

GENERAL MOTORS CORP
Form 424B5
May 25, 2007
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-108532

PROSPECTUS SUPPLEMENT

(To Prospectus dated March 25, 2004)

\$1,305,000,000

General Motors Corporation

1.50% Series D Convertible Senior Debentures Due 2009

We are offering \$1,305,000,000 principal amount of 1.50% Series D Convertible Senior Debentures Due 2009. The Series D debentures will mature on June 1, 2009.

We will pay 1.50% interest per annum on the principal amount of the Series D debentures. Interest will be payable semi-annually in arrears on June 1 and December 1 of each year, beginning on December 1, 2007.

Prior to March 1, 2009, the Series D debentures are convertible under any of the following circumstances: (1) if the closing price of our common stock reaches a specified threshold within a specified period; (2) if the trading price of the Series D debentures falls below a specified threshold during a specified period; and (3) upon the occurrence of certain specified corporate events. In addition, the Series D debentures will be convertible irrespective of the foregoing circumstances from, and including, March 1, 2009 to, and including, the second business day immediately preceding the maturity date.

The Series D debentures are convertible at a conversion rate of 0.6837 shares of our common stock per \$25.00 principal amount of Series D debentures, subject to adjustment, which is equal to a conversion price of approximately \$36.57 per share of our common stock. If a make-whole fundamental change (as defined herein) occurs on or prior to the second business day immediately preceding the maturity date, we may increase the conversion rate for Series D debentures converted in connection with such make-whole fundamental change. Upon conversion of the Series D debentures, we will pay or deliver, as the case may be, per \$25.00 principal amount of Series D debentures to be converted, for each trading day in the relevant 40 trading day observation period (as defined herein), cash in an amount equal to the lesser of \$0.625 and the daily conversion value (as defined herein) of the Series D debentures and, if applicable, cash, shares of our common stock or a combination thereof, at our election, to the extent such daily conversion value exceeds \$0.625.

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You may require us to repurchase your Series D debentures for cash in connection with a fundamental change at a repurchase price equal to 100% of the principal amount of the Series D debentures to be repurchased, plus any accrued and unpaid interest to, but excluding, the date of repurchase.

The Series D debentures will constitute part of our senior debt. They will rank equally with all our other unsecured and unsubordinated debt.

We will apply to list the Series D debentures on the New York Stock Exchange and expect trading of the Series D debentures to commence within 30 days after the original issue date. Our common stock is listed on the New York Stock Exchange under the symbol GM. On May 24, 2007, the last sale price of our common stock as reported on the New York Stock Exchange was \$30.47 per share.

Investing in the Series D debentures involves risks. See Risk Factors beginning on page S-7 and in our periodic reports filed from time to time with the Securities and Exchange Commission.

	<u>Per Series D debenture</u>	<u>Total</u>
Public Offering Price (1)	100.00%	\$ 1,305,000,000
Underwriting Discount	2.15%	\$ 28,057,500
Proceeds to General Motors Corporation (2)	97.85%	\$ 1,276,942,500

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- (1) The public offering price set forth above does not include accrued interest, if any.
(2) The representatives have agreed to reimburse us for the expenses incurred in connection with the offering of the Series D debentures.

We have granted the underwriters the right to purchase up to an additional \$195,000,000 aggregate principal amount of Series D debentures to cover overallocments, if any.

The underwriters expect to deliver the Series D debentures to purchasers on May 31, 2007.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Citi

Deutsche Bank Securities

Goldman, Sachs & Co.

Banc of America Securities LLC

JPMorgan

ABN AMRO Rothschild LLC

Barclays Capital

Bear, Stearns & Co. Inc.

Credit Suisse

Merrill Lynch & Co.

Morgan Stanley

RBS Greenwich Capital

UBS Investment Bank

May 24, 2007

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ABOUT THIS PROSPECTUS

Unless the context indicates otherwise, the words "GM," "we," "our," "ours" and "us" refer to General Motors Corporation. "GMAC" refers to GMAC and its predecessor, General Motors Acceptance Corporation.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information or to make any additional representations. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer of any securities other than the Series D debentures pursuant to this prospectus supplement. This prospectus supplement is part of and must be read in conjunction with the accompanying prospectus dated March 25, 2004. You should not assume that the information appearing in this prospectus supplement and the accompanying prospectus, as well as the information incorporated by reference, is accurate as of any date other than the date on the front cover of this prospectus supplement, or the date of such incorporated information. On November 30, 2006, we sold a 51% controlling ownership interest in GMAC to a consortium of investors. Information regarding GMAC in the accompanying prospectus is superseded by this prospectus supplement. Neither this prospectus supplement nor the accompanying prospectus incorporate by reference any filings of GMAC LLC with the Securities and Exchange Commission.

We are not, and the underwriters are not, making an offer to sell the Series D debentures in any jurisdiction where the offer or sale is not permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the Series D debentures may be restricted in certain jurisdictions. You should inform yourself about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

We will deliver the Series D debentures to the underwriters at the closing of this offering when the underwriters pay us the purchase price of such debentures.

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SUMMARY

The following summary is provided solely for your convenience. It is not intended to be complete. You should read this entire prospectus supplement and the accompanying prospectus carefully, especially the risks of investing in the Series D debentures discussed under "Risk Factors" beginning on page S-7 and in our periodic reports filed from time to time with the Securities and Exchange Commission.

General Motors Corporation

We are primarily engaged in the worldwide production and marketing of cars, trucks and parts. We design, manufacture and market our vehicles through our four automotive regions:

GM North America;

GM Europe;

GM Latin America/Africa/Mid-East; and

GM Asia Pacific.

