

Trent P. Cornell, Esq. (IL 6242712), *Pro Hac Vice*
Jon D. Cohen (IL 6206666), *Pro Hac Vice* (pending)
STAHL COWEN CROWLEY ADDIS LLC
55 West Monroe Street, Suite 1200
Chicago, Illinois 60603
(312) 641-0060
(312) 641-6959 facsimile
tcornell@stahlcowen.com

Counsel for the National Chrysler Retirement Organization,

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**LIMITED OBJECTION OF NCRO TO THE DEBTORS’
TERMINATION OF NON-UNION BENEFIT PLANS IN CONNECTION
WITH THE SALE OF SUBSTANTIALLY ALL OF DEBTORS’ ASSETS**

The National Chrysler Retirement Organization (“NCRO”), hereby files this limited objection (the “Limited Objection”) to the Motion of Chrysler LLC (“Chrysler”) and its affiliated Debtor entities (“Debtors”) pursuant to Sections 105, 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 and 6006, for (I) An Order (A) Approving Bidding Procedures and Bidder Protections for the Sale of Substantially All of the Debtors Assets and (B) Scheduling a Final Sale Hearing and Approving the Form and Manner of Notice Thereof; and (II) an Order (A) Authorizing the Sale of Substantially All of the Debtors 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 Related Procedures and (C) Granting Certain Related Relief [Docket No. 190], Exhibit A thereto (the “Sales Motion”). In support thereof, the NCRO states as follows:

LIMITED OBJECTION

1. Chrysler supported several employee/retiree benefit plans for its non-union employees and retirees prior to filing for bankruptcy protection. Among these plans is the Supplemental Retirement Plan (“SRP”). Many retirees receive benefits from the SRP, ranging from a small percentage of their benefits package to all of their benefits, depending on their age. Earlier this month the Debtors backed out direct deposits made to the individuals receiving SRP benefits. A letter was sent to these individuals informing them that “Because your monthly payment is a non-IRS qualified SRP payment we were required, by law, to stop the monthly payment.”

2. When inquiry was made to Chrysler’s benefit phone line by some of the SRP recipients they were told that the payment would be re-instated. Recent inquiry by individuals who received SRP benefits prior to the filing yielded the answer that they will have to address their questions to ‘the new company.’ It is unclear what that means, and thusfar no clarification has been received from the Debtors.

3. Additionally, employees laid off prior to the chapter 11 filings received benefits under the Termination Allowance Plan (“TAP”) and/or the Income Protection Plan (“IPP”). On May 1, 2009 these individuals received a letter stating that their TAP and IPP benefits “will not be paid” as a result of the bankruptcy filing. Again, inquiry to

Chrysler's benefit phone line by these individuals prompted the answer that they will have to address their inquiries with 'the new company.'

4. While the Debtors have represented to the Court that the Sale documents will include assumption by "New Chrysler" of retiree benefits, it remains unclear whether the SRP, TAP or IPP benefits are going to be transferred. These benefits are financially necessary and were relied upon by the retirees and former employees who received them as part of their separation from Chrysler.

5. It is manifestly unjust to simply cut-off these benefits without any express indication of when, if ever, they will be re-instated and/or whether the Debtors plan to reject them and/or whether they will be assumed by "New Chrysler." The lack of information has directly harmed the ability of the SRP, TAP and IPP recipients to defend their interests because they do not know what the Debtors' actual intent is with respect to their benefits. This result shuts out individuals, many of whom have a limited ability to defend themselves, from the process until after Chrysler's viable assets have been removed from the Estate. Respectfully, this result should not be allowed by the Court.

WHEREFORE, the NCRO objects to entry of the Sales Motion to the extent that the Purchase Agreement and Schedules thereto do not include assumption of the SRP, TAP, IPP and other benefit plans for non-union retirees or employees.

Dated: Chicago Illinois,
May 19, 2009

On behalf of the National Chrysler Retirement
Organization

/s/ Trent P. Cornell

Trent P. Cornell, Esq. (IL 6242712), *Pro Hac Vice*
Jon D. Cohen, Esq. (IL 6206666), *Pro Hac Vice* (pending)
STAHL COWEN CROWLEY ADDIS LLC
55 West Monroe Street, Suite 1200
Chicago, Illinois 60603
(312) 641-0060
(312) 641-6959 facsimile
tcornell@stahlcowen.com