

HEARING DATE AND TIME: April 8, 2010 at 9:45 a.m. (Eastern Time)
OBJECTION DEADLINE: April 7, 2010 at 4:00 p.m. (Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re Chapter 11
MOTORS LIQUIDATION COMPANY, *et al.*, Case No. 09-50026 (REG)
(f/k/a General Motors Corp., *et al.*)
Debtors. (Jointly Administered)
-----X

**MOTION OF ZINN COMPANY, INC. FOR AN ORDER COMPELLING
DEBTORS AND THEIR SUCCESSOR TO COMPLY WITH THEIR
PAYMENT OBLIGATION UNDER WIND-DOWN AGREEMENT**

TO THE HONORABLE ROBERT E. GERBER,
UNITES STATES BANKRUPTCY JUDGE:

Zinn Company, Inc. (“Zinn”) respectfully represents:

Summary of Relief Requested

1. Zinn is a former GM dealer which was terminated in November 2009 pursuant to written agreements between General Motors Corporation (“GM”)¹ and Zinn. Under those agreements, GM agreed to pay Zinn a total “wind-down” amount of \$903,671, in two payments: 25% of the total amount within ten business days after the

¹ As used herein, “GM” includes the debtors as well as its successor entity to which it sold certain of its assets, General Motors LLC, pursuant to order of this Court.

signing of the agreements (and Bankruptcy Court approval, if needed), and the remaining 75% within ten business days after the satisfaction of various conditions stated in the agreement.

2. Zinn has satisfied all of those conditions, as GM has acknowledged in writing. GM nevertheless refused to make the final payment, in the amount of \$677,753, unless Zinn first signed and delivered to GM a waiver of Zinn's right to arbitrate so as to be reinstated as GM dealer, pursuant to certain provisions (the "**Federal Dealer Legislation**") contained in the Consolidated Appropriations Act, 2010, which was enacted in December 2009 (Public Law 111-117, 123 Stat. 3034, Dec. 16, 2009).

3. Waiver of the right to arbitrate under the Federal Dealer Legislation was not a condition of the wind-down agreements. The deadline for GM to make the final payment to Zinn passed on or about December 28, 2009.

4. Further, GM recently has claimed that its obligation to make the \$677,753 payment to Zinn is subject to an alleged charge-back in the amount of \$556,671, resulting from a GM audit of Zinn's dealership that occurred in March 2009, and which Zinn supposedly is not entitled to challenge. That alleged charge-back is illegal, unfounded, and at minimum grossly excessive.

5. Accordingly, by this motion Zinn seeks an order compelling GM to pay \$677,753 to Zinn immediately, free of the claimed charge-back or any other set-off or reduction, or alternatively, compelling such payment and, to the extent that GM thereafter pursues such charge-back against Zinn, providing that Zinn may assert all appropriate defenses against the alleged charge-back in any appropriate forum.

Jurisdiction

6. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

7. In addition, the Wind-Down Agreement that is the basis for this motion (described in ¶¶ 9-14 below; *see also* Exhibit A hereto) provides, in paragraph 13, that this Court “shall retain full, complete and exclusive jurisdiction to interpret, enforce and adjudicate disputes concerning the terms of this Agreement and any other matter elated thereto.”

Background

8. Zinn operated a GM dealership in southern Florida for the Pontiac, Buick and GMC brands since the 1990’s.

9. On or about June 1, 2009, the day on which GM filed its petition in this case, GM sent certain of its dealers, including Zinn, a proposed “**Wind-Down Agreement**” dated as of June 1, 2009. The proposed agreement provided in essence that Zinn would be terminated as a GM dealer in exchange for certain wind-down payments, in accordance with terms stated in the proposed agreement. A legend on the bottom of each page of the proposed agreement provided that the agreement would be null and void “if not executed by dealer and received by GM before June 12, 2009 or if dealer changes any term or provision herein.”

10. Zinn signed and returned the proposed Wind-Down Agreement to GM before June 12, 2009. GM in turn also signed the agreement and returned to Zinn a fully executed copy of it along with a cover memo dated August 7, 2009. A copy of the

August 7 cover memo and the fully executed Wind-Down Agreement is attached hereto as **Exhibit A**.