GM North America primarily meets the demands of customers inside North America with vehicles designed, manufactured and/or marketed under the following brands:

Chevrolet	Buick	Saab
Pontiac	Cadillac	Hummer
GMC	Saturn	

GM Europe, GM Latin America/Africa/Mid-East and GM Asia Pacific meet the demands of customers outside North America primarily with vehicles designed, manufactured and/or marketed under the following brands:

Opel	Saab	GMC	Hummer
Vauxhall	Buick	Cadillac	Isuzu
Holden	Chevrolet	Daewoo	

We also have equity ownership stakes directly or indirectly through various regional subsidiaries, including GM Daewoo Auto & Technology Company (GM Daewoo), New United Motor Manufacturing, Inc., Shanghai General Motors Co., Ltd., SAIC-GM-Wuling Automobile Company Ltd. and CAMI Automotive Inc. These companies design, manufacture and market vehicles under the following brands:

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Pontiac
Suzuki
Buick

Wuling
Daewoo
Holden

Chevrolet
Cadillac

In addition to the products we sell to our dealers for consumer retail sales, we also sell cars and trucks to our dealers that they sell to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments.

Our finance and insurance operations are primarily conducted through GMAC, which was a wholly-owned subsidiary until November 30, 2006, when we sold a 51% controlling ownership interest in GMAC to a consortium of investors. GMAC provides a broad range of financial services, including consumer vehicle financing, automotive dealership and other commercial financing, residential mortgage services, automobile service contracts, personal automobile insurance coverage, and selected commercial insurance coverage.

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1.50% Series D Convertible Senior Debentures Due 2009

Securities Offered	\$1,305,000,000 aggregate principal amount of 1.50% Series D Convertible Senior Debentures Due 2009 (and up to an additional \$195,000,000 aggregate principal amount if the underwriters exercise their over-allotment option to purchase additional Series D debentures).
Maturity Date	June 1, 2009, subject to earlier conversion or repurchase.
Ranking	The Series D debentures will constitute part of our senior debt. They will rank equally with all our other unsecured and unsubordinated debt.
Offering Price	100% of the principal amount of each Series D debenture plus accrued interest, if any, from May 31, 2007.
Interest and Payment Dates	We will pay 1.50% interest per annum on the principal amount of the Series D debentures, semiannually in arrears on June 1 and December 1 of each year, starting on December 1, 2007, to holders of record at the close of business on the preceding May 15 and November 15, respectively. Interest will accrue on the Series D debentures, from, and including, May 31, 2007 or from, and including, the last date in respect of which interest has been paid or provided for, as the case may be, to, but excluding, the next interest payment date or maturity date, as the case may be.
Conversion Rights	<p> Holders may surrender their Series D debentures for conversion prior to 5:00 p.m. New York City time on the business day preceding March 1, 2009 under any of the following circumstances:</p> <p style="padding-left: 40px;"> during any calendar quarter commencing after August 31, 2007 if the closing price of our common stock exceeds 120% of the conversion price for at least 20 trading days in the 30 consecutive trading days ending on the last trading day of the preceding calendar quarter; or</p>

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during the five business day period after any nine consecutive trading day period in which the trading price of the Series D debentures for each day of such period was less than 95% of the product of the closing price of our common stock on such trading day, and the applicable conversion rate; or

upon the occurrence of specified corporate events described under Description of Series D Debentures Conversion Rights Conversion Upon Occurrence of Specified Corporate Transactions.

In addition, the Series D debentures will be convertible irrespective of the foregoing circumstances from, and including, March 1, 2009 to, and including, the second business day immediately preceding the maturity date.

The initial conversion rate for the Series D debentures is 0.6837 shares of our common stock per \$25.00 principal amount of Series D debentures. This is equal to an initial conversion price of approximately \$36.57 per share of common stock.

The conversion rate may be adjusted under certain circumstances. See Description of Series D Debentures Adjustment to Conversion Rate.

Holders who convert their Series D debentures in connection with a make-whole fundamental change (as defined herein) occurring on or prior to the second business day immediately preceding the maturity date may be entitled to a make-whole premium in the form of an increase in the conversion rate for Series D debentures converted in connection with such make-whole fundamental change. See Description of Series D Debentures Adjustment to Conversion Rate Adjustment to Conversion Rate Upon a Make-Whole Fundamental Change.

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Settlement Upon Conversion

Upon conversion of the Series D debentures, we will pay or deliver, as the case may be, cash and shares of our common stock, if any, as follows. We will pay, with respect to each trading day in the relevant 40 trading day observation period, an amount in cash equal to the principal return (defined as the lesser of (i) \$0.625 and (ii) the daily conversion value of the Series D debentures converted for each \$25.00 principal amount of Series D debentures converted) on the third trading day following the last trading day of such observation period, all calculated as described under Description of Series D Debentures Conversion Rights Settlement Upon Conversion. If the daily conversion value for each \$25.00 principal amount of Series D debentures converted exceeds \$0.625 on any trading day during the relevant 40 trading day observation period, in addition to paying the principal return of the converted Series D debentures for such trading day, we will also deliver, on the third trading day following the last trading day of such observation period, cash, shares of our common stock or a combination thereof, at our election, with a value equal to the excess of the daily conversion value over the principal return of the converted Series D debentures for such trading day, all calculated as described under Description of Series D Debentures Conversion Rights Settlement Upon Conversion. We will also deliver cash in lieu of any fractional shares of our common stock based on the closing price of our common stock on the last trading day of the relevant observation period.

Redemption

We may not redeem the Series D debentures prior to the maturity date.

Fundamental Change

If a fundamental change occurs prior to maturity, you may require us to repurchase all or a portion of your Series D debentures for cash at a price equal to 100% of the principal amount of the Series D debentures to be repurchased, plus accrued and unpaid interest to, but excluding, the date of repurchase. See Description of Series D Debentures Repurchase at the Option of the Holder Upon a Fundamental Change.

