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GENERAL MOTORS CORP
Form 11-K
June 29, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549-1004
FORM 11-K

X ANNUAL REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES EXCHANGE

ACT OF 1934

For the fiscal year ended December 31, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES EXCHANGE

ACT OF 1934

For the transition period from _____ to _____

Commission file number 33-10665

GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

(Full title of the plan)

General Motors Corporation
300 Renaissance Center, Detroit, Michigan 48265-3000

(Name of issuer of the securities held pursuant to
the plan and the address of its principal
executive offices)

Registrant's telephone number, including area code (313) 556-5000

Notices and communications from the
Securities and Exchange Commission
relative to this report should be
forwarded to:

Paul W. Schmidt
Controller
General Motors Corporation
300 Renaissance Center

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Detroit, Michigan 8265-3000

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FINANCIAL STATEMENTS AND EXHIBIT

(a) FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

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SUPPLEMENTAL SCHEDULE AS OF DECEMBER 31, 2005 Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)	10

NOTE: All other schedules required by section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

(b) EXHIBIT

Exhibit 23 - Consent of Independent Registered Public Accounting Firm

SIGNATURE

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

GMAC INSURANCE PERSONAL LINES
RETIREMENT SAVINGS PLAN

(Name of Plan)

Date June 27, 2006

By:

/s/Bernard Buselmeier

(Bernard Buselmeier
Chief Financial Officer
GMAC Insurance Personal Lines

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Report of Independent Registered Public Accounting Firm

To the Trustee and Participants of
GMAC Insurance Personal Lines Retirement Savings Plan

We have audited the accompanying statements of net assets available for benefits of GMAC Insurance Personal Lines Retirement Savings Plan (the "Plan") as of December 31, 2005 and 2004, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a

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test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2005 and 2004, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2005 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/DELOITTE & TOUCHE LLP

DELOITTE & TOUCHE LLP

Raleigh, NC
June 27, 2006

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STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2005 and 2004

	2005 -----	2004 -----
Assets - Participant-directed investments	\$138,420,987 -----	\$123,021,812 -----
NET ASSETS AVAILABLE FOR BENEFITS	\$138,420,987 =====	\$123,021,812 =====

See notes to financial statements.

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GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2005 and 2004

	2005 -----	2004 -----
ADDITIONS:		

Investment income:		
Net appreciation in fair value of investments	\$3,463,349	\$7,881,235
Interest and dividends	5,373,069	3,105,451
Loan interest	296,711	263,927
	-----	-----
Net investment income	9,133,129 -----	11,250,613 -----

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Contributions:		
Employer's	5,804,474	5,529,061
Participants'	7,904,969	7,417,893
Participants' rollovers	871,785	533,631
	-----	-----
Total contributions	14,581,228	13,480,585
	-----	-----
Total additions	23,714,357	24,731,198
	-----	-----
DEDUCTIONS:		

Benefits paid to participants	8,248,824	6,274,714
Administrative expenses	66,358	89,417
	-----	-----
Total deductions	8,315,182	6,364,131
	-----	-----
INCREASE IN NET ASSETS	15,399,175	18,367,067
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	123,021,812	104,654,745
	-----	-----
End of year	\$138,420,987	\$123,021,812
	=====	=====

See notes to financial statements.

GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2005 AND 2004

1. DESCRIPTION OF THE PLAN

The following description of the GMAC Insurance Personal Lines Retirement Savings Plan (formerly Integon Employees' Retirement Savings Plan) (the "Plan")

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is provided for general informational purposes only. Participants should refer to the Plan document for more complete information.

General--The Plan is a defined contribution plan covering all eligible employees of GMAC Insurance Management Corporation (the "Company") and other business entities. The GMAC Insurance Personal Lines Corporation Employees' Retirement Savings Plan Advisory Committee, comprised of individuals appointed by the Company's Board of Directors, controls and manages the operation and administration of the Plan. Fidelity Management Trust Company ("Fidelity") serves as trustee of the Plan. The Plan is subject to the provisions of the Employment Retirement Income Security Act of 1974 ("ERISA"). The Company is 100% owned by GMAC Insurance Holdings, Inc. ("GMACI"), which is a wholly owned subsidiary of General Motors Acceptance Corporation, which, in turn, is owned by General Motors Corporation.

Eligibility--Employees, as defined by the Plan, are immediately eligible to participate in the Plan without regard to any age or service requirement. Temporary employees are eligible for participation in the Plan after one year of service providing they have worked at least 1,000 hours over 12 consecutive months, as defined by the Plan. Eligible temporary employee participation begins on the next Plan entry date, the first day of each calendar month.

Contributions--Each year, participants may contribute from 1% to 20% of their pretax annual compensation, as defined in the Plan, subject to certain Internal Revenue Code ("IRC") limitations. Employee after-tax contributions are not permitted. The Company contributes 100% of the first 6% of base compensation that a participant contributes to the Plan. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

Participant Accounts--Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, the Company's matching contributions, and allocations of Company discretionary contributions and Plan earnings, and charged with withdrawals and an allocation of Plan losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investments--Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers one common stock fund, one common trust fund and twenty mutual funds as investment options for participants.

Vesting--Participants are vested immediately in their contributions plus actual earnings thereon. Participants are immediately fully vested in the Company's matching contributions plus actual earnings thereon.

Participant Loans-- Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balances, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates at the time funds are borrowed as determined quarterly by the Plan administrator. Principal and interest is paid ratably through payroll deductions.