11. Under section 3(a) of the Wind-Down Agreement, GM² agreed to pay Zinn a total “Wind-Down Payment Amount” of \$903,671. Under section 3(b) of that agreement, GM agreed to pay Zinn:

(a) an “Initial Payment Amount” equal to 25% of the Wind-Down Payment Amount “within ten (10) business days following the later of (i) GM’s receipt of any required Bankruptcy Court approvals, or (ii) full execution and delivery of this Agreement”; and

(b) a “Final Payment Amount” equal to 75% of the Wind-Down Payment Amount (*i.e.*, \$677,753) “within ten (10) business days after all of the following have occurred: [listing seven numbered conditions – *see* ¶ 13 below].”

12. GM paid Zinn the Initial Payment Amount (\$225,918) on or about July 30, 2009.

13. The seven conditions to GM’s payment of the Final Payment Amount, as stated in section 3(b) of the Wind-Down Agreement, were as follows (paraphrasing):

- (i) Zinn has sold all of its GM inventory,
- (ii) Zinn has complied with all applicable bulk transfer and sales transfer tax laws,
- (iii) Zinn has delivered to GM certificates of applicable taxing authorities or other reasonable evidence confirming compliance with condition (ii), such that GM will have no liability therefor,

² The Wind-Down Agreement bound GM or a purchaser (the “**363 Acquirer**”) to which, as the Wind-Down Agreement recited, GM intended to “sell, convey and otherwise transfer certain of its assets.” *See, e.g.*, Wind-Down Agreement, Recital C; *id.*, section 3(b). As noted at footnote 1 above, references herein to GM are deemed to refer to the 363 Acquirer, to the extent applicable.

- (iv) the effective date of termination of Zinn's GM dealership agreements, as provided in section 2(a) of the Wind-Down Agreement, has occurred,
- (v) Zinn has complied with section 4(c) of the Wind-Down Agreement (which required Zinn to remove or allow GM to remove all GM signs from Zinn's dealership premises and to waive all rights with respect to such signs),
- (vi) Zinn has signed and delivered to GM the Supplemental Wind-Down Agreement in substantially the form attached to the Wind-Down Agreement, and
- (vii) GM has received any required Bankruptcy Court approvals.

14. Zinn complied with all conditions stated in section 3(b) of the Wind-Down Agreement by December 11, 2009.

15. By cover letter dated October 22, 2009, Zinn sent to GM (a) the Supplemental Wind-Down Agreement, in substantially the form attached to the Wind-Down Agreement, dated as of November 10, 2009, and duly signed by Zinn, (b) a Post-Termination Notification, on a form provided by GM, duly completed by Zinn, and (c) a Dealer Counsel Authorization, also on a form provided by GM, duly signed by and on behalf of Zinn and its counsel. A copy of the October 22, 2009 cover letter and its three attachments described above is attached hereto as **Exhibit B**.

16. On November 20, 2009, GM sent to Zinn a letter by which GM (a) acknowledged receipt of Zinn's Supplemental Wind-Down Agreement dated as of November 10, 2009, (b) informed Zinn that the termination date for Zinn's GM dealership has been extended to November 20, 2009, with all other terms and conditions of the Supplemental Wind-Down Agreement remaining in full force and effect, and (c) asked Zinn to sign and return a copy of GM's November 20 letter to confirm Zinn's agreement with its terms. Zinn signed and returned to GM a copy of the letter on

November 30, 2009. A copy of the November 20, 2009 letter including Zinn's signature thereon is attached hereto as **Exhibit C**.

17. Thus, Zinn's GM dealership was terminated effective November 20, 2009, in accordance with the terms of the Wind-Down Agreement and the Supplemental Wind-Down Agreement – both of which consisted of non-negotiable terms demanded by GM. By December 11, 2009, Zinn had complied with all conditions to GM's payment of the Final Payment Amount, in the amount of \$677,753.