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Capped Call Transaction

Concurrently with the pricing of the Series D debentures, we have entered into a capped call transaction with an affiliate of Citigroup Global Markets Inc., whom we refer to as the option counterparty. The capped call transaction is expected to reduce the potential dilution with respect to our common stock upon conversion of the Series D debentures to the extent described in Capped Call Transaction. In connection with hedging the capped call transaction, the option counterparty or an affiliate thereof expects to enter into various derivative transactions with respect to our common stock concurrently with or shortly after the pricing of the Series D debentures.

These activities could have the effect of increasing or preventing a decline in the price of our common stock concurrently with or following the pricing of the Series D debentures.

In addition, the option counterparty or an affiliate thereof may enter into or unwind various derivatives and/or purchase or sell our common stock in secondary market transactions following pricing of the Series D debentures and prior to the maturity of the Series D debentures (and is likely to do so during any observation period related to the conversion of the Series D debentures), which could adversely affect the price of our common stock and the Series D debentures.

For a discussion of the impact of any market or other activity by the option counterparty or an affiliate thereof in connection with the capped call transaction, see Risk Factors. The capped call transaction may affect the value of the Series D debentures and our common stock and Underwriters in this prospectus supplement.

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Use of Proceeds	We intend to use approximately \$86 million of the net proceeds of this offering to pay the cost of the capped call transaction that we intend to enter into with the option counterparty. The remaining net proceeds of this offering will be used for general corporate purposes, which may include funding portions of our turnaround plan and addressing potential risks and contingencies described under the heading "Risk Factors" in our periodic reports on Form 10-K and Form 10-Q. If the underwriters exercise their overallotment option to purchase additional Series D debentures, we will use a portion of the net proceeds from the sale of the additional Series D debentures to increase the size of the capped call transaction.
Trading	We will apply to list the Series D debentures on the New York Stock Exchange and expect trading of the Series D debentures to commence within 30 days after the original issue date. The Series D debentures will be a new issue of securities for which there currently is no public market. Our common stock is traded on the New York Stock Exchange under the symbol "GM".
Risk Factors	See "Risk Factors" and other information included or incorporated by reference in this prospectus supplement for a discussion of factors you should carefully consider before deciding to invest in the Series D debentures.

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RISK FACTORS

You should carefully consider the following risk factors and the information under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2006 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, which is incorporated by reference into this prospectus supplement and the accompanying prospectus, before making an investment decision. The following is not intended as, and should not be construed as, an exhaustive list of relevant risk factors. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.

The Series D debentures are unsecured, are effectively subordinated to all of our existing and future secured indebtedness and are structurally subordinated to all liabilities of our subsidiaries, including trade payables.

The Series D debentures are unsecured, are effectively subordinated to all of our existing and future secured indebtedness, to the extent of the assets securing such indebtedness, and are structurally subordinated to all liabilities of our subsidiaries, including trade payables. GM itself has no currently outstanding secured debt, other than a \$1.5 billion term loan facility, and certain lines of credit, automatic clearinghouse and overdraft agreements, and letters of credit totaling approximately \$1.5 billion. In addition, GM has a \$4.5 billion secured credit facility, although no borrowings are currently outstanding thereunder, and has received a commitment from affiliates of each of the first thirteen underwriters listed in the table under the heading "Underwriters" for a secured revolving credit facility in an aggregate principal amount of approximately \$4.1 billion that will be secured by GM's common equity interest in GMAC. We expect from time to time to incur additional indebtedness and other liabilities. The indenture pursuant to which the Series D debentures are issued does not limit the amount of indebtedness that we or any of our subsidiaries may incur. In the event of our insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up, we may not have sufficient assets to pay amounts due on any or all of the Series D debentures then outstanding. See "Description of Series D Debentures - General."

None of our subsidiaries has guaranteed or otherwise become obligated with respect to the Series D debentures. Our right to receive assets from any of our subsidiaries upon its liquidation or reorganization, and the right of holders of the Series D debentures to participate in those assets, is structurally subordinated to claims of that subsidiary's creditors, including trade creditors. Even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of that subsidiary and any indebtedness of that subsidiary senior to that held by us. Furthermore, none of our subsidiaries is under any obligation to make payments to us, and any payments to us would depend on the earnings or financial condition of our subsidiaries and various other business considerations. Statutory or other restrictions may also limit our subsidiaries' ability to pay dividends or make distributions, loans or advances to us. For these reasons, we may not have access to any assets or cash flows of our subsidiaries to make payments on the Series D debentures.

We expect that the trading value of the Series D debentures will be significantly affected by the price of our common stock.

The market price of the Series D debentures is expected to be significantly affected by the market price of our common stock. This correlation may result in greater volatility in the trading value of the Series D debentures than would be expected for nonconvertible debt securities we issue.

The price of our common stock could be adversely affected by possible sales of our common stock by investors who view the Series D debentures as a more attractive means of equity participation in GM, and by hedging or arbitrage trading activity that we expect to develop involving our common stock. Such hedging and arbitrage activity, in turn, would be likely to affect adversely the trading price of the Series D debentures.

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The limited protections in the indenture and Series D debentures against certain types of important corporate events may not protect your investment.

The indenture for the Series D debentures does not:

require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flows or liquidity;

protect holders of the Series D debentures in the event that we experience significant adverse changes in our financial condition or results of operations;

limit our subsidiaries' ability to incur indebtedness or incur liabilities, which would effectively rank senior to the Series D debentures;

limit our ability to incur secured indebtedness that would effectively rank senior to the Series D debentures to the extent of the value of the assets securing the indebtedness;

limit our ability to incur indebtedness that is equal in right of payment to the Series D debentures;

restrict our ability to repurchase or prepay our securities; or

restrict our ability to make investments or to repurchase or pay dividends or make other payments in respect of our common stock or other securities ranking junior to the Series D debentures.

