasonable fees and disbursements of any attorneys employed by the Collateral Trustee to collect such deficiency.

SECTION 4. THE COLLATERAL TRUSTEE

4.1 Collateral Trustee's Appointment as Attorney-in-Fact, etc. (a) Each Grantor appoints the Collateral Trustee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement upon the occurrence and during the continuance of an

Enforcement Event, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement upon the occurrence and during the continuance of an Enforcement Event, and, without limiting the generality of the foregoing, each Grantor hereby gives the Collateral Trustee the power and right, on behalf of such Grantor, with notice to such Grantor, to do any or all of the following upon the occurrence and during the continuance of an Enforcement Event:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Receivable or Contract or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Collateral Trustee for the purpose of collecting any and all such moneys due under any Receivable or Contract or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Trustee may request to evidence the Collateral Trustee's and the Secured Parties' security interest in such Intellectual Property and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefore and the costs thereof;

(iv) execute, in connection with any sale provided for in Section 3.6 or 3.7, any indorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (1) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Trustee or as the Collateral Trustee shall direct; (2) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (3) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (4) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (5) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (6) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Collateral Trustee may deem appropriate; (7) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Collateral Trustee shall in its sole discretion determine; and (8) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral

Trustee were the absolute owner thereof for all purposes, and do, at the Collateral Trustee's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Collateral Trustee deems necessary to protect, preserve or realize upon the Collateral and the Collateral Trustee's and the Secured Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

(b) Upon the occurrence and during the continuance of an Enforcement Event, if any Grantor fails to perform or comply with any of its agreements contained herein, the Collateral Trustee, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Collateral Trustee incurred in connection with actions undertaken as provided in this Section 4.1, together with interest thereon at a rate per annum equal to the highest rate per annum at which interest would then be payable on any category of past due ABR Loans under the First Priority Credit Agreement, from the date of payment by the Collateral Trustee to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Collateral Trustee on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

4.2 Duty of Collateral Trustee. The Collateral Trustee's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the New York UCC or otherwise, shall be to deal with it in the same manner as the Collateral Trustee deals with similar property for its own account. Neither the Collateral Trustee, any Secured Party nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Trustee and the Secured Parties hereunder are solely to protect the Collateral Trustee's and the Secured Parties' interests in the Collateral and shall not impose any duty upon the Collateral Trustee or any Secured Party to exercise any such powers. The Collateral Trustee and the Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

4.3 Authorization of Financing Statements. Pursuant to any applicable law, each Grantor authorizes the Administrative Agent, on behalf of the Collateral Trustee, to file or record financing statements and other filing or recording documents or instruments with respect to the Collateral in such form and in such offices as the Administrative Agent determines appropriate to perfect the security interests of the Collateral Trustee under this Agreement. Each Grantor authorizes the Administrative Agent, on behalf of the Collateral Trustee, to use the collateral description "all personal property" or words of similar effect in any such financing statements;

provided that each Grantor's authorization hereunder is limited to the extent provided in Section 4.7 of the Collateral Trust Agreement.

4.4 Authority of Collateral Trustee. Each Grantor acknowledges that the rights and responsibilities of the Collateral Trustee under this Agreement with respect to any action taken by the Collateral Trustee or the exercise or non-exercise by the Collateral Trustee of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Collateral Trustee and the Secured Parties, be governed by the Collateral Trust Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Collateral Trustee and the Grantors, the Collateral Trustee shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

SECTION 5. MISCELLANEOUS

5.1 Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 6.3 of the Collateral Trust Agreement.

5.2 Notices. All notices, requests and demands to or upon the Collateral Trustee or any Grantor hereunder shall be effected in the manner provided for in Section 6.1 of the Collateral Trust Agreement; provided that any such notice, request or demand to or upon any Grantor shall be addressed to such Grantor at its notice address set forth on Schedule 1 or such other address specified in writing to the Collateral Trustee in accordance with the Collateral Trust Agreement.

