

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

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In re: : Chapter 11
: :
Metaldyne Corporation, *et al.*, : Case No. 09-13412 (MG)
: :
Debtors. : (Jointly Administered)
: :
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**STIPULATION AND ORDER AMONG DEBTORS, NEW CARCO ACQUISITION LLC
AND GECC WITH RESPECT TO SCHEDULE 1 TO MASTER LEASE BY AND
BETWEEN DEBTORS AND GECC DATED DECEMBER 31, 2003**

WHEREAS, on May 27, 2009 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York.

WHEREAS, the Debtors intend to wind down production at the facility located at 1817 I Avenue, New Castle, Indiana (“New Castle”).

WHEREAS, on the Petition Date, Chrysler LLC, on behalf of Chrysler Motors LLC and Chrysler Canada Inc. (“Old Carco”), entered into that certain NCM Production Contract with NC-M Chassis Systems, LLC, one of the Debtors (the “NCM Agreement”) [Docket No. 8], which agreement pertains to the Debtors' production at New Castle.

WHEREAS, the Court approved the NCM Agreement on May 29, 2009 [Docket No. 77].

WHEREAS, Metaldyne Company LLC (“Metaldyne” or the “Debtor”), one of the Debtors, is party to that certain Master Lease Agreement dated December 31, 2003 (the “GECC Lease”, which includes, without limitation, that certain Schedule 1 Dated December

31, 2003 to Master Lease Agreement Dated December 31, 2003 [GECC No. 1016758-002] (“Schedule 1”) and that certain Schedule 2 dated December 30, 2004 to Master Lease Agreement Dated December 31, 2003 [GECC No. 4160637-002] (“Schedule 2” and together with Schedule 1, the “Schedules”) by and between Metaldyne and GECC), pursuant to which GECC leased to such Debtor equipment for use at, among other facilities, New Castle.

WHEREAS, Section 2.9 of the NCM Agreement provides that “[Old Carco] shall have the sole obligation to fund the GECC Lease payment obligations incurred during the Term relating to equipment at New Castle. [Old Carco] is allowed to communicate directly with GECC and [Metaldyne] shall cooperate with [Old Carco] to obtain resolution of any issues raised by GECC which may affect [Old Carco] production at New Castle. [Metaldyne]'s obligations to manufacture Component Parts [as defined in the NCM Agreement] under this Agreement are subject to [Old Carco] reaching a resolution with GECC with respect to the GECC Lease, such that the equipment leased thereunder is available for [Metaldyne]'s use through the Term.”

WHEREAS, Chrysler Group LLC (“Chrysler”), in an effort to reach the resolution described in Section 2.9 of the NCM Agreement, has offered (i) to purchase from GECC one Bentz Assembly and one Bentz Tester, (together, the “Units”) which Units are listed on and subject to Schedule 1 and (ii) fund certain payments owed to GECC pursuant to the GECC Lease and the Schedules, in satisfaction of Old Carco’s obligations under Section 2.9 of the NCM Agreement and, except for the Additional Obligations, as defined below, in satisfaction of the Debtors’ obligations under the GECC Lease during the Term.

WHEREAS, GECC and the Debtor are willing, on terms acceptable to GECC and the Debtor, to release the Units from Schedule 1 in order to relinquish the Units to GECC (the “Relinquishment”) and GECC is willing, subject to terms and conditions of this Stipulation

and Order and the Sale Agreement (as defined herein), to sell the Units to Chrysler (such transaction, the "Equipment Sale").

WHEREAS, GECC and Chrysler have entered into that certain Equipment Sale Agreement of even date herewith (the "Sale Agreement").

WHEREAS, it is a condition to the effectiveness of the Sale Agreement that this Stipulation and Order be entered by the Court.

WHEREAS, Chrysler, as of the Effective Date (as defined in the Sale Agreement), accepts the Units (and title from GECC and possession thereof from Metaldyne) in their then current condition (i.e., as relinquished by the Debtors to GECC) and waives any and all claims against the Debtors and/or GECC with respect to the condition thereof.

WHEREAS, Chrysler has agreed to pay to GECC, and GECC has agreed to accept, as rent for all equipment leased pursuant to the GECC Lease from July 1, 2009 through the Term (as defined in the NCM Agreement), payments of (i) \$864,263.00, and (ii) \$216,066.00 per week, or any portion of any week, following July 31, 2009 and Chrysler has agreed to satisfy any other monetary obligations under the GECC Lease (the "Additional Obligations") through the Term, such payments (collectively, the "Lease Payments") to be made in full and final satisfaction of all of the Debtors' obligations to GECC under the GECC Lease post-petition through the end of the Term (the "Rejection Date").