Furthermore, the indenture for the Series D debentures contains only limited protections in the event of a change of control transaction. We could engage in many types of transactions, such as certain acquisitions, refinancings or recapitalizations, which could substantially affect our capital structure and the value of the Series D debentures and our common stock, but would not constitute a fundamental change that would permit holders to require us to repurchase their Series D debentures. For these reasons, you should not consider this repurchase feature of the Series D debentures as a significant factor in evaluating whether to invest in the Series D debentures.

We may not have the funds necessary to finance the repurchase of the Series D debentures upon a fundamental change, or to deliver cash in respect of our conversion obligation up to the principal amount of Series D debentures that have been converted.

In the event of a fundamental change, we or our successor company, as the case may be, may be required to repurchase the Series D debentures. Although not anticipated, we (or our successor company in the case of a fundamental change) may not have sufficient funds to pay the repurchase price, including because we (or a successor company) may also be required to repurchase other previously issued or future securities in the event of a fundamental change. Other corporate events that could significantly change our capital structure, such as leveraged recapitalizations that would increase the level of our indebtedness or that of our subsidiaries, would not necessarily constitute a fundamental change for these purposes. In addition, upon conversion of any Series D debentures, we will be required to pay cash in respect of such conversion up to the principal amount of Series D debentures to be converted. Our failure to pay cash amounts due upon conversion to holders of the Series D debentures or to make any required repurchase, as the case may be, would constitute an event of default under the indenture governing the Series D debentures that, in turn, could constitute an event of default under other debt agreements or securities, thereby resulting

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in their acceleration and required prepayment and further restricting our ability to make such payments and repurchases. See Description of Series D Debentures Repurchase at the Option of the Holder Upon a Fundamental Change and Description of Series D Debentures Conversion Rights Settlement Upon Conversion.

An active trading market may not develop for the Series D debentures.

Prior to this offering there has been no trading market for the Series D debentures. If such a market were to develop, the Series D debentures could trade at prices that may be higher or lower than the initial public offering

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price. We will apply to list the Series D debentures on the New York Stock Exchange. If the Series D debentures are accepted for listing on the New York Stock Exchange, there can be no assurances that the Series D debentures will not be suspended from trading if in the future the minimum listing requirements do not remain satisfied. In addition, the underwriters have advised us that they currently intend to make a market in the Series D debentures. They are not, however, obligated to do so and may discontinue this market-making activity at any time without notice. In addition, market-making activity by the underwriters will be subject to the limits imposed by U.S. securities laws. As a result, we cannot assure you that any market for the Series D debentures will develop or, if one does develop, that it will be maintained. If an active market for the Series D debentures fails to develop or be sustained, the trading price of the Series D debentures could decline significantly.

The conditions to the conversion of the Series D debentures may result in your receiving less than the value of the underlying shares of our common stock.

The Series D debentures have several features, including conditions to conversion, which, if not satisfied, could prevent you from converting your Series D debentures prior to March 1, 2009 and result in your receiving less than the value of cash and/or common stock into which the Series D debentures are otherwise convertible. These features could adversely affect the value and the trading prices of the Series D debentures. See Description of Series D Debentures Conversion Rights.

The conversion rate for the Series D debentures may not be adjusted upward for all dilutive events that may occur.

The conversion rate for the Series D debentures is subject to adjustment upward for certain events including, but not limited to, the issuance of stock dividends on shares of our common stock, the issuance of certain rights or warrants, subdivisions or combinations of shares of our common stock, certain distributions of assets, debt securities, capital stock or cash to holders of our common stock and certain issuer tender or exchange offers as described under Description of Series D Debentures Adjustment to Conversion Rate. The conversion rate will not be adjusted upward for other events, such as stock issuances for cash or third-party tender offers that may adversely affect the trading price of the Series D debentures or our common stock. See Description of Series D Debentures Adjustment to Conversion Rate. We are not restricted from issuing additional common stock during the life of the Series D debentures and have no obligation to consider the interests of holders of the Series D debentures in deciding whether to issue common stock. We also may be restricted from adjusting the conversion rate upward beyond a specified maximum of shares per \$25.00 principal amount of the Series D debentures, subject to adjustment in the same manner as described above. There can be no assurance that an event that adversely affects the value of the Series D debentures, but does not result in an upward adjustment to the conversion rate, will not occur.

The conversion rate of the Series D debentures may be adjusted downward under certain circumstances.

The conversion rate is subject to downward adjustment in the event that cash dividends on our common stock are reduced below a certain threshold as described under Description of the Series D Debentures Adjustment to Conversion Rate. A downward adjustment of the conversion rate would have an adverse effect on the price of the Series D debentures. A downward adjustment could occur at a time when the price of our common stock is also falling, which would have a further adverse effect on the price of the Series D debentures.

Fluctuations in the price of our common stock may prevent you from being able to convert the Series D debentures, may impact the price of the Series D debentures and may make the Series D debentures more difficult to resell.

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Except during the period from, and including, March 1, 2009 to, and including, the second business day immediately preceding the maturity date, the ability of holders of the Series D debentures to convert the Series D debentures is conditioned on the closing price of our common stock reaching a specified threshold for a specified period, the trading price of the Series D debentures falling below a certain level for a specified period, or the

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occurrence of specified corporate transactions. If the closing price threshold for conversion of the Series D debentures is satisfied at the end of a calendar quarter, holders may convert the Series D debentures only during the subsequent calendar quarter. If such closing price threshold is not satisfied, the trading price of the Series D debentures does not fall below the relevant threshold and none of the specified distributions or corporate transactions that would permit a holder to convert the Series D debentures occur, holders would not be able to convert the Series D debentures prior to March 1, 2009.

Because the Series D debentures will be convertible into an amount of cash and common stock, if any, based on the volume-weighted average price of our common stock over a 40 trading day observation period, volatility or depressed prices for our common stock could have a similar effect on the trading price of the Series D debentures and/or the value of the consideration payable upon the conversion of the Series D debentures. Holders who receive common stock upon conversion of the Series D debentures will also be subject to the risk of volatility and depressed prices of our common stock.

