



General Motors Corporation

OUTLINE FOR A PROPOSAL FROM APPLICANT(S) FOR A SPECIFIC DEALERSHIP POINT

Location of Dealership 4411 Peralta Blvd. Fremont, California
Street Address City State

Motor Vehicles Handled Pontiac, GMC Truck

Type of Change* Sell out

This outline is being provided to assist you in preparing a written proposal for a General Motors Corporation Dealer Sales and Service Agreement. The items listed below require that you either complete certain forms or prepare a written statement with respect to a particular aspect of your proposed dealership operations.

This outline is supplied by the Division as a convenience to the applicant without any obligation whatsoever on the part of the Division or any of its representatives. Only when all the material requested is received will the Division consider this proposal as being complete.

In the event the proposed dealership operation is to be authorized to represent more than one General Motors car and/or truck division, the Division with Business Management Responsibility will provide a copy of the applicant's proposal and appropriate forms to the other division(s) involved.

(A) FORMS TO BE COMPLETED BY APPLICANT(S):

NOTE: Division will circle the appropriate forms to be completed.

1. Application for a General Motors Corporation Dealer Sales and Service Agreement, GMMS 1018, to be completed by the proposed dealer operator.
2. Application for Approval of a Financial Investment in a Motor Vehicle Dealership, GMMS 1018A, to be completed by each proposed other financial investor.
3. Application for Approval of an Executive Manager, GMMS 1032, to be completed by the proposed executive manager.
4. Applicant's Source of Funds Statement, GMMS 10188, to be completed by the proposed dealer operator and each proposed other financial investor.
5. Proposed Dealer Balance Sheet, GMMS 1021, to be completed by the proposed dealer operator.
6. Dealer Sales and Profit Forecast, GMMS 1024, to be completed by the proposed dealer operator.
7. Dealership Locations and Premises Addendum, GMMS 1016.

The foregoing forms when designated are to be completed and submitted to the Divisional Zone Branch Office with applicant's proposal unless they have already been completed and submitted within the last six months and there is no change in the information previously provided.

(B) PROPOSED DEALER OPERATOR/OWNER(S)

1. Provide a statement to the effect that this proposal is intended to be made a part of the Applications of its signers.
2. With respect to the proposed dealer operator and each financial investor, provide a statement designating his/her office, title and role in the management of the proposed dealership entity.
3. If any investment capital funds are to be borrowed personally for initial ownership equity of an owner, identify sources, terms and conditions of contemplated borrowings, including copies of any lender commitments in hand. If such funds are to be acquired through outright gifts, give identity of the proposed donor, proposed donor's written statement of intentions, and proposed donor's written authorization for a standard independent character and credit check of same by the Division. A written statement by donor(s) should be provided that donor(s) has no objection to attempts by Division to verify the information provided and will not consider such an investigation to constitute an invasion of donor's privacy.
4. With respect to all proposed owners, furnish copies of any and all present or proposed written understandings between themselves and or the proposed dealership entity and or third parties with respect to capital stock voting rights, owner compensation, profit sharing, options to acquire additional ownership equity, limitations with respect to disposal of ownership equity, etc. If there is no written understanding, provide a summary of all verbal understandings, if any.

*Indicate type of change such as sell out, closing of open point, etc.
(To be completed by Division)

