



Cadillac

January 28, 1993

Mr. Donald R. Signer
Don Signer Buick, Inc. dba
Signer Cadillac
38623 Fremont Boulevard
Fremont, CA 94536

Dear Don,

This letter reaffirms and summarizes Cadillac Motor Car Division's agreement with you to relocate your dealership currently located at 38623 Fremont Boulevard to the Fremont Auto Mall.

Cadillac's "letter of intent" to you on October 4, 1989, in short, agreed that Cadillac would offer a Dealer Sales and Service Agreement to a dealership company designated by you if satisfactory Dealer premises were provided and completed in the Fremont Auto Mall. It was understood that your current facilities were not acceptable for dual representation of Buick and Cadillac products.

In your letter of January 19, 1990 to Frank Liebgott, you requested that Cadillac give special consideration to approving an interim Sales and Service Agreement for your current facilities until your New Premises were completed. You supported this request for reasons that the Fremont Auto Mall was experiencing development delays and that this would enable you to obtain additional revenues and capital to support your relocation to the auto mall.

On June 13, 1990, Cadillac reluctantly approved a temporary Sales and Service Agreement to dual with your current Buick facilities to assist your efforts in relocating to the Fremont Auto Mall. Part of this Agreement was a letter of understanding outlining the terms of your relocation to the auto mall. That letter contained requirements which were part of Cadillac's willingness to enter into this agreement and your willingness to relinquish your Cadillac franchise upon Cadillac's request if such requirements were not met. The letter of understanding included in part of the following requirements:

1. This premises currently utilized for the sale and service of products of Buick Motor Division, at 38623 Fremont Boulevard, Fremont, California are not acceptable on a permanent basis for dual representation of Cadillac products. However, Cadillac is willing to permit temporary representation of its products from this location in reliance upon your commitment to relocate these facilities to the proposed Fremont Auto Mall at I-880 and Durham Road.
2. In fulfilling this commitment, you agree to submit a written request to Cadillac by July 1, 1991 proposing a specific location and describing the facilities you intend to construct. It is recommended that any realty option that may be entered into by your dealer company be made subject to Buick's approval and allowed sufficient time for Buick's review and response. You shall take all steps necessary to secure the New Premises and, in any event, shall take title to the New Premises no later than January 1, 1992. Your request shall contain dates by which you commit to commence and complete construction and begin Dealership Operations at the New Premises.

Cadillac Motor Car Division - General Motors Corporation
Mailing Address: P.O. Box 23850 - Oakland, CA 94623
Northwest Zone Office: 39465 Paseo Padre Parkway - Fremont, CA 94538 (510) 498-5242



3. Your company will provide completely acceptable facilities at the New Premises no later than July 1, 1992. Such facilities are to be adequate in size, satisfactory in appearance and layout, properly equipped to conduct Dealership Operations, and substantially in accordance with the recommended space guides provided by Buick Division.

In Buick's letter to you dated May 29, 1992, it was agreed that the auto mall had not developed as expected, and you had not met the interim action dates in the Cadillac June 13, 1990 letter. Buick and Cadillac again reiterated jointly their commitment to you to proceed with the relocation to the Fremont Auto Mall. You also agreed that the terms of Cadillac's June 13, 1990 letter would remain in effect with the exception that a new set of dates be amended as follows:

2. You agreed to submit a written request to Cadillac by July 1, 1992, proposing a location and describing the facilities you intend to construct.....shall take title to or execute a lease agreement on the New Premises no later than December 1, 1993.....
3. Your company will provide completely acceptable facilities at the New Premises no later than June 1, 1994.

In Summary, it is Cadillac's resolve to hold you accountable to our agreement for you to provide adequate facilities for Buick and Cadillac as specified in our agreements dated June 13, 1990 and amended May 29, 1992. Failure to provide adequate facilities as stated, and failure to comply with the action dates as set forth, will be considered a breach of our current Agreement. Such breach will be considered terms for nonrenewal of your current Cadillac Dealer Agreement on its expiration October 31, 1995.

I trust you understand the seriousness of Cadillac's commitment in this most important matter.

Very truly yours,

CADILLAC MOTOR CAR DIVISION
General Motors Corporation



G. J. Warner
Zone Sales and Service Manager
Northwest Zone

cc: J. P. Fetzer
Dealer Development
Buick Motor Division

Certified Mail-Return Receipt