5.3 No Waiver by Course of Conduct; Cumulative Remedies. Neither the Collateral Trustee nor any Secured Party shall by any act (except by a written instrument pursuant to Section 5.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Collateral Trustee or any Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Trustee or any Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Collateral Trustee or such Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

5.4 Successors and Assigns. This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of the Collateral Trustee and the Secured Parties and their successors and assigns; provided that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Trustee, except as permitted pursuant to Section 10.6 of the First Priority Credit Agreement.

5.5 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

5.6 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

5.7 Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

5.8 Integration. This Agreement, the other Loan Documents and the other Second Priority Loan Documents represent the agreement of the Grantors, the Collateral Trustee and the Secured Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by any Grantor, the Collateral Trustee or any Secured Party relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents or Second Priority Loan Documents.

5.9 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

5.10 Submission To Jurisdiction; Waivers. Each Grantor, and by its acceptance hereof, the Collateral Trustee, hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, the other Loan Documents and the other Second Priority Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; and

(c) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

5.11 Additional Grantors. Each Subsidiary of the Company that is required to become, or that the Company desires to become, a party to this Agreement pursuant to Section 5.7 of the First Priority Credit Agreement or Section 5.7 of the Second Priority Credit Agreement shall

become a Grantor for all purposes of this Agreement upon execution and delivery by such Subsidiary of an Assumption Agreement in the form of Annex 1 hereto.

5.12 Releases. (a) At the time and to the extent provided in Section 6.12(a) of the Collateral Trust Agreement, the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Collateral Trustee and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. At the request and sole expense of any Grantor following any such termination, the Collateral Trustee shall promptly deliver to such Grantor any Collateral held by the Collateral Trustee hereunder, and promptly execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) At the times and to the extent provided in Sections 6.12(d) and (e) of the Collateral Trust Agreement, the Collateral so specified shall be released from the Liens created hereby on such Collateral, in accordance with the provisions of the Collateral Trust Agreement

(c) At the times and to the extent provided in Section 6.12(c) of the Collateral Trust Agreement, any Subsidiary Grantor so specified shall be released from its obligations hereunder in the event, in accordance with the provisions of the Collateral Trust Agreement, and the Liens over the Capital Stock of such Subsidiary Grantor shall also be released, in accordance with the provisions of the Collateral Trust Agreement.

5.13 WAIVER OF JURY TRIAL. EACH GRANTOR, AND BY ACCEPTANCE OF THE BENEFITS HEREOF, THE COLLATERAL TRUSTEE, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

IN WITNESS WHEREOF, each of the undersigned has caused this Security Agreement to be duly executed and delivered as of the date first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: CarCo International HoldCo I LLC,
its managing member

By: Chrysler Holdings LLC,
its managing member

By: _____
Name: Seth Plattus
Title: Authorized Signatory

CHRYSLER LLC

By: _____
Name: Thomas W. LaSorda
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, each of the undersigned has caused this Security Agreement to be duly executed and delivered as of the date first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: CarCo International HoldCo I LLC,
its managing member

By: Chrysler Holdings LLC,
its managing member

By: _____
Name: Seth Plattus
Title: Authorized Signatory

CHRYSLER LLC

By: _____
Name: Thomas W. LaSorda
Title: President and Chief Executive Officer

CHRYSLER INTERNATIONAL CORPORATION

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President and Treasurer

CHRYSLER INTERNATIONAL LIMITED, L.L.C.

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President and Treasurer

CHRYSLER INTERNATIONAL SERVICES, S.A.

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President and Treasurer

CHRYSLER REALTY COMPANY LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: Treasurer

CHRYSLER TECHNOLOGIES MIDDLE EAST LTD.

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

CHRYSLER SERVICE CONTRACTS INC.

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

CHRYSLER AVIATION INC.

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

CHRYSLER DE VENEZUELA LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

CHRYSLER MOTORS LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President and Treasurer

CHRYSLER TRANSPORT INC.

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

CHRYSLER VANS LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President and Treasurer

CHRYSLER SERVICE CONTRACTS FLORIDA, INC.

By: Philip E Bertelsen
Name: Philip E. Bertelsen
Title: Treasurer

DCC 929, INC.

By: TP Dykstra
Name: Timothy Dykstra
Title: Vice President and Treasurer

DEALER CAPITAL, INC.