(C) PROPOSED DEALERSHIP ENTITY

1. State the precise name of the proposed dealership, including punctuation marks.
2. State the proposed type of business entity.
 - If a new corporation, give specific plans with respect to formation including:
 - a. Name of State issuing charter and date, if known.
 - b. Total stock shares authorized and class of each type.
 - c. Total stock shares to be issued, by class.
 - d. Limitations on any class of stock contained in by-laws.
 - e. Par value of each class of shares and subscription price per share.
 - If a corporation which presently exists, give similar information regarding that entity; summary of its present and past business activities and financial history; and current certified Balance Sheet.
 - If a partnership, give information relative to this entity and provide a copy of the partnership agreement.
3. Submit a proposed beginning Balance Sheet of the dealership entity by using form GMMS 1021 and also provide the following:
 - a. A detailed explanation of all Assets on the proposed Balance Sheet which will not be used in the new motor vehicle dealership.
 - b. A complete list of proposed creditors stating the applicable terms and conditions of any long-term obligations of the proposed dealership entity, including collateral, maturity date, interest rate and repayment schedule.
 - c. A complete breakdown by account of the Net Worth section of the beginning Balance Sheet if any invested capital will be identified as capital surplus, paid-in capital, tax paid capital or similar designation.
4. Provide an acknowledgment to the effect that applicants have been provided sample copies, and have reviewed in complete detail, the standard documents which relate to the current Dealer Sales and Service Agreement, as follows:
 - "Dealer Sales and Service Agreement", GMMS 1012
 - "Dealer Sales and Service Agreement — Additional Provisions", GMMS 1013
 - "Dealer Statement of Ownership", GMMS 1014
 - "Capital Standard Addendum", GMMS 1015
 - "Dealership Locations and Premises Addendum", GMMS 1016
 - "Area of Primary Responsibility", GMMS 1031

(D) PROPOSED DEALERSHIP PREMISES

1. Provide a list on GMMS 1016 "Dealership Locations and Premises Addendum" of all premises from which the proposed dealership entity contemplates conducting Dealership Operations, including:
 - Precise locations and addresses.
 - Precise size, in terms of both usable square feet and number of stalls, at each location and usage of all areas.
 - Identify portion of any areas to be used for non-General Motors activities.
2. Provide a breakdown of total occupancy costs contemplated for each such location, including:
 - On leased facilities, the terms and conditions of any lease, including identification of real estate ownership, rent, amortization of leasehold improvements, maintenance, taxes and insurance, etc.
 - On owned facilities, a schedule of anticipated total investment therein; sources of funds for the purchase and annual occupancy costs, including depreciation, mortgage interest, taxes, insurance, maintenance, etc.
3. If preliminary discussions between applicant(s) and Divisional representatives have established that the initially contemplated Dealership Premises do not satisfy completely Article 2.2 of the Dealer Agreement as to location, capacity and/or appearance of proposed Dealership Premises and/or Locations, applicant plans and intentions for remedying such deficiencies will be expected in as specific terms as may be then possible.

(E) OPERATIONAL FORECASTS

It is expected that the proposed dealer operator of a proposed new dealership entity shall develop a detailed operational sales and profit forecast, contemplating at least the first full year of operations of the proposed dealership entity under conditions outlined in the applicants' proposal. Representatives of the Division, if requested, will provide to the proposed dealer operator, zone branch or regional operational averages and car or truck registration information to assist applicant in completing a forecast. Form GMMS 1024 is provided for completing the forecast for the first year.



PONTIAC MOTOR DIVISION
General Motors Corporation

APPLICATION FOR A GENERAL MOTORS CORPORATION DEALER SALES AND SERVICE AGREEMENT

Date April 26, 1991

San Francisco
(Name and Location of Zone Office)

Gentlemen:

Acting on my behalf or on behalf of such partnership or corporation as I may later propose, I hereby apply for a General Motors Corporation Dealer Sales and Service Agreement (Dealer Agreement) for motor vehicles marketed by the Division of General Motors Corporation identified above.

As part of this Application, I have completed the Questionnaire for a Dealer Agreement.

I understand that if this Application is favorably acted upon by Division, the parties to the Dealer Agreement will be Division and either I or such other proposed business entity as Division consents to contract with and that the Division will name in the Dealer Agreement the individuals upon whose participation in the ownership and/or operation of the proposed dealership operations Division will be relying in entering into the Dealer Agreement.

