

**MOTORS HOLDING DIVISION
GENERAL MOTORS CORPORATION**

EXECUTIVE OFFICES

GENERAL MOTORS BUILDING

DETROIT, MICHIGAN 48202

February 24, 1997

TO ALL DEALER COMPANIES IN WHICH MOTORS HOLDING HAS AN INTEREST

I am writing this letter to detail the functional reorganization of Motors Holding Division, to provide the underlying rationale for the change and to reaffirm our commitment to you, our dealer partners.

You are all familiar with the challenges to our industry. Almost daily new challenges surface. GM's 2000 Plan and Channel Strategy were developed to help GM meet these challenges by the year 2000. But, the year 2000 is too far away. We need to accelerate our efforts now.

This acceleration is constrained by human resources. In addition to their regular responsibilities, Motors Holding field personnel have been involved in network development projects. Therefore, we determined an organizational shift was appropriate which would enable us to accelerate the Plan while continuing to focus on the Motors Holding portfolio.

Effective March 1, 1997, thirteen (13) Motors Holding personnel will be reassigned to Dealer Network Development. They will now be responsible for all dealership acquisitions needed for implementation of GM's 2000 Plan and Channel Strategy. Motors Holding will continue to invest in a significant number of these initiatives.

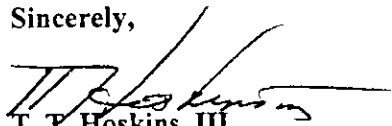
Motors Holding, as a portfolio management activity, will have a field organization of fourteen (14) portfolio managers (formerly called branch managers) and fourteen (14) portfolio accountants (formerly called branch business managers) supervised by two (2) regional portfolio directors. All branch locations remain in place with the exception of Seattle and Memphis. The affected dealers will be assigned to San Francisco and Cincinnati, respectively.

As a result of these changes, the Board of Directors will consist of a regional portfolio director, a branch portfolio manager and yourself. If applicable, we will implement these board changes as soon as the personnel appointments are completed.

We also have plans to increase the central office staff to provide more field support, such as dealer operating systems, tracking, measurement and resource specialists. A copy of our planned organization chart is enclosed.

This restructure in no way affects our goal of independently owned and operated, highly effective and profitable GM dealerships that meet or exceed the customers' needs. To that end, we are looking forward to the enhancements we are planning to institute that will help improve performance and provide another acceleration to the retirement of our investment interest.

Sincerely,


T. F. Hoskins, III
General Director



Lots Get It Together
SAFETY BELTS SAVE LIVES

**MOTORS HOLDING
NAO DEALER NETWORK INVESTMENT & DEVELOPMENT - GENERAL MOTORS CORPORATION**

(Rev. 3/1/97)

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** GM DIAL NETWORK NUMBER *** FAX NUMBER

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	NORTHEAST	2500 Westchester Avenue Purchase, NY 10577	(914) 251-5038 **8-440-5038 *** (914) 251-5037	J. BUSTETTER (Jon) 5281 58412	J. THORSPECKEN (JoAnne) 58117	TBD
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	MIDEAST Mail: P. O. Box 465613 Cincinnati, OH 45246	155 Tri-County Parkway Suite 220 Cincinnati, OH 45246	(513) 552-3865 **8-358-3865 *** (513) 552-3931	J. M. BERRY (Janice) 3919	P. McNEIL 1038 (Pam)	E. J. CHELLAND 3934 (Ernie)
NORTH CENTRAL Mail: P. O. Box 33125 Detroit, MI 48232	New Center One Building 3031 W. Grand Blvd., Suite 402 Detroit, MI 48202	851 Dupontail Road Wayne, PA 19087	(313) 974-7750	P. M. FIELDS (Paul)	L. A. CAUZILLO (Linda) 1520	V. J. HARRIS (Valerie) 7726
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			(805) 373-9664 **8-620-9664 *** (805) 373-9596	LAI: M. FLORY (Mike) 9665 LA2: L. KADUSKY (Lori)	K. JESPEERS 9664 (Kennetha)	LAI: R. L. HENDERSON 8476 (Ruby) LA2: TBD
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