Upon conversion of the Series D debentures, you may receive less proceeds than expected because the value of our common stock may decline after you exercise your conversion right.

Under the Series D debentures, a converting holder who receives common stock upon conversion will be exposed to fluctuations in the value of our common stock during the period from the date such holder surrenders the Series D debentures for conversion until the date we settle our conversion obligation. Under the Series D debentures, the amount of consideration that you will receive upon conversion of your Series D debentures is determined by reference to the volume-weighted average price of our common stock for each trading day in a 40 trading day period. As described under [Description of Series D Debentures Conversion Rights Settlement Upon Conversion](#), subject to certain exceptions, this period will occur after the date on which your Series D debentures are surrendered for conversion. In addition, with respect to any conversion date occurring during the period from, and including, March 1, 2009 to, and including, the second business day immediately preceding the maturity date, we will not deliver shares of our common stock upon conversion until the 42nd trading day immediately following the 42nd scheduled trading day immediately preceding the maturity date. Accordingly, if the price of our common stock decreases during this period, the amount of consideration you receive will be adversely affected. In addition, if the market price of our common stock at the end of such 40 trading day period (or up to three month period) is below the average of the volume-weighted average price of our common stock during such period (or below the market price of our common stock on the relevant conversion date), the value of any shares of our common stock that you will receive in satisfaction of our conversion obligation will be less than the volume-weighted average price of our common stock used to determine the number of shares you will receive (or the market price of our common stock on the relevant conversion date).

Any upward adjustment to the conversion rate for Series D debentures converted in connection with a make-whole fundamental change may not adequately compensate you for any lost option value of your Series D debentures as a result of such transaction.

If a make-whole fundamental change (as defined herein) occurs, under certain circumstances, we will adjust upward the conversion rate for the Series D debentures converted in connection with such make-whole fundamental change. The upward adjustment in the conversion rate will be determined based on the date on which the make-whole fundamental change becomes effective and the price paid per share of our common stock in the make-whole fundamental change (in the case of a make-whole fundamental change described in the first bullet of the definition of make-whole fundamental change in which holders of our common stock receive only cash) or in the case of any other make-whole fundamental change, the average of the closing prices per share of our common stock over the five trading day period ending on the trading day preceding the effective date of such other make-whole fundamental change, as described below under [Description of Series D Debentures Adjustment to Conversion Rate Adjustments to Conversion Rate Upon a Make-Whole Fundamental Change](#). The adjustment to the conversion rate for Series D debentures converted in connection with a make-whole fundamental change may not adequately compensate you for any lost option value with respect to your Series D debentures as a result of such make-whole fundamental change. In addition, if the price of our common stock

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used to determine the adjustment upon a make-whole fundamental change is greater than \$60.00 per share or less than \$30.47 per share (each such price, subject to adjustment), no make-whole shares will be issued upon conversion of the Series D debentures. In addition, in no event will the total number of shares of common stock issuable upon conversion as a result of this adjustment exceed 0.8205 per \$25.00 principal amount of the Series D debentures, subject to adjustment in the same manner as the conversion rate as set forth under Description of Series D Debentures Adjustment to Conversion Rate. In addition, our obligation to adjust upward the conversion rate in connection with any such make-whole fundamental change could be considered a penalty, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

Because your right to require our repurchase of the Series D debentures is limited, the market prices of the Series D debentures may decline if we enter into a transaction that is not a fundamental change under the indenture.

The term fundamental change is limited and may not include every event that might cause the market prices of the Series D debentures to decline or result in a downgrade of the credit rating, if any, of the Series D debentures. See Description of Series D Debentures Repurchase at the Option of the Holder Upon a Fundamental Change.

If you hold the Series D debentures, you are not entitled to any rights with respect to our common stock, but you are subject to all changes made with respect to our common stock.

If you hold the Series D debentures, you are not entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock), but you are subject to all changes to our common stock that might be adopted by the holders of our common stock to curtail or eliminate any of the powers, preferences or special rights of our common stock, or impose new restrictions or qualifications upon our common stock. If we elect to deliver any shares of our common stock in respect of our conversion obligation, you will not be entitled to any rights as a holder of those shares until the close of business on the last trading day of the relevant observation period. For example, in the event that an amendment is proposed to our certificate of incorporation or bylaws requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the point in time you are entitled to rights as a holder of our common stock as described in the prior sentence, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

The fundamental change repurchase feature of the Series D debentures may delay or prevent an otherwise beneficial attempt to take over our company.

The terms of the Series D debentures require us to repurchase the Series D debentures for cash in the event of a fundamental change. A takeover of our company would trigger the requirement that we repurchase the Series D debentures. This repurchase feature may have the effect of delaying or preventing a takeover of our company that would otherwise be beneficial to investors in the Series D debentures.

You may have to pay taxes with respect to distributions on our common stock that you do not receive.

The conversion rate of the Series D debentures is subject to adjustment for certain events arising from stock splits and combinations, stock dividends, cash dividends and certain other actions by us that modify our capital structure. If, for example, the conversion rate is adjusted as a result of a distribution that is taxable to holders of our common stock, such as a cash dividend, you may be required to include an amount in

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income for U.S. federal income tax purposes, notwithstanding the fact that you do not receive an actual distribution. In addition, non-U.S. holders (as defined below) may, in certain circumstances, be deemed to have received a distribution subject to U.S. federal withholding taxes, which we may, at our option, set off against payments of cash and deliveries of common stock on the Series D debentures. See the discussions under the headings Certain United States Federal

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Income Tax Considerations U.S. Holders Conversion Rate Adjustment and Certain United States Federal Income Tax Considerations Non-U.S. Holders Conversion Rate Adjustment for more details.

The capped call transaction may affect the value of the Series D debentures and our common stock.