In making this Application, I acknowledge and agree that:

- (1) The forms for this Application and Questionnaire were supplied to me by Division as a convenience to me and their receipt by Division for consideration shall be without any obligation whatsoever on the part of Division or any of its representatives.
- (2) No one other than the GENERAL MANAGER, GENERAL SALES MANAGER, SALES MANAGER OR ASSISTANT GENERAL SALES MANAGER of Division has the authority to approve any proposal that may be subsequently submitted in support of this Application for a Dealer Agreement. Such approval, if given, will be only in the form of either: (a) a written Dealer Agreement executed on behalf of Division and the party named as "Dealer" in the introductory paragraph thereof, or (b) a written "Letter of Intent" to execute a Dealer Agreement executed on behalf of the Division by either the GENERAL MANAGER, GENERAL SALES MANAGER, SALES MANAGER, ASSISTANT GENERAL SALES MANAGER, REGIONAL OR ZONE MANAGER and accepted by me. Any action taken, expenditures made, or commitments assumed, by me, by anyone to be associated with me in the proposed dealer company, or by the proposed dealer company itself, prior to receipt by me of such written Dealer Agreement shall be at my or their sole risk and responsibility without any liability or obligation whatsoever on the part of Division or any of its representatives.
- (3) Neither I nor the dealer company which I may propose will be entitled to rely upon any representation or statement indicating approval of this Application made to me or anyone else by any representative or employe of Division or any other person whatsoever prior to receipt of a Dealer Agreement or an appropriate "Letter of Intent" executed by Division.
- (4) Any material misrepresentation, whether intentional or unintentional, in the information submitted by me in connection with this Application or in the Questionnaire shall be grounds upon which Division may either: (a) elect to no longer consider my Application, or (b) immediately terminate any "Letter of Intent", or (c) immediately terminate any Dealer Agreement executed by Division with me or the dealer company designated by me.
- (5) Division is hereby authorized to obtain any additional information it desires concerning my personal background, including credit or investigative reports, from the references listed as well as any other person, including any credit or investigative agency and present or former employers.
- (6) If I am listed in a Dealer Agreement as Dealer Operator, I will establish and maintain my principal residence in or in the vicinity of the Area of Primary Responsibility specified in such notice to the Dealer Agreement, and I will actively participate in the daily management of the dealership's operation, unless approved as a Multiple Dealer Operator.
- (7) This application will be retained by Division for a period of one year from the date below. In the event I should wish to have an Application for a Dealer Agreement on file after such time, I will file a new Application and Questionnaire.
- (8) No representative or employe of Division or any other person, has the authority or power to approve or effect in any manner whatsoever any change in or modification of the terms of this Application.

Very truly yours,

Donald M. Higgins April 26, 1991
Signature of Applicant Date

William M. Kautsky April 26, 1991
Signature of Witness Date

Name in Full Donald Richard Signer Date April 26, 199
 Home Address [REDACTED] Fremont, CA 94539 Telephone (415) 651-1913
 (current) Street City State Zip Code Area Code
 Business Address 38623 Fremont Blvd. Fremont, CA 94536 Telephone (415) 794-9333
 Street City State Zip Code Area Code
 Birthplace Portland, Oregon Date of Birth 1/31/51 Social Security No. [REDACTED]
 Married Unmarried X Separated Divorced Number of Dependents
 Ages of All Children N/A
 Education: High School 4 years; Year H.S. Graduation 1968, College 4 years; Degree: Bus. Admin.
 Condition of Your Health Excellent
 Have you ever been employed by the General Motors Corporation or any of its Divisions or subsidiaries? No
 If yes, Period From N/A To Last Division
 Last Title N/A Last City, State

Present and Previous Business Experience: (Account for all periods during at least past 15 years)