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GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS - (continued)

Payment of Benefits--On termination of service, a participant may generally elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Withdrawals may also be made for certain financial hardships as defined by the Plan.

Forfeited Accounts--At December 31, 2005 and 2004, forfeited nonvested accounts totaled \$22,708 and \$22,708, respectively. These accounts will be used to reduce future employer contributions. During the years ended December 31, 2005 and 2004, employer contributions were reduced by \$0 and \$0, respectively, from forfeited nonvested accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting--The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates--The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties--The Plan utilizes various investment securities including mutual funds, a common trust fund and common stock. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition--The Plan's investments are stated at fair value. Quoted market prices are used to value common stock. Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year end. Investments in the common trust fund ("fund") are stated at estimated fair value, which is determined based on the unit values of the fund. Unit values are determined by the organization sponsoring the fund by dividing the fund's net assets at fair value by the units outstanding at each valuation date. Participant loans are valued at the outstanding loan balances.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the common trust fund and mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such

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investments.

Administrative Expenses--Administrative expenses of the Plan are paid by either the Plan or the Company, as provided in the Plan document.

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GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS - (continued)

3. INVESTMENTS

The Plan's investments which represented 5% or more of the Plan's net assets available for benefits as of December 31, 2005 and 2004, are as follows:

Description of Investment	Shares		Amounts	
	2005	2004	2005	2004
Fidelity Puritan Fund	375,444	344,307	\$7,032,064	\$6,524,610
Fidelity Magellan Fund	104,810	104,057	11,155,999	10,800,039
Fidelity Contrafund	189,336	152,126	12,261,412	8,631,647
Fidelity Growth and Income Fund	206,058	180,184	7,088,383	6,884,819
Fidelity Low-Priced Stock Fund	421,749	394,029	17,224,229	15,859,674
Fidelity Diversified International	393,432	340,790	12,802,287	9,760,215
Fidelity Managed Income Portfolio	24,287,507	22,568,266	24,287,507	22,568,266
Spartan U.S. Equity Index	469,760	479,173	20,744,608	20,537,334

During 2005 and 2004, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$3,463,349 and \$7,881,235, respectively, as follows:

Description of Investment	2005	2004
Mutual funds	\$3,850,421	\$8,060,778

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Common stock fund	(387,076)	(179,543)
	-----	-----
	\$3,463,349	\$7,881,235
	=====	=====

4. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are units of participation in a common trust fund and shares of mutual funds managed by Fidelity. Fidelity is the trustee as defined by the Plan, and therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund. Fees paid by the Plan for certain administrative trustee fees were \$66,358 and \$89,417 in 2005 and 2004, respectively.

At December 31, 2005 and 2004, the Plan held 22,058 and 19,216 shares, respectively, of common stock of General Motors Corporation, with a cost basis of \$829,886 and \$865,726, respectively. During the years ended December 31, 2005 and 2004, the Plan recorded no dividend income.

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GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS - (continued)

Certain plan investments are loans to participants who may be employees of the Sponsor, and therefore, these transactions qualify as party-in-interest transactions.

5. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

6. FEDERAL INCOME TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company, by a letter dated November 26, 2003, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan has been amended and restated since receiving the determination letter. The Company and Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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GMAC INSURANCE PERSONAL LINES RETIREMENT SAVINGS PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS
 (HELD AT END OF YEAR)
 DECEMBER 31, 2005

Identity of Issue, Borrower, Lessor or Similar Party -----	Description of Investments, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value -----	Cost -----	Current Value -----
Fidelity Institutional Retirement Services Company:			
* Puritan Fund	Mutual Fund	**	\$ 7,032,0
* Magellan Fund	Mutual Fund	**	11,155,9
* Contrafund	Mutual Fund	**	12,261,4
* Investment Grade Bond Fund	Mutual Fund	**	4,540,0
* Growth and Income Fund	Mutual Fund	**	7,088,3
* Low-Priced Stock Fund	Mutual Fund	**	17,224,2
* Diversified International Fund	Mutual Fund	**	12,802,2
* Freedom Income Fund	Mutual Fund	**	537,4
* Freedom 2000 Fund	Mutual Fund	**	373,4
* Freedom 2005 Fund	Mutual Fund	**	3
* Freedom 2010 Fund	Mutual Fund	**	1,254,3
* Freedom 2015 Fund	Mutual Fund	**	35,4
* Freedom 2020 Fund	Mutual Fund	**	2,507,8
* Freedom 2025 Fund	Mutual Fund	**	88,4
* Freedom 2030 Fund	Mutual Fund	**	3,569,0
* Freedom 2035 Fund	Mutual Fund	**	69,9
* Freedom 2040 Fund	Mutual Fund	**	78,4
* Fidelity Mid-Cap Stock	Mutual Fund	**	4,588,7
* Managed Income Portfolio	Common Trust Fund	**	24,287,5
* MSIFT Value Advisor	Mutual Fund	**	2,159,6
* Spartan U.S Equity Index	Mutual Fund	**	20,744,6
* General Motors	Common Stock Fund	**	440,9
* Various participants	Participant loans (maturing through 2014 at interest rates of 3% to 10.5%)	**	5,580,3
Total investments			----- \$138,420,9 =====

* Permitted party-in-interest transactions.

** Cost information is not required for participant-directed investments and, therefore, is not included.