18. On December 16, 2009, after GM became obligated to pay Zinn the Final Payment Amount, Public Law 111-117, including the Federal Dealer Legislation, became law. A copy of the Federal Dealer Legislation, concerning terminated dealers' right to seek reinstatement through arbitration (section 747(a) through (g) of the act) is attached hereto as **Exhibit D**.

19. On January 5, 2009, GM acknowledged in writing that Zinn "has completed all requirements of his wind down to be paid his 75%." However, referring to "the new arbitration legislation," GM demanded that Zinn waive its rights under that legislation "before we will terminate or make the final payment." A copy of a series of e-mails to that effect – consisting of internal GM e-mails on January 5, 2010, and an e-mail from GM to Zinn on January 6, 2010 – is attached hereto as **Exhibit E** (*see* bracketed text at p. 2).

20. With its January 6, 2010 e-mail to Zinn, GM attached a copy of a proposed letter dated January 5, 2010, which bore the following reference: "Waiver of Rights with Respect to Recently Enacted Federal Dealer Legislation." A copy of that proposed waiver letter is attached hereto as **Exhibit F**.

21. On January 7, 2010, Zinn sent GM a letter entitled “Notice of Material Breach of Wind-Down Agreement and Demand for Payment.” The notice stated that waiver of rights under the Federal Dealer Legislation was not required under the Wind-Down Agreement or the Supplemental Wind-Down Agreement, and that more than ten business days had passed since Zinn had satisfied all conditions, under those agreements, to GM’s obligation to pay the Final Payment Amount. Zinn therefore demanded immediate payment of the Final Payment Amount. A copy of the notice is attached hereto as **Exhibit G**.

22. On January 18, 2010, Zinn, exercising its rights under the Federal Dealer Legislation, duly commenced an arbitration under that legislation, seeking to be reinstated as a GM dealer. A copy of Zinn’s demand for arbitration, including its cover letter to the American Arbitration Association dated January 18, 2010, is attached hereto as **Exhibit H**.

23. On February 23, 2010, Zinn received a memorandum from GM, dated February 22, 2010, and on February 24, 2010, Zinn received a corrected copy of the same memorandum, now dated February 23, 2010. Copies of both memos (jointly, the “**Charge-Back Memo**”) are attached as **Exhibit I**.

24. In the Charge-Back Memo, GM claimed that, as a result of a GM audit of the Zinn dealership that occurred on March 6, 2009, (a) GM is entitled to charge Zinn the amount of “55,6671.79” (sic, intended to be \$556,671.79), (b) under the Wind-Down

Agreement, Zinn supposedly waived the right to challenge this alleged charge-back, and (c) GM intended to process this “debit” on March 11, 2010.³

25. On February 26, 2010, Zinn received from GM an account statement, for the period 02/13/10 to 02/19/10, showing a credit to Zinn for the Final Payment Amount of \$677,753 (in addition to other credits of nearly \$63,000 unrelated to this motion). A copy of this account statements is attached as **Exhibit J**.

26. However, GM has not paid the \$677,753 to Zinn and, as GM stated in its Charge-Back memo, it intends to debit (*i.e.*, set off) \$556,671 before making that payment.

27. The key facts relating to the alleged \$556,671 charge back are as follows:

(a) On March 6, 2009, GM sent Zinn a letter, dated March 6, 2009, asserting two debits: (a) one for “documentation not received” in the amount of \$27,081.79, and (b) another for “CSI intervention” in an amount to be determined (“TBD”). A copy of this letter (without its attachments) is attached as **Exhibit K**.

(b) On April 3, 2009, Zinn requested mediation under the GM dispute resolution process (**Exhibit L**). By this request, Zinn raised factual and legal challenges to the audit.

(c) Also on April 3, 2009, Zinn wrote to GM informing it of its challenge to the audit results and enclosing some of the documents that demonstrate the impropriety of the \$27,081.79 charge-back. A copy of this letter (without its enclosures) is attached as **Exhibit M**.

³ The initial Charge-Back Memo stated that the debit would be processed on March 11, 2011; the corrected memo changed the date to March 11, 2010. This was the only correction to the Charge-Back Memo; *see* Exhibit I.

