

Motors Liquidation Co
Form 8-K
June 27, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): June 27, 2012

Motors Liquidation Company GUC Trust

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction

of Incorporation)

1-43
(Commission

File Number)

45-6194071
(IRS Employer

Identification No.)

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c/o Wilmington Trust Company, as trust administrator and trustee

Attn: David A. Vanaskey Jr., Vice President

Rodney Square North

1100 North Market Street

Wilmington, Delaware
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (302) 636-6019

19890-1615
(Zip Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

As previously discussed in the Motors Liquidation Company GUC Trust s, or the GUC Trust s, Current Report on Form 8-K filed on April 28, 2011, the GUC Trust was formed on March 30, 2011 pursuant to the Second Amended Joint Chapter 11 Plan filed by Motors Liquidation Company (f/k/a General Motors Corporation), or MLC, and its affiliated debtors on March 18, 2011 and as confirmed by order of the bankruptcy court for the Southern District of New York, or the Bankruptcy Court, dated March 29, 2011. As previously discussed in the GUC Trust s Current Report on Form 8-K filed on May 11, 2012, on December 15, 2011, or the GUC Trust Funding Date, MLC transferred all remaining common stock and warrants, or, collectively, the New GM Securities, issued by General Motors Company, or New GM, then held by it to the GUC Trust. On the GUC Trust Funding Date, the GUC Trust established a tax basis, or the Tax Basis, in the New GM Securities that were then transferred to it by MLC, other than certain New GM Securities that were distributed pursuant to Section 2.3(a) of the Motors Liquidation Company GUC Trust Agreement, or, as amended, the GUC Trust Agreement, or that were sold pursuant to a Bankruptcy Court order dated March 8, 2012 (as described in greater detail in the GUC Trust s Current Report on Form 8-K filed on March 14, 2012).

As discussed in the GUC Trust s Current Report on Form 8-K filed on May 11, 2012, the GUC Trust is treated, for U.S. federal income tax purposes, as a disputed ownership fund taxed as a qualified settlement fund. As such, the GUC Trust recognizes taxable gain and/or loss from any dispositions and distributions to beneficiaries of the GUC Trust, or GUC Trust Beneficiaries, of New GM Securities (other than those distributed on or before January 13, 2012), equal to the difference between the market value of the New GM Securities at the time of disposition or distribution and the Tax Basis of such New GM Securities. Any potential U.S. federal tax liability of the GUC Trust associated with such gains is referred to herein as Taxes on Distribution. As of March 31, 2012, the GUC Trust withheld, or set-aside, New GM Securities in an approximate amount of \$108.6 million (based upon the fair value of such New GM Securities at March 31, 2012) from distribution to holders of Units (as defined in the GUC Trust Agreement), or the Tax Holdback, in accordance with Section 6.1(e) of the GUC Trust Agreement. The Tax Holdback was intended to be used to cover the potential Taxes on Distribution measured as of March 31, 2012 (based on the fair market value of the New GM Securities at March 31, 2012, reduced by certain deductions as of March 31, 2012).

Following the close of the fiscal quarter ended March 31, 2012, the trust administrator and trustee of the GUC Trust, or the GUC Trust Administrator, conducted a detailed review of the calculation utilized to determine the Tax Holdback for the quarter ended March 31, 2012, or the Calculation. On June 27, 2012, the Trust Administrator announced that, in conjunction with the professionals employed by the GUC Trust and the trust monitor of the GUC Trust, it had determined to modify the methodology underlying the Calculation to determine the amount of New GM Securities that, as withheld from distribution, would be sufficient to satisfy the current and projected Taxes on Distribution. The modified Calculation, or the Revised Calculation, includes any current and estimated potential future income tax liabilities for both gains on the New GM Securities realized upon distribution or other liquidation during the current and prior fiscal periods and potential unrealized gains on the then-remaining New GM Securities held by the GUC Trust as at the end of the current fiscal period (after deducting certain expenses and the then-current estimated future deductible expenses of the GUC Trust). The Revised Calculation

calculates such gains by comparing to their tax basis the respective market prices of the liquidated or distributed New GM Securities as at the date and time of any liquidation or distribution (in the case of realized gains), or the respective highest market prices of New GM Securities from December 15, 2011 (the GUC Trust Funding Date) to the relevant date of measurement (in the case of unrealized gains) for the then remaining New GM Securities held by the GUC Trust. The then-current applicable tax rate is applied to the realized and estimated potential unrealized gains determined in the manner set forth above, resulting in the total Tax Holdback as at the end of such fiscal period.

The Tax Holdback as at the end of any past or future fiscal periods, insofar as it relates to unrealized gains, is only an estimate of such potential liability. The market prices for the New GM Securities used in making such estimates may differ from the actual prices prevailing at the time the gains are realized (upon distribution or other disposition), income tax rates may change and the estimated future deductible GUC Trust expenses may differ from the actual amount of such expenses incurred by the GUC Trust. As a result, the Tax Holdback may need to be adjusted from one fiscal period to the next, and the amount of the Tax Holdback as at the date of the most recent fiscal period (or as at the end of any prior or future period) may be more or less than the amount of income tax expense actually incurred by the Trust. The Trust Administrator intends to reevaluate the Tax Holdback on a quarterly basis.

Forward-Looking Statements

This Form 8-K contains forward-looking statements about the assets, prospects and plans of the GUC Trust. Actual results could differ materially from those indicated by the forward-looking statements because of various risks and uncertainties, including, without limitation, the GUC Trust's incurrence of professional fees and other expenses in connection with administration of the GUC Trust, economic conditions, changes in tax and other governmental rules and regulations applicable to the GUC Trust, fluctuations in the market price of the New GM Securities, and other risks, as well as various risks and uncertainties associated with New GM, as described in New GM's periodic and current reports filed under the Securities Exchange Act of 1934, as amended. These risks and uncertainties are beyond the ability of the GUC Trust to control, and in many cases, risks and uncertainties that could cause actual results to differ materially from those indicated by the forward-looking statements cannot be predicted. When used in this Form 8-K, the words believes, estimates, plans, expects, intends, and anticipates and similar expressions are intended to identify forward-looking statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 27, 2012

MOTORS LIQUIDATION COMPANY GUC TRUST

By: Wilmington Trust Company, not in its individual capacity, but solely in its capacity as trust administrator and trustee of the Motors Liquidation Company GUC Trust

By: /s/ David A. Vanaskey

Name: David A. Vanaskey

Title: Vice President of Wilmington Trust Company