Period From	To	Firm Name City, State	Last Position	Ownership	Product or Car Lines	Reason for Leaving
2/82	Prst	Don Signer Buick, Inc. dba Signer Buick, Signer Cadillac	President	100 %	Buick, Cadillac	Presently employed
11/80	2/82	Signer-Cram Buick, Inc.	President	50 %	Buick	stock ownership change only
6/72	10/80	Signer Motors, Inc. Corvallis, Oregon	Sales Manager	12 %	Buick, Cadillac GMC, Jeep	Open Fremont p
				%		
				%		

Indicate year and gross annual income for last five years: \$ 225,000 (1986) \$ 34,000 (1987)
 \$ (106,000) (1988) \$ (125,000) (1989) \$ 105,000 (1990)

Important: If you are presently employed by a General Motors authorized motor vehicle dealer, attach a letter from the Dealer-Operator describing your present job responsibilities.

Are you now, or have you ever been an owner, operator or financial investor:

- In a General Motors or Non-General Motors new motor vehicle dealership? Yes
- In a General Motors or Non-General Motors power products or service parts distributorship? No

If the answer to either is yes, attach a statement specifying the firm or firms, location, lines carried and indicating whether you were an operator, financial investor, or owner (including percent of ownership) and setting forth the dates during which you were so associated.

In addition to the foregoing, indicate if you have applied for a Dealer or Distributor Agreement for any General Motors products in the past No. If you have, please attach explanation.

Personal Character References: (Other than relatives or employers)

Name	Address	City, State	Years Known	Business
John Juarez	[REDACTED]	Newark, CA	10	Banking
Paul Boas	[REDACTED]	Fremont, CA	9	Banking
Richard Fields	[REDACTED]	Fremont, CA	7	Securities
Peter Ball	[REDACTED]	Corvallis, OR	25	Insurance
Jim Leavitt	[REDACTED]	Livermore, CA	12	GMAD-Retired

Have you at any time been convicted of, or pleaded no contest to, a crime? No If the answer is yes, attach a detailed description of the circumstances, identifying the title of the case, court, and the exact nature of the charge.

Have you, or any business in which you were either a principal owner, officer or a director, been held liable in or settled out of court any civil action (including an administrative proceeding seeking an injunctive or other restrictive order)? No
If the answer is yes, attach a statement listing the title and nature of each such action, and the court or administrative agency in which it was filed. If for any reason a complete listing is not attached, your statement must so indicate and set forth the reason for its absence.

Are you, or any business in which you were or are a principal owner, officer or a director, a party to any presently pending civil or criminal action or administrative proceeding? No
If the answer is yes, attach a statement listing the title and nature of each such action, and the court or administrative agency in which it is pending.

Have you ever had any wages or other forms of compensation attached, seized or levied upon by any creditors, including any governmental authority? No

Have you, or any business in which you were either a principal owner, officer or a director, ever instituted or had instituted against you a bankruptcy, insolvency or receivership proceeding, or made a general assignment for the benefit of creditors? No If the answer to either of the previous two questions is yes, attach a detailed description of the circumstances, including the disposition of the matter.

Are any members of your immediate family, relatives, or in-laws in the employ of General Motors Corporation or any of its subsidiaries? No If yes, state full name and relationship to you, position presently held, name and location of Division or subsidiary.

Estimated annual living costs for you and your dependents \$ 65,000 Do you receive outside income? No If yes, approximate annual amount and source: N/A Amount of life insurance \$ 500,000

Are you an endorser on any promissory notes, mortgages, bonds, etc. of others? No If yes, explain fully:

Have you ever been bonded? No Name and location of Bonding Company: N/A

Has your bonding application ever been rejected? No If yes, name of Bonding Company and details, including year:

Brief description of your experience, so far as general managerial, automotive sales and service capabilities are concerned, and why you believe you are qualified to operate a General Motors dealership: President and Gen. Mgr. of dealership owned since 1980. Previously Sales Manager of mother's dealership 1972-1980.