(d) On April 8, 2009, the mediation service (Mediation Works Incorporated) acknowledged receipt of Zinn's request for mediation (**Exhibit N**). Its letter stated that, pursuant to the parties' agreed mediation process, pending the outcome of the mediation the parties were required to "withhold implementation" of any contested decision and to stay proceedings in any other venue.

(e) By fax dated April 23, 2009 (**Exhibit O** [without its exhibits]), GM sent Zinn a revised version of the March 6, 2009 letter (still dated March 6, 2009), in which the amount previously "to be determined" was now filled in: \$531,400. The total alleged charge-back was shown as \$556,671. GM sent Zinn this notice – which was the first notice Zinn received of the amount of the alleged charge-back with respect to the CSI investigation – more than six weeks after completion of GM's audit and after Zinn commenced the mediation.

(f) On May 20, 2009, Zinn sent GM a letter (**Exhibit P**) challenging the alleged charge-back of \$556,671 on several grounds (as summarized in the following section, at ¶¶ 33(a) through (f)).

(g) On June 22, 2009, the mediation service wrote to Zinn (**Exhibit Q**) stating that it had received a letter from GM informing the mediation service that, as a result of the bankruptcy filing in this case on June 1, 2009, the automatic stay applied to "claims such as these," and accordingly the mediation would not proceed.

(h) In the Wind-Down Agreement, paragraph 5, GM stipulated that it would not make any charge-backs more than two years after payment. However, in its Charge-Back Memo, GM apparently asserts charge-backs against Zinn for

warranty claims as much as four years after payment, thus ignoring the two-year limitation set forth in the Wind-Down Agreement.

Basis for Relief Requested

28. The basis for the relief requested hereby is Zinn's contractual rights under the Wind-Down Agreement and the Supplemental Wind-Down Agreement. As shown above, GM became obligated to pay Zinn the Final Payment Amount (\$677,753) on or about December 28, 2009 (*i.e.*, ten business days after Zinn satisfied all conditions to such payment, which occurred by December 11, 2009). The payment thus is more than two months overdue.

29. The Federal Dealer Legislation did not affect GM's obligation to make the payment or Zinn's right to receive it. First, the legislation became effective on December 16, 2009, *after* Zinn had satisfied all of the Wind-Down Agreement conditions and after the effective date of termination of Zinn's GM dealership.

30. Second, there is no condition or other term in the Wind-Down Agreement or the Supplemental Wind-Down Agreement that conditions payment on Zinn's waiver of rights under any statute.

31. Third, the Federal Dealer Legislation grants terminated dealers the right to pursue reinstatement through arbitration even if they have received wind-down payments in connection with their termination. The statute provides that, if the dealer prevails in the arbitration, and therefore is reinstated as a dealer, it must return any such wind-down payments to the manufacturer. The relevant statute's language is as follows:

If the arbitrator finds in favor of a covered dealership, the covered manufacturer shall as soon as practicable, but not later than 7 business days after receipt of the arbitrator's determination, provide the dealer a customary and usual letter of intent to enter into a sales

and service agreement. After executing the sales and service agreement and successfully completing the operational prerequisites set forth therein, a covered dealership shall return to the covered manufacturer any financial compensation provided by the covered manufacturer in consideration of the covered manufacturer's initial determination to terminate, not renew, not assign or not assume the covered dealership's applicable franchise agreement.

Federal Dealer Legislation, § 747(e) (emphasis added).

32. Thus, GM's demand that Zinn sign a waiver of its rights under the Federal Dealer Legislation was not only a breach of the Wind-Down Agreement and the Supplemental Wind-Down Agreement, but was also a blatant and improper attempt to deprive Zinn of its rights, and to avoid GM's obligations, under a federal statute.