By: TP Dykstra
Name: Timothy Dykstra
Title: Vice President

GLOBAL ELECTRIC MOTORCARS, LLC

By: TP Dykstra
Name: Timothy Dykstra
Title: Vice President

NEV MOBILE SERVICE, LLC

By: TP Dykstra
Name: Timothy Dykstra
Title: Vice President

NEV SERVICE, LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

TPF ASSET, LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: Vice President

TPF NOTE, LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: President

UTILITY ASSETS LLC

By: T P Dykstra
Name: Timothy Dykstra
Title: President

WILMINGTON TRUST COMPANY, as Collateral Trustee

By: _____

Name:

Title: James A. Hanley
Assistant Vice President

ACKNOWLEDGEMENT AND CONSENT

The undersigned hereby acknowledges receipt of a copy of the Security Agreement dated as of August 3, 2007 (the "Agreement"), made by the Grantors parties thereto for the benefit of Wilmington Trust Company, as Collateral Trustee. The undersigned agrees for the benefit of the Collateral Trustee and the Secured Parties as follows:

1. The undersigned will be bound by the terms of the Agreement and will comply with such terms insofar as such terms are applicable to the undersigned.

2. The terms of Sections 3.3(c) and 3.7 of the Agreement shall apply to it, mutatis mutandis, with respect to all actions that may be required of it pursuant to Section 3.3(c) or 3.7 of the Agreement.

[NAME OF ISSUER]

By:_____
Name:
Title:

Address for Notices:

_____

_____

_____

Fax:

Annex 1 to
Security Agreement

ASSUMPTION AGREEMENT, dated as of _____, 200_ (the "Assumption Agreement"), made by _____ (the "Additional Grantor"), in favor of Wilmington Trust Company, as Collateral Trustee (in such capacity, the "Collateral Trustee") for the banks and other financial institutions or entities (the "Secured Parties") in connection with the Security Agreement referred to below. All capitalized terms not defined herein shall have the meaning ascribed to them in such Security Agreement.

W I T N E S S E T H :

WHEREAS, Chrysler LLC (the "Company") and certain of its Affiliates (other than the Additional Grantor) have entered into the Security Agreement, dated as of August 3, 2007 (as amended, supplemented or otherwise modified from time to time, the "Security Agreement") in favor of the Collateral Trustee for the ratable benefit of the Secured Parties;

WHEREAS, pursuant to the First Priority Credit Agreement and/or the Second Priority Credit Agreement the Additional Grantor is required to become a party to the Security Agreement; and

WHEREAS, the Additional Grantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Security Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Security Agreement. By executing and delivering this Assumption Agreement, the Additional Grantor, as provided in Section 5.11 of the Security Agreement, hereby becomes a party to the Security Agreement as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Grantor thereunder and hereby (a) grants to the Collateral Trustee, for the benefit of the First Priority Secured Parties, as collateral security for the prompt and complete payment of performance when due (whether at stated maturity, by acceleration or otherwise) of the First Priority Secured Obligations of the Additional Grantor, a security interest in, all of the Collateral and (b) grants to the Collateral Trustee, for the benefit of the Second Priority Secured Parties, as collateral security for the prompt and complete payment of performance when due (whether at stated maturity, by acceleration or otherwise) of the Second Priority Secured Obligations of the Additional Grantor, a security interest in, all of the Collateral. The information set forth in Annex 1-A hereto is hereby added to the information set forth in the Schedules to the Security Agreement.

2. Governing Law. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GRANTOR]

By:_____
Name:
Title:

Annex 1-A to
Assumption Agreement

Supplement to Schedule 1

Supplement to Schedule 2

Supplement to Schedule 3

Supplement to Schedule 4

CONSENT TO SALE AND LIQUIDATION OF COLLATERAL

THIS CONSENT, dated as of May , 2009 (this "Consent"), to the Amended and Restated First Lien Credit Agreement, dated as of November 29, 2007 (as amended by the First Amendment thereto, dated as of January 2, 2009, the Second Amendment thereto, dated as of April 6, 2009, and the Third Amendment thereto, dated as of April 24, 2009, the "First Lien Credit Agreement"), among Carco Intermediate Holdco II LLC, a Delaware limited liability company ("Holdings"), Chrysler LLC, a Delaware limited liability company (the "Company"), the several banks and other financial institutions or entities from time to time parties thereto (the "First Lien Lenders"), Goldman Sachs Credit Partners L.P., and Citibank, N.A., as syndication agents (in such capacity, the "Syndication Agents"), and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity the "Administrative Agent").

