



June 13, 2012

Mr. Daniel F. Akerson  
Chairman and CEO  
General Motors Corporation  
300 Renaissance Center  
Detroit, Michigan 48265

Dear Mr. Akerson:

I am writing this letter to you on behalf of the 118,000 salaried retirees of General Motors Corporation ("GM") to express to you our absolute consternation and disgust at the decision you have made with respect to our pension plan. By eliminating this large class of salaried retirees from the pension plan, you are abandoning the hard-earned benefit of an ERISA-protected pension promised to thousands upon thousands of GM retirees in return for their commitment and loyalty. This surpasses basic unfairness; indeed, it is sheer irresponsibility and greed.

Salaried retirees are being offered two choices but in either case GM wins and retirees lose. Taking a lump sum places the retirees plan assets at risk in the financial marketplace while reducing GM's liabilities and temporarily props up the company balance sheet. Those not eligible for the lump sum offer and all others not offered the choice must accept a third-party annuity and forgo both the protection of ERISA and the PBGC as well as GM's commitment to fund the plan and any hope for a cost-of-living adjustment.

Particularly galling about this action is that GM has benefitted greatly from the pension plan, despite great risk to plan participants. In fact, GM used \$2.9 billion in pension assets to make lump sum restructuring severance payments during 2008 – and ended the year with a \$12.4 billion deficit (\$20 billion by PBGC calculations). GM's raid on the pension fund resulted in such a dangerous degree of under-funding that in early 2009 the Executive Director of the PBGC wrote GM management, asking them to desist from reverting plan assets for fear that such action could trigger a plan termination.

GM does not need to take this step in order to remain competitive with the other American automobile manufacturers. Ford is still offering a traditional pension plan with all its security to those who elect not to take the lump sum offered by the company, and Chrysler has stated that it has no intention of ending its plan. GM stands alone among the U.S. automakers in throwing its retirees under the bus and renouncing its promises to its most loyal former employees. Surely GM management is as competent as other competitive managers in the auto industry who believe they can create a strong balance sheet without risking retirees' economic futures.

As you know very well, GM, for many, many decades, was able to attract and retain the best talent pool of engineers and management staff with the ever-present promise and smiling

assurance of deferred compensation by way of a federally-insured pension benefit, payable each year upon retirement. With that promise, GM benefitted greatly by the hard work from the most loyal employees any corporation could ever expect to have anywhere in the world. Never, even in our wildest imagination, could we ever have foreseen that GM would then turn around and treat its retirees with such little regard and with such disdain as GM is doing now. Once again, salaried retirees, those of us not protected by a labor agreement, are being singled out for disparate treatment.

Mr. Akerson, you still have an opportunity to reverse this course of action and allow GM to treat its salaried retirees with the respect and dignity they once felt. GM's retirees do not deserve this kind of treatment. It is not a matter of depriving them of a gift; it is a matter of depriving them of the financial security they earned. Please prove that GM management is not morally or ethically bankrupt.

Sincerely,

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