We have entered into the capped call transaction in connection with pricing of the Series D debentures. The capped call transaction is expected to reduce the potential dilution upon conversion of the Series D debentures in the event that the market value per share of our common stock, as measured under the terms of the capped call transaction, at the time of exercise is greater than the strike price of the capped call transaction, which corresponds to the initial conversion price of the Series D debentures and is subject to certain adjustments similar to those contained in the Series D debentures. If, however, the market value per share of our common stock exceeds the cap price of the capped call transaction, as measured under the terms of the capped call transaction, the dilution mitigation under the capped call transaction will be limited, which means that there would be dilution to the extent the then market value per share of our common stock exceeds the cap price of the capped call transaction. We intend to use approximately \$86 million of the net proceeds of this offering to pay the cost of the capped call transaction. If the underwriters exercise their overallotment option to purchase additional Series D debentures, we will use a portion of the net proceeds from the sale of additional Series D debentures to increase the size of the capped call transaction.

In connection with hedging the capped call transaction, the option counterparty or an affiliate thereof:

expects to enter into various derivative transactions with respect to our common stock concurrently with or shortly after the pricing of the Series D debentures; and

may enter into or unwind various derivatives and/or purchase or sell our common stock in secondary market transactions following the pricing of the Series D debentures (and is likely to do so during any observation period related to the conversion of the Series D debentures).

These activities could have the effect of increasing or preventing a decline in the price of our common stock concurrently with or following the pricing of the Series D debentures and could have the effect of decreasing the price of our common stock during any observation period related to a conversion of Series D debentures.

The option counterparty (or an affiliate thereof) is likely to modify its hedge position in relation to the capped call transaction from time to time prior to conversion or maturity of the Series D debentures by purchasing and selling our common stock, other of our securities, or other instruments they may wish to use in connection with such hedging. In particular, such hedging modifications are likely to occur during any observation period related to a conversion of Series D debentures, which may have a negative effect on the value of the consideration received upon conversion of those Series D debentures. In addition, we intend to exercise options we hold under the capped call transaction whenever Series D debentures are converted. In order to unwind its hedge position with respect to those exercised options, the option counterparty (or an affiliate thereof) expects to sell our common stock in secondary market transactions or unwind various derivative transactions with respect to our common stock during the observation period, if any, for the converted Series D debentures. In addition, if the capped call transaction fails to become effective when this offering of Series D debentures is completed, or if the offering is not completed, the option counterparty (or an affiliate thereof) may unwind its hedge position with respect to our common stock, which could adversely affect the value of our common stock and, as a result, the value of the Series D debentures.

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The effect, if any, of any of these transactions and activities on the market price of our common stock or the Series D debentures will depend in part on market conditions and cannot be ascertained at this time, but any of these activities could adversely affect the value of our common stock and the value of the Series D debentures and, as a result, the number of shares and value of the consideration that you will receive upon a conversion of the Series D debentures and, under certain circumstances, your ability to convert the Series D debentures.

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus may include or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities and Exchange Act of 1934, as amended (the Exchange Act). Our use of the words may, will, would, could, should, believes, estimates, projects, potential, plans, seeks, intends, evaluates, pursues, anticipates, continues, designs, impacts, forecasts, target, outlook, initiative, priorities, goal or the negative of those words or other similar expressions is intended to identify forward-looking statements that represent our current judgment about possible future events. All statements in this prospectus supplement and the accompanying prospectus, and in related comments by management of GM, other than statements of historical facts, including without limitation, statements about future events or financial performance, are forward-looking statements that involve certain risks and uncertainties.

These statements are based on certain assumptions and analyses made in light of our experience and perception of historical trends, current conditions and expected future developments as well as other factors that we believe are appropriate in the circumstances. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results. Whether actual future results and developments will conform with our expectations and predictions is subject to a number of risks and uncertainties, including the risks and uncertainties discussed in this prospectus supplement under the caption Risk Factors and elsewhere, and other factors such as the following, many of which are beyond our control:

With respect to GM:

our ability to realize production efficiencies, to achieve reductions in costs as a result of the turnaround restructuring and health care cost reductions and to implement capital expenditures at levels and times planned by management;

the pace of product introductions;

market acceptance of our new products;

significant changes in the competitive environment and the effect of competition in our markets, including on our pricing policies;

our ability to maintain adequate liquidity and financing sources and an appropriate level of debt;

changes in the existing, or the adoption of new, laws, regulations, policies or other activities of governments, agencies and similar organizations where such actions may affect the production, licensing, distribution or sale of our products, the cost thereof or applicable tax rates;

costs and risks associated with litigation;

the final results of investigations and inquiries by the SEC and other governmental agencies;

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changes in our accounting principles, or their application or interpretation, and our ability to make estimates and the assumptions underlying the estimates, including the range of estimates for the Delphi pension benefit guarantees, which could result in an impact on earnings;

changes in relations with unions and employees/retirees and the legal interpretations of the agreements with those unions with regard to employees/retirees;

negotiations and bankruptcy court actions with respect to Delphi's obligations to us, negotiations with respect to our obligations under the pension benefit guarantees to Delphi employees, and our ability to recover any indemnity claims against Delphi;

labor strikes or work stoppages affecting us or our key suppliers such as Delphi or financial difficulties affecting our key suppliers such as Delphi;

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additional credit rating downgrades and the effects thereof;

shortages of and price increases for fuel;

changes in economic conditions, commodity prices, currency exchange rates or political stability in the markets in which we operate;
and

other risks described from time to time in periodic reports that we file with the SEC.

Consequently, all of the forward-looking statements made in this prospectus supplement and the accompanying documents are qualified by these cautionary statements and there can be no assurance that the actual results or developments that we anticipate will be realized or, even if realized, that they will have the expected consequences to or effects on us and our subsidiaries or our businesses or operations. We caution investors not to place undue reliance on forward-looking statements. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events, or other such factors that affect the subject of these statements, except where we are expressly required to do so by law.

