

# **Exhibit A**

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

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<b>In re</b>	:	<b>Chapter 11 Case No.</b>
	:	
<b>GENERAL MOTORS CORP., et al.,</b>	:	<b>09-50026 (REG)</b>
	:	
<b>Debtors.</b>	:	<b>(Jointly Administered)</b>
	:	
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**DECLARATION OF RANDALL L. PAPPAL  
IN SUPPORT OF DEBTORS' MOTION FOR ENTRY OF ORDER APPROVING  
(I) MASTER DISPOSITION AGREEMENT FOR PURCHASE OF CERTAIN  
ASSETS OF DELPHI CORPORATION, (II) RELATED AGREEMENTS,  
(III) ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS,  
(IV) AGREEMENT WITH PENSION BENEFIT GUARANTY CORPORATION,  
AND (V) ENTRY INTO ALTERNATIVE TRANSACTION IN LIEU THEREOF**

I, Randall L. Pappal, declare as follows:

1. I am the Executive Director, HVAC and Mexico – Global Purchasing and Supply Chain for General Motors Corporation (together with its direct and indirect subsidiaries, “GM”). I have personal knowledge of the facts set forth herein or have conducted a reasonable inquiry to determine that such statements are true and correct.

2. I have a bachelors degree in industrial engineering, received in 1983, from the Rochester Institute of Technology. I also have an MBA from the University of Michigan, received in 1992.

3. I was hired by GM in 1983 and I have been employed by GM continuously since then. During my employment at GM I have held several positions in the GM organization focusing on purchasing and supply chain operations, both domestic and international. I am currently the Executive Director, HVAC and Mexico – Global Purchasing and Supply Chain and have held this position since 2008. In my current position as Executive Director, HVAC and Mexico – Global Purchasing and Supply Chain, I am responsible for purchasing for global HVAC and electrical commodity, as well as purchasing and supply chain activities for Mexico. In this position, I am also responsible for providing oversight for the Delphi<sup>1</sup> relationship within GM's purchasing organization.

4. I make this declaration in support of GM's motion to approve (i) the purchase, and guarantee of purchase, of certain assets of Delphi pursuant to the MDA, (ii) entry into the SPA, the Operating Agreement, the Loan Agreement, the Commercial Agreements, and Ancillary Agreements with Parnassus in connection with Parnassus's purchase of substantially all of the remaining operating assets of Delphi, (iii) assumption of certain executory contracts in connection with the sale of certain of Delphi's assets and assignment of such contracts and leases to Vehicle Holdings, (iv) entry into an agreement with the PBGC in connection with such transaction, and (v) entry into an Acceptable Alternative Transaction with the successful bidder, if applicable, in the auction of Delphi's assets (the "**Motion**").

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<sup>1</sup> Capitalized terms not defined herein have the meaning ascribed to such terms in the Motion.

**I. *Commercial Relationship Between GM and Delphi***

5. GM and Delphi have a complex history arising from their interdependent relationship. Delphi consisted of divisions and subsidiaries of GM until GM's divestiture of Delphi in 1999. Since the spin-off, Delphi has been, and continues to be, GM's largest component parts supplier, accounting for approximately 11.3% of GM's North American purchases and 9.6% of GM's global purchases in 2008. Delphi is a sole-source, just-in-time, supplier of many critical parts to GM, including parts that are used in essentially every GM product line in North America.

6. In turn, since the spin-off, GM has been, and continues to be, Delphi's largest customer. Although Delphi's sales to GM have declined over the years, in 2008, Delphi's sales to GM aggregated approximately \$6.8 billion, or approximately 33% of Delphi's revenues. Thousands of Delphi's employees work at plants whose production is primarily dedicated to production for GM or GM's suppliers.

**II. *Affect on GM of Termination of Deliveries of Parts by Delphi***

7. Consistent with industry practice, GM operates on a "just-in-time" inventory delivery system, in which component parts from suppliers are typically assembled onto vehicles by GM within a few hours of the delivery of the parts to the vehicle assembly facility. Because GM operates on a just-in-time inventory delivery system, it generally maintains little or no inventory of parts on site, and relies instead upon frequent and regular shipments of parts from its suppliers, including Delphi. Consequently, if Delphi ever ceases shipping even a small fraction of production parts to GM, the GM plants relying on such shipments may run out of inventory of such parts and have to shut down within a matter of days.

8. Most parts that Delphi manufactures for GM are not readily available from an alternate source due to, among other things, capacity issues within the automotive parts supply industry, the length of time it takes to validate and obtain safety regulatory approval of a new supplier's parts, and lead time to develop and build tools for manufacture. While GM can accelerate efforts to resource Delphi parts in the event of a supply interruption, the sheer magnitude of the parts to be resourced and revalidation required would take at least several months to achieve.

9. The shutdown of GM plants as a result of termination of deliveries of affected parts from Delphi could idle tens of thousands of GM workers, and it is estimated that GM's revenues would decrease significantly. GM would also incur costs related to expedited resourcing efforts, including, but not limited to, hundreds of millions of dollars for duplicate tooling, premiums and price increases paid to alternative suppliers, and the continued costs of maintaining idled plants (such as plant overhead and other fixed costs).

10. Moreover, because GM purchases parts from many other automotive parts suppliers, a GM shutdown will likely affect many of its other suppliers. In the event of a shutdown of its North American facilities, GM would have no need for parts from its other suppliers and would be forced to stop purchasing all other parts used in the shut-down facilities, which include parts from over 1,500 other suppliers. Such a loss of revenue could force those suppliers to seek bankruptcy protection themselves, thus creating a broader risk to GM's and other motor vehicle manufacturers' future sources of parts supply.

11. In short, a prolonged cessation in the supply of parts from Delphi to GM would have a devastating effect on GM, its ability to reorganize, and the communities that depend on employment by GM and its community of parts suppliers.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing  
is true and correct to the best of my knowledge, information, and belief.

Dated: July 8, 2009  
New York, New York

/s/ Randall L. Pappal  
RANDALL L. PAPPAL