INTRODUCTORY STATEMENT:

1. The Company has commenced a proceeding under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and in connection therewith has entered into an agreement, dated as of April 30, 2009 (as the same may be amended, modified or otherwise supplemented (subject to Section 3(e) below), the "Master Transaction Agreement"), with New CarCo Acquisition LLC, a Delaware limited liability company ("NewCo"), Fiat S.p.A. and certain other parties named therein pursuant to which the Company has agreed to sell substantially all of its assets to NewCo and NewCo has agreed to assume certain contracts of the Borrower, Chrysler Holding LLC and certain of its subsidiaries. Such assets include assets constituting Collateral under the First Lien Credit Agreement and documents thereto related.

2. The Company is seeking to consummate such sale under the Master Transaction Agreement (the "Sale") pursuant to Section 363 of the Bankruptcy Code.

3. It is a condition of the Sale that the sold assets be transferred free and clear of all liens, claims, encumbrances and other obligations (other than those liens, claims, encumbrances and other obligations expressly assumed pursuant to the Sale);

4. The First Lien Lenders have a valid, enforceable and perfected first lien on substantially all of the assets that will be the subject of the Sale.

5 The commencement of the Bankruptcy Case constitutes an Event of Default under the First Lien Credit Agreement and accelerates and makes immediately due and payable all amounts owing thereunder.

6. Pursuant to the Collateral Trust Agreement a Notice of Event of Default is deemed to have been delivered to the Collateral Trustee as of the commencement of the Bankruptcy Case;

7. While a Notice of Event of Default is in effect the Collateral Trustee has the right and power to institute and maintain such suits and proceedings as it may deem appropriate to protect and enforce the rights vested in it by the Collateral Trust Agreement and each Trust Security Document which rights include, *inter alia*, subject only to the provisions of Section 362 of the Bankruptcy Code, the right to proceed to enforce the security interests in favor of the Secured Parties as provided in the Collateral Trust Agreement.

8. The Administrative Agent, as Controlling Party under the Collateral Trust Agreement, has the exclusive right to direct the time, method and place of conducting any proceeding for any right or remedy available to the Collateral Trustee, or of exercising any trust or power conferred on

the Collateral Trustee, or for the appointment of a receiver, or to direct the taking or the refraining from taking of any action authorized by this Collateral Trust Agreement, or to exercise any right, benefit or privilege the Collateral Trustee may have in respect of the Collateral in the Bankruptcy Case.

9. As of the date hereof, the Administrative Agent has received from First Lien Lenders holding approximately $6,376 billion (92.5%) of the outstanding principal amount of the Loans under the First Lien Credit Agreement, a consent and direction to consent to the Sale.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the First Lien Credit Agreement are used herein as therein defined.

SECTION 2. CONSENT

On and subject to the terms and conditions set forth or referred to herein, the Administrative Agent, acting at the direction and with the consent of the Required Lenders, hereby consents to the Sale, including for the purposes of Section 363(f)(2) of the Bankruptcy Code.

SECTION 3. TERMS AND CONDITIONS

This Consent is subject to the following terms and conditions:

(a) the Administrative Agent shall have received in immediately available funds upon the closing of the Sale an amount not less than $2,000,000,000 (the "First Lien Credit Agreement Proceeds") in cash as proceeds of Collateral for immediate distribution in dollar for dollar reduction of the Obligations to the First Lien Lenders on a ratable basis pursuant to Section 2.11(b) of the First Lien Credit Agreement;

(b) the holders of First Priority Secured Obligations (other than any such obligations arising under the First Lien Credit Agreement) shall have received in immediately available funds an amount equal to an amount that would cause their recovery under the Collateral Trust Agreement to be ratable to the recovery of the First Lien Lenders under the Collateral Trust Agreement.[1]

(c) the Administrative Agent and its counsel shall be satisfied that the bankruptcy court has entered an order, which order shall be in full force and effect and shall not be subject to any stay, that provides for the indefeasible payment of the First Lien Credit Agreement Proceeds to the Administrative Agent for immediate distribution pursuant to clause (a) of this Section 3;

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[1] Currently expected to be a gross claim amount of approximately $5.1 million; pro rated based on First Lien Credit Agreement outstanding amount of approximately $6.9 billion.