33. Equally improper is GM's latest effort to avoid or reduce its obligation to pay Zinn the Final Payment Amount of \$677,753, by alleging an improper \$556,671 charge-back. That charge-back is illegal, unfounded, violates the limitations period set forth in paragraph 5 of the Wind-Down Agreement, and at minimum grossly excessive, for the following main reasons:

(a) GM's audit covers a period that is more than 18 months prior to the dates on which the questioned incentives were paid, in violation of Florida Statutes, § 320.64(25).⁴

⁴ A copy of Florida Statutes, § 320.64(25), is attached as **Exhibit R** (that section was amended effective May 28, 2009, while the events at issue were occurring; we attach in Exhibit R copies of the section before and after the amendment). GM should be prohibited from ignoring the Florida State law protections governing warranty audits. Further, assuming arguendo that GM could ignore the 18-month audit restriction imposed by Florida law, it should not be allowed to ignore the two-year limitation set forth in paragraph 5 of the Wind-Down Agreement. If GM were to follow the terms of its own agreement, the amount of charge-back at issue would be reduced from \$556,671 to approximately \$112,400.

(b) GM's April 23, 2009, correspondence does not provide a legitimate explanation for the very large proposed charge-back relating to the CSI incentives, as required by § 320.64(25).

(c) GM's proposed debit amount bears no apparent relationship to the percent of CSI interference it alleged. For example, in the fourth quarter of 2004, GM asserted that the Zinn dealership interfered with 7.4% of the total eligible surveys, but GM claimed a charge back for 100% of the total bonuses it paid (\$80,000). GM failed to explain why GM is attempting to debit 100% rather than 7.4% of the bonuses paid.

(d) GM failed to inform Zinn at the in-person meeting required by Florida Statutes, § 320.64(25), or within a reasonable period of time following completion of the audit, as to the amount of the proposed charge-back relating to the CSI incentives.

(e) GM improperly relied on the automatic stay to suspend the mediation at which Zinn would have been able to challenge GM's improper charge-back, and now wrongly claims that Zinn waived its right to challenge the charge-back by entering into the Wind-Down Agreement.

(f) Contrary to GM's assertion in its February 22-23, 2010 Charge-Back Memo (Exhibit I), Zinn did not waive its right to challenge the charge-back by signing the Wind-Down agreement. Paragraph 5 of the Wind-Down Agreement, on which GM relies,⁵ is clearly a waiver of any claims which a dealer (*e.g.*, Zinn) has "**against the GM parties**" (emphasis added). It is not a waiver of

⁵ In its Charge-Back Memo, GM cites paragraph 6, but quotes from paragraph 5 (compare Exhibit I with Exhibit A, p. 4). The correct citation is to paragraph 5.

Zinn's right to challenge an improper charge-back alleged **by GM** against a dealer.

Conclusion

34. For the foregoing reasons, including the exhibits hereto, the Court should grant this motion and compel GM to pay Zinn immediately the sum of \$677,753, plus interest at the rate applicable to federal judgments since December 28, 2009, and without any reduction or set-off by reason of GM's claimed charge-back. Alternatively, the Court should order such immediate payment to Zinn and provide that, in the event GM wishes to pursue the charge-back, Zinn shall be entitled to assert all appropriate defenses thereto, whether in mediation or any other appropriate proceeding. In addition, the Court should award Zinn its reasonable attorneys' fees and costs in connection with this motion, and such other and further relief as is just and proper.

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Notice

35. Notice of this motion has been provided to parties in interest in accordance with the Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 1015(c) and 9007 Establishing Notice and Case Management Procedures, dated August 3, 2009 [Docket No. 3629]. Zinn submits that such notice is sufficient and no other or further notice need be provided. No previous request for the relief sought herein has been made by Zinn to this or any other Court.

WHEREFORE, Zinn respectfully requests entry of an order granting the relief requested herein and such other and further relief as is just and proper.

Dated: New York, New York
March 2, 2010

s/ Keith N. Costa _____

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HEARING DATE AND TIME: April 8, 2010 at 9:45 a.m. (Eastern Time)
OBJECTION DEADLINE: April 7, 2010 at 4:00 p.m. (Eastern Time)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re Chapter 11
MOTORS LIQUIDATION COMPANY, *et al.*, Case No. 09-50026 (REG)
(f/k/a General Motors Corp., *et al.*)
Debtors. (Jointly Administered)
-----X

**[PROPOSED] ORDER GRANTING MOTION OF ZINN COMPANY, INC.
AND DIRECTING DEBTORS AND THEIR SUCCESSOR TO COMPLY WITH
THEIR PAYMENT OBLIGATION UNDER WIND-DOWN AGREEMENT**