WHEREAS, immediately as of the end of the Rejection Date, the GECC Lease and each of the Schedules (as altered by the release of the Units from Schedule 1 post-Relinquishment) shall be deemed to be rejected by the Debtors (the "Rejection"); provided, however, the Debtors shall retain the right to seek Court authority to assume and assign all or part of the Schedules to MD Investors, Inc. prior to the Rejection Date (GECC reserves its

objections to any such assumption and assignment [Docket Nos. 507, 509, 620 and 622] and to file any further pleadings GECC deems advisable to protect its rights).

WHEREAS, to the extent Chrysler does not make the Lease Payments, GECC expressly reserves all of its rights against the Debtors with respect to the Lease Payments, including the Additional Obligations, provided however that any Additional Obligations due and owing by the Debtors under 11 U.S.C. § 365(d)(5), in the aggregate, shall not exceed the following cap: (a) taxes accrued post-petition through Rejection up to the amount of \$97,122.32, and (b) insurance premiums accrued post-petition through Rejection (collectively, the “Cap”).

WHEREAS, GECC expressly reserves all of its rights pursuant to the Pledge and Security Agreement and Guaranty, as each such term is defined in the GECC Lease.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual agreements and covenants hereinafter set forth, the parties hereto, intending to be legally bound hereby, agree as follows:

1. The agreements contained in the Recitals above are approved and incorporated herein by reference.
2. The Relinquishment is approved.
3. GECC is free to sell, lease, or otherwise dispose of the Units in its sole discretion, in accordance with this Stipulation and Order.
4. As of the Effective Date (as defined in the Sale Agreement), Chrysler assumes all risk of loss with respect to the Units.
5. As of the Effective Date, Schedule 1 shall be deemed to no longer include the Units and Metaldyne shall not be obligated to pay to GECC Basic Term Rent allocable to the Units to the extent such Basic Term Rent accrues after the Effective Date.

6. As of the Effective Date, GECC shall omit the Basic Term Rent allocable to the Units from any calculation of rejection damages due under the GECC Lease.

7. As of the Effective Date, the Units shall no longer be subject to any of the Debtors' rights under the Bankruptcy Code to assume and assign or to reject the GECC Lease.

8. The Rejection is approved as of the Rejection Date.

9. To the extent Chrysler pays the Lease Payments, including the Additional Obligations, the applicable Debtors shall be relieved of any and all monetary obligations accruing post-petition, pre-rejection under the GECC Lease through the Rejection Date, except to the extent Chrysler does not pay the Additional Obligations, any Additional Obligations due and owing by the Debtors under 11 U.S.C. § 365(d)(5) shall not exceed the Cap.

10. Following the Rejection Date, the parties will negotiate in good faith with respect to allowing GECC access to New Castle, or any other of the Debtors' owned or leased locations in order for GECC to recover any equipment under the GECC Lease that remains at any such locations after the Rejection Date (the "Remaining Equipment"). The Debtors and GECC reserve all rights with respect to any costs and expenses and all loss or claims associated with the Remaining Equipment (the "Remaining Equipment Claims") and shall negotiate in good faith with respect to any Remaining Equipment Claims. For the avoidance of doubt, this reservation of rights shall not give rise to a claim under 11 U.S.C. § 365(d)(5), all such claims having been deemed satisfied provided Chrysler performs the obligations of the Debtors until the GECC Lease is deemed rejected as required by and subject to the terms of paragraph 9 of this Stipulation and Order. In the event that agreements are not reached, GECC and the Debtors agree to a hearing before the Bankruptcy Court with respect to access to the Debtors' locations and/or Remaining Equipment Claims, on not less than five (5) business days notice.

11. The Debtors and GECC shall have the right to consensually amend the terms of this Stipulation, including on a retroactive basis, to accomplish the transfer, by assumption and assignment or otherwise, of the GECC Lease or the Schedules to MD Investors, Inc. as of the end of the Term.

12. The Court shall retain exclusive jurisdiction to resolve any dispute arising from or relating to this Stipulation and Order.

13. This Stipulation and Order is effective immediately upon entry and (i) the Purchase Price (as defined in the Sale Agreement) shall be transmitted upon entry in accordance with the terms of the Sale Agreement and (ii) the balance, if any, of the Lease Payments, shall be transmitted upon entry in accordance with the terms of the GECC Lease, as modified by this Stipulation and Order, in each case notwithstanding the possible applicability of Fed. R. Bankr. P. 6004(h), 7062, 9014 or otherwise.

Dated: August 25, 2009
New York, New York

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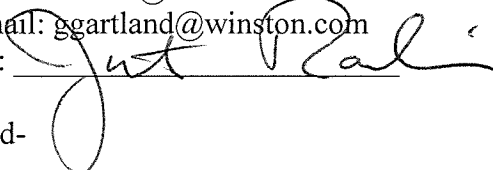
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SO ORDERED by the Bankruptcy Court this ___ day of August, 2009.

UNITED STATES BANKRUPTCY JUDGE