(d) the Administrative Agent and its counsel shall be satisfied with such other orders as may be entered in the Bankruptcy Case in connection with the Sale, and the disposition of the Collateral;

(e) the Master Transaction Agreement shall not have been amended, supplemented or otherwise modified in any material respect except to the extent any such amendment, supplement or modification shall be acceptable to the Administrative Agent and its counsel; and

(f) the closing of the Sale shall have occurred no later than 90 days from April 30, 2009.

SECTION 4. MISCELLANEOUS

4.1 Continuing Effect of the Loan Documents. This Consent shall not constitute an amendment of any other provisions of the Loan Documents not expressly referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of any Loan Party that would require the consent of the First Lien Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions each of the Loan Documents are and shall remain in full force and effect.

4.2 Counterparts. This Consent may be executed by the parties hereto in any number of separate counterparts (including facsimiled or electronic PDF counterparts), each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument.

4.3 Expenses. Each of the Loan Parties agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Consent, including, without limitation, the fees and disbursements of counsel to the Administrative Agent.

4.4 Limited Effect. Except as expressly modified by this Consent, each of the Loan Documents are ratified and confirmed and are, and shall continue to be, in full force and effect in accordance with their respective terms. The Company acknowledges and agrees that nothing in this Consent shall constitute an indication of the First Lien Lenders' willingness to consent to any other amendment or waiver of any other provision of any of the Loan Documents, a waiver of any Default or Event of Default or a consent to any transaction other than the Sale in accordance with the terms hereof.

4.5 Acknowledgement and Release. Each Loan Party acknowledges and agrees that (a) such Loan Party is truly and justly indebted to the Lenders and the Administrative Agent for the Obligations, without defense, counterclaim or offset of any kind, and such Loan Party ratifies and reaffirms the validity, enforceability and binding nature of such Obligations and (b) such Loan Party has no claim, right or cause of action of any kind against any First Lien Lender, the Administrative Agent, or any of such First Lien Lender's or the Administrative Agent's present or former subsidiaries, Affiliates, officers, directors, employees, attorneys or other representatives or agents (collectively with their respective successors and assigns, the "Lender Parties") in connection with the Obligations, the First Lien Credit Agreement and the other Loan Documents, or the transactions contemplated hereby or thereby. Each Loan Party unconditionally, freely, voluntarily and, after consultation with counsel and becoming fully and adequately informed as to the relevant facts, circumstances and consequences, releases, waives and forever discharges (and further agrees not to allege, claim or pursue) any and all claims, rights, liabilities, causes of action, counterclaims or defenses of any kind whatsoever, in contract or in tort, in law or in equity, whether known or unknown, direct or derivative, which such Loan Party or any predecessor, successor or assign might otherwise have or may have against any Lender Party on account of any conduct, condition, act, omission, event, contract, liability, obligation, demand, covenant, promise,

indebtedness, claim, right, cause of action, suit, damage, defense, circumstance or matter of any kind whatsoever which existed, arose or occurred at any time prior to the closing of the Sale in connection with the Obligations, the First Lien Credit Agreement and the other Loan Documents, or the transactions contemplated hereby or thereby.

4.6 Loan Document. This Consent is a Loan Document executed pursuant to the First Lien Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Documents.

4.7 GOVERNING LAW. THIS CONSENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Consent to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

CARCO INTERMEDIATE HOLDCO II LLC

By: Carco International Holdco I LLC, its managing member

By: Chrysler Holding LLC, its managing member

By: _____
Name:
Title:

CHRYSLER LLC

By: Thomas E. Gunton
Name: Thomas E. Gunton
Title: Assistant Secretary

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: _____

Name:
Title: