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UNITED STATES ANNOUNCES \$11.5 MILLION
SETTLEMENT WITH GM TO RESOLVE NATURAL RESOURCE
DAMAGE AND PAST COST CLAIMS AT FIVE CONTAMINATED SITES

PREET BHARARA, the United States Attorney for the Southern District of New York, ROBERT DREHER, the Principal Deputy Assistant Attorney General for the Justice Department's Environment and Natural Resources Division ("ENRD"), RACHEL JACOBSON, the Principal Deputy Solicitor for the U.S. Department of the Interior ("DOI"), and DAVID WESTERHOLM, the Director for the Office of Response and Restoration with the National Oceanic and Atmospheric Administration ("NOAA"), announced today that the United States, along with the states of Indiana and New York, and the St. Regis Mohawk Tribe, entered into an \$11.5 million settlement agreement with Chapter 11 debtor, MOTORS LIQUIDATION COMPANY ("Old GM"), formerly known as General Motors Corporation. The settlement agreement concerns environmental liabilities for injuries to natural and cultural resources under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). It was lodged in Manhattan bankruptcy court yesterday.

Under the terms of the agreement, the settling governments will receive allowed general unsecured claims collectively exceeding \$11.5 million for the restoration of wildlife, habitat, and other natural resources managed by _____ at two sites contaminated with hazardous waste in New York and Indiana and an additional three sites for past assessment costs in New Jersey. At the Indiana and New York sites, DOI and/or NOAA serve as joint

natural resource trustees along with, respectively, the state of Indiana, or the state of New York and the St. Regis Mohawk Tribe.

The allowed natural resource damage claims will be paid in stocks and warrants of GENERAL MOTORS CORPORATION ("New GM") in an amount to be determined through the bankruptcy. The United States anticipates that, as a function of bankruptcy law, the New GM stocks and warrants received by DOI, NOAA, and the other NRD claimants will have a cash value of less than the face amount of the allowed general unsecured claims.

In June 2009, Old GM -- then the second-largest automotive manufacturer in the world -- and three wholly-owned subsidiaries filed Chapter 11 petitions in the U.S. Bankruptcy Court for the Southern District of New York. The same day it filed for bankruptcy, Old GM also filed a motion to sell substantially all of its assets to a newly formed corporation, now known as General Motors Company ("New GM"), which was approved by the Bankruptcy Court in July 2009. Old GM, thereafter, filed a plan of liquidation.

The United States filed proofs of claim against Old GM and its affiliated debtors for environmental liabilities at over 100 sites. The United States asserted claims for natural resource damages and or past assessment costs at six of these sites. Today's settlement resolves these claims at five of the six sites: Massena Superfund Site (NY), GM Bedford Plant Site (IN), Kin-Buc Landfill Superfund Site (NJ), National Lead Industries Superfund Site (NJ), Diamond Alkali Superfund Site (NJ). The sixth remains unresolved at this time.

Today's settlement is the ninth in a series of settlements of Old GM's environmental liabilities. Among these, in October 2010, the United States, certain States, and the St. Regis Mohawk Tribe entered into a \$773 million settlement agreement with Old GM to resolve its liabilities at 89 sites owned or operated by the debtors. In December 2010, the United States and certain States entered into six settlements totaling \$25 million with Old GM to resolve its environmental liabilities at six sites. In addition, in an agreement approved by the bankruptcy court on March 29, 2011, the United States on behalf of the Environmental Protection Agency ("EPA") obtained an allowed general unsecured claim and rights to certain additional funds under environmental law provisions, in a combined total exceeding \$50 million.

Before being considered by the Bankruptcy Court for approval under environmental laws, the settlement agreement will be lodged with the Bankruptcy Court for a period of 30 days to

provide public notice, and to afford members of the public the opportunity to comment. It is subject to the approval of U.S. Bankruptcy Judge ROBERT E. GERBER.

Mr. BHARARA praised DOI, NOAA, the joint trustees at the Indiana and New York sites, the St. Regis Mohawk Tribe, and ENRD for their extraordinary work on this case.

Assistant U.S. Attorneys DAVID S. JONES, NATALIE N. KUEHLER, JAIMIE N. NAWADAY, and JOSEPH CORDARO, along with ALAN S. TENENBAUM and PATRICK CASEY of the Environment and Natural Resources Division of the Department of Justice, are in charge of this case.

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