USE OF PROCEEDS

We will use the net proceeds (approximately \$1,276,942,500 after deducting underwriting discounts and commissions, or approximately \$1,467,750,000 after deducting such discounts and commissions if the underwriters exercise their over-allotment option in full) for general corporate purposes, which may include funding portions of our turnaround plan and addressing potential risks and contingencies described under the heading "Risk Factors" in our periodic reports on Form 10-K and Form 10-Q.

We also intend to use approximately \$86 million of the net proceeds of this offering to pay the cost of the capped call transaction that we have entered into with the option counterparty. If the underwriters exercise their over-allotment option to purchase additional Series D debentures, we will use a portion of the net proceeds from the sale of additional Series D debentures to increase the size of the capped call transaction.

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

The following table presents the ratio of our earnings to fixed charges for the periods indicated:

Three Months Ended March 31,		Years Ended December 31,				
2007	2006	2006	2005	2004	2003	2002
1.30	1.17			1.10	1.28	1.33

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Earnings for the twelve months ended December 31, 2006 and 2005 were inadequate to cover fixed charges. Additional earnings of \$4.6 billion for 2006 and \$16.0 billion for 2005 would have been necessary to bring the respective ratios to 1.0.

We compute the ratio of earnings to fixed charges by dividing earnings before income taxes and fixed charges by the fixed charges. This ratio includes the earnings and fixed charges of us and our consolidated subsidiaries. Fixed charges consist of interest and discount and the portion of rentals for real and personal properties in an amount deemed to be representative of the interest factor.

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Our common stock is currently listed on the New York Stock Exchange under the symbol GM. The following table contains, for the periods indicated, the high and low sale prices per share of our common stock and the cash dividend per share on such common stock.

	<u>High</u>	<u>Low</u>	<u>Dividend</u>
2005			
First Quarter	\$ 40.80	\$ 27.98	\$.50
Second Quarter	\$ 36.65	\$ 24.67	\$.50
Third Quarter	\$ 37.70	\$ 30.21	\$.50
Fourth Quarter	\$ 31.50	\$ 18.33	\$.50
2006			
First Quarter	\$ 24.60	\$ 18.47	\$.25
Second Quarter	\$ 30.56	\$ 19.00	\$.25
Third Quarter	\$ 33.64	\$ 27.12	\$.25
Fourth Quarter	\$ 36.56	\$ 28.49	\$.25
2007			
First Quarter	\$ 37.24	\$ 28.81	\$.25
Second Quarter (through May 24, 2007)	\$ 32.83	\$ 28.86	\$.25(1)

(1) Declared and to be paid to holders of record as of May 9, 2007.

There were 364,408 holders of record of our common stock as of December 31, 2006.

As of May 24, 2007, the last reported sale price of our common stock on the New York Stock Exchange was \$30.47.

Our payment of dividends in the future will be determined by our board of directors and will depend on business conditions, our financial condition, our earnings and other factors. See Description of Common Stock Dividends in the accompanying prospectus. In any event, you will not be entitled to receipt of dividends on the underlying shares of our common stock prior to issuance of shares upon the conversion of your Series D debentures.

Table of Contents**CONSOLIDATED CAPITALIZATION**

The following table sets forth our actual consolidated capitalization at March 31, 2007, and our capitalization as adjusted to give effect to this offering, assuming no exercise of the overallotment option. You should read the following table in conjunction with our consolidated financial statements (including the notes thereto) and Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2006 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, which are incorporated into this document by reference.

	As of March 31, 2007	
	Actual	As Adjusted
	(unaudited)	
	(in millions of U.S. dollars)	
Notes and loans payable		
Payable within one year	4,834	4,834
Payable beyond one year	33,120	33,120
FIO Payable (not classified as current/non-current)	8,297	8,297
Debentures offered hereby		1,305
	46,251	47,556
Minority interests	1,145	1,145
Stockholders' Deficit		
GM common stock	943	943
Capital surplus (principally additional paid-in capital)	15,346	15,260
Retained earnings	39	39
	16,328	16,242
Subtotal	16,328	16,242
Accumulated foreign currency translation adjustment	(1,765)	(1,765)
Net unrealized loss on derivatives	300	300
Net unrealized gains on securities	243	243
Defined Benefit Plans	(19,453)	(19,453)
	(4,347)	(4,433)
Total stockholders' deficit	(4,347)	(4,433)
	43,049	44,268
Total capitalization	43,049	44,268

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The income statement data for the three-month periods ended March 31, 2007 and 2006 and the balance sheet data as of March 31, 2007 and 2006 have been derived from our unaudited consolidated financial statements which have been incorporated into this document by reference. We believe that all adjustments necessary for the fair presentation thereof have been made to the unaudited financial data. The results for the interim period ended March 31, 2007 are not necessarily indicative of the results for the full year.

The balance sheet data for the fiscal year ended December 31, 2006 has been derived from our consolidated financial statements incorporated in this prospectus supplement and the accompanying prospectus, which have been audited by Deloitte & Touche LLP, an independent registered public accounting firm.

The following table should be read in conjunction with our consolidated financial statements (including the notes thereto) and Management's Discussion and Analysis of Financial Condition and Results of Operations, which are incorporated into this document by reference.