Personal Financial Information As Of (Date): March 31, 1991

— My Personal Assets —		— My Personal Liabilities —	
Cash on Hand and in Bank		Current Accounts Payable	\$
(1) <u>Bank of America</u>	\$ <u>265</u>	Notes Payable	<u>260,000</u>
(2) <u>Loan to dealership</u>	<u>763,000</u>	Mortgages	<u>492,100</u>
(3) _____	_____	Installment Accounts	_____
(4) _____	_____	Income Tax Liability	_____
Total Current Assets	\$763,265	All Other Obligations	<u>30,000</u>
(1) Real Estate — House	\$ <u>590,000</u>	Total Liabilities	\$782,100
(2) Other	<u>176,200</u>	— My Personal Net Worth —	
(3) <u>Signer Buick (584,148)</u>		Current Personal	
(4) <u>LIFO</u>	<u>242,872</u>	Unencumbered Net Worth	<u>\$406,089</u>
Total Other Personal Assets	\$424,924	Total	\$1,188,189
Total Personal Assets	\$1,188,189		

(If this Application is on behalf of a proposed dealership entity and relates to a specific location, a "Source of Funds Statement" (GMMS 1018B) must be completed and attached hereto.)

Approximate annual new unit sales volume of dealership desired 700 additional

Location preference (if any) (City, State) Fremont, California Would you be sole Owner? No

Would you be present to observe and actively participate in the daily operations at the dealership? Yes If yes, to what extent?
President and General Manager

If you would not actively manage the dealership, who would? N/A

How much money are you prepared to invest in the dealership? All capital of Don Signer Buick, Inc.

By what date would this amount be available? Now If any of the assets listed above are to be liquidated, how would the liquidation be effected? N/A

Estimate how long the liquidation would take. N/A

Would any funds you plan to invest be borrowed or be otherwise encumbered? Yes If yes, state amount, from whom, terms, restrictions and repayment program: Home mortgage, DiGiulio Pontiac \$300,000 (repayment terms in Asset Purchase Agreement)

Is any portion of the funds you plan to invest an outright gift? No If yes, amount \$ N/A When available? N/A

Donor's name, address and relationship to you: N/A

Could you obtain additional capital if necessary? No If yes, amount \$ _____ Secured \$ _____
Unsecured \$ _____ From whom: _____

Would this be a dealer company or personal liability? _____

Bank Reference: Name and Address: Bank of America, 40665 Fremont Blvd., Fremont, CA

Officer's Name: Leah Duncan

Name and Address: _____

Officer's Name: _____

If you would not be the sole owner, list the names of persons you would propose to have a financial interest in the dealer company:

Name(s) of Other Possible Investors	Relationship to You (If Any)	Mailing Address
<u>Gloria J. Signer</u>	<u>Mother</u>	<u>705 N. W. Buchanan Corvallis, OR 97330</u>

Each proposed investor will need to complete an "Application for Approval of a Financial Investment in a Motor Vehicle Dealership" (GMMS 1018A).

Would any borrowing of funds by any such investor involve any liability to the dealer company? No If yes, explain N/A

Do any of these possible investors now have a financial interest in any other new motor vehicle dealership? Yes If yes, list investor's name, dealer firm name, town and state, lines handled and percent of ownership interest in each case: Gloria J. Signer, Signer Motors, Inc., Corvallis, Oregon, Buick, Cadillac, GMC, Jeep/Eagle, to own 35%

For the purpose of completing this Questionnaire in support of my Application for a General Motors Corporation Dealer Sales and Service Agreement and for the purpose of obtaining and maintaining credit and other considerations, I have furnished the foregoing information which fully sets forth my true and accurate personal background and financial condition as of the dates set forth herein. I have no objection to attempts by Division to verify this information and will not consider such an investigation to constitute an invasion of my privacy as I realize this information is necessary for purposes of reviewing and evaluating this Application.

[Signature]
Signature of Witness

April 26, 1991
Date

[Signature]
Signature of Applicant

April 26, 1991
Date