	Three Months Ended March 31,	
	(unaudited)	
	2007	2006
	(dollars in millions, except per share amounts)	
Consolidated Income Statement Data:		
Net sales and revenue		
Automotive sales	\$ 42,923	\$ 43,529
Financial services and insurance revenue	986	8,847
Total net sales and revenue	43,909	52,376
Costs and expenses		
Automotive cost of sales	39,047	40,073
Selling, general, and administrative expense	3,375	3,427
Financial services and insurance expense	883	8,285
Total costs and expenses	43,305	51,785
Operating income	604	591
Equity in loss of GMAC LLC	(183)	
Automotive and other interest expense	(799)	(638)
Automotive interest income and other non-operating income	386	798
Income before income taxes, other equity income and minority interests	8	751
Income tax expense		232
Equity income and minority interests, net of tax	54	83
Net income	\$ 62	\$ 602

Basic earnings per share:		
Earnings per share, basic	\$.11	\$ 1.06
Weighted average common shares outstanding, basic (millions)	566	566
Diluted earnings per share:		
Earnings per share, diluted	\$.11	\$ 1.06
Weighted average common shares outstanding, diluted (millions)	567	569
Cash dividends per share	\$.25	\$.25

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	March 31, 2007 (unaudited)	December 31, 2006	March 31, 2006 (unaudited)
(dollars in millions)			
Consolidated Balance Sheet Data:			
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 20,923	\$ 23,774	\$ 17,427
Marketable securities	159	138	1,396
Total cash and marketable securities	21,082	23,912	18,823
Accounts and notes receivable, net	9,697	8,216	6,966
Inventories	15,431	13,921	14,867
Equipment on operating leases, net	5,650	6,125	7,217
Deferred income taxes and other current assets	12,143	11,957	10,139
Total current assets	64,003	64,131	58,012
Financing and Insurance Operations Assets			
Cash and cash equivalents	301	349	17,441
Investments in securities	187	188	18,443
Finance receivables, net			180,173
Loans held for sale			18,171
Equipment on operating leases, net	10,457	11,794	32,570
Investment in GMAC LLC	7,355	7,523	
Other assets	3,684	2,269	28,996
Total Financing and Insurance Operations assets	21,984	22,123	295,794
Non-Current Assets			
Property, net	41,612	41,934	38,551
Deferred income taxes	32,476	32,967	22,387
Prepaid pension	17,639	17,366	37,478
Other assets	7,484	7,671	9,917
Total non-current assets	99,211	99,938	108,333
Total Assets	\$ 185,198	\$ 186,192	\$ 462,139
LIABILITIES AND STOCKHOLDERS EQUITY (DEFICIT)			
Current Liabilities			
Accounts payable (principally trade)	\$ 30,065	\$ 26,931	\$ 26,872
Short-term borrowings and current portion of long-term debt	4,834	5,666	1,294
Accrued expenses	34,518	35,225	43,424
Total current liabilities	69,417	67,822	71,590
Financing and Insurance Operations Liabilities			
Accounts payable	133	192	3,596
Debt	8,297	9,438	245,260
Other liabilities and deferred income taxes	1,572	1,947	29,136
Total Financing and Insurance Operations liabilities	10,002	11,577	277,992
Non-Current Liabilities			
Long-term debt	33,120	33,067	32,612
Postretirement benefits other than pensions	48,998	50,086	31,431
Pensions	11,293	11,934	11,576
Other liabilities and deferred income taxes	15,570	15,957	20,084

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Total non-current liabilities	108,981	111,044	95,703
Total liabilities	188,400	190,443	445,285
Minority interests	1,145	1,190	1,075
Stockholders' Equity (Deficit)			
Preferred stock, no par value, authorized 6,000,000, no shares issued and outstanding			
\$1 2/3 par value common stock (2,000,000,000 shares authorized, 756,637,541 and 565,738,371 shares issued and outstanding at March 31, 2007, respectively, 756,637,541 and 565,670,254 shares issued and outstanding at December 31, 2006, respectively, and 756,637,541 and 565,559,329 shares issued and outstanding at March 31, 2006, respectively)			
	943	943	943
Capital surplus (principally additional paid-in capital)	15,346	15,336	15,296
Retained earnings	39	406	3,408
Accumulated other comprehensive (loss)	(20,675)	(22,126)	(3,868)
Total stockholders' equity (deficit)	(4,347)	(5,441)	15,779
Total Liabilities, Minority Interests, and Stockholders' Equity (Deficit)	\$ 185,198	\$ 186,192	\$ 462,139

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DESCRIPTION OF SERIES D DEBENTURES

The following description of the terms of the 1.50% Series D Convertible Senior Debentures Due 2009 (the Series D debentures) offered hereby supplements, and to the extent that the terms are inconsistent, replaces the description of the general terms and provisions of the Description of Debt Securities set forth in the accompanying prospectus. The following description is a summary of the material provisions of the Series D debentures. It does not restate the terms of the Series D debentures in their entirety. The terms of the Series D debentures, and not this description, define your rights as a holder of the Series D debentures.

The Series D debentures offered hereby will be issued in an aggregate principal amount of \$1,305,000,000 (or \$1,500,000,000 if the underwriters exercise their overallotment to purchase additional Series D debentures in full) pursuant to an indenture dated as of December 7, 1995, between us and Wilmington Trust Company, as successor trustee (the trustee), as supplemented (the indenture). The indenture is more fully described in the accompanying prospectus. The Series D debentures have been authorized and approved by resolution of our Board of Directors.

As used in this description of the Series D debentures, the words we, us, our, GM and General Motors refer only to General Motors Corporation, a Delaware corporation, and do not include any of our current or future subsidiaries.

General

The Series D debentures will mature on June 1, 2009, subject to earlier conversion or repurchase. The Series D debentures will be issued in denominations of \$25.00 or in integral multiples of \$25.00. The Series D debentures will be payable at the principal corporate trust office of the paying agent, which initially will be Citibank, N.A., or an office or agency maintained by us for such purpose.

The Series D debentures will be our general, unsecured obligations and will be effectively subordinated to all of our existing and future secured debt, to the extent of the assets securing such debt. We expect from time to time to incur additional indebtedness and other liabilities. The indenture governing the Series D debentures does not limit the amount of indebtedness that we or any of our subsidiaries may incur.

We will pay 1.50% interest per annum on the principal amount of the Series D debentures. Interest on the Series D debentures will accrue from May 31, 2007 or from the most recent date