Upon the motion dated March 2, 2010, of Zinn Company, Inc. (“**Zinn**”) for an order compelling the debtors Motors Liquidation Company (f/k/a General Motors Corporation) et al. and/or their successor, General Motors LLC (both entities referred to herein as “GM”), to pay Zinn forthwith the sum of \$677,753, plus applicable interest, pursuant to the terms of the Wind-Down Agreement between GM and Zinn dated as of June 1, 2009, and the Supplemental Wind-Down Agreement dated as of November 20, 2009 (amended so as to be effective November 30, 2009), free of any set-offs or deductions from such sum as GM may claim by reason of an alleged charge-back in the total amount of \$556,671 (the “**Motion**”), and there being due and sufficient notice of the Motion; and this Court having considered the objections thereto; and a hearing having been held thereon on April 8, 2010; and after due deliberation thereon, and good and sufficient cause appearing therefor, it is hereby it is hereby

ORDERED AND ADJUDGED AS FOLLOWS:

1. The Motion is granted.

2. GM shall forthwith pay to Zinn the sum of \$677,753, plus applicable interest thereon from December 28, 2009, through the date of the payment, without any set-off or reduction.

3. To the extent that GM may pursue its claimed charge-back against Zinn in the amount of \$556,671, in any appropriate forum, Zinn shall be entitled to assert all appropriate defenses.

4. GM shall pay Zinn the reasonable attorneys' fees and costs incurred by Zinn in connection with this Motion, in an amount to be agreed by the parties. Failing such agreement, Zinn shall be entitled to make a motion for the Court to determine the appropriate amount thereof.

5. The Court reserves jurisdiction to enforce this Order and to resolve any disputes that may arise under or with respect to this Order.

Dated: New York, New York
_____, 2010

HONORABLE ROBERT E. GERBER
UNITED STATES BANKRUPTCY JUDGE

HEARING DATE AND TIME: April 8, 2010 at 9:45 a.m. (Eastern Time)
OBJECTION DEADLINE: April 7, 2010 at 4:00 p.m. (Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re

Chapter 11

MOTORS LIQUIDATION COMPANY, *et al.*,
(f/k/a General Motors Corp., *et al.*)

Case No. 09-50026 (REG)

Debtors.

(Jointly Administered)

-----X

**MOTION OF ZINN COMPANY, INC. FOR AN ORDER COMPELLING DEBTORS
AND THEIR SUCCESSOR TO COMPLY WITH THEIR
PAYMENT OBLIGATION UNDER WIND-DOWN AGREEMENT**

EXHIBITS PACKAGE

EXHIBIT A



General Motors Company

August 7, 2009

To: General Motors Dealers

RE: Fully Executed Copy of Letter Agreement

Enclosed for your files is a fully executed copy of the attached agreement.

Sincerely,

GENERAL MOTORS COMPANY

WIND-DOWN AGREEMENT

THIS WIND-DOWN AGREEMENT (this "Agreement") is made and entered into as of the 1st day of June, 2009, by and between Zinn Companies, Inc. ("Dealer"), and GENERAL MOTORS CORPORATION ("GM").

RECITALS

A. Dealer and GM are the parties to Dealer Sales and Service Agreements (the "Dealer Agreements") for Pontiac, Buick, GMC Truck motor vehicles (the "Existing Model Lines"). Capitalized terms not otherwise defined in this Agreement shall have the definitions set forth for such terms in the Dealer Agreements.

B. GM is the debtor and debtor-in-possession in a bankruptcy case (the "Bankruptcy Case") pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), having filed a voluntary petition under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). No trustee has been appointed and GM is operating its business as debtor-in-possession.

C. GM intends to sell, convey, assign and otherwise transfer certain of its assets (the "363 Assets") to a purchaser (the "363 Acquirer") pursuant to Section 363 of the Bankruptcy Code (the "363 Sale"), subject to approval by and order of the Bankruptcy Court.

D. GM has considered moving and may, at its option, move to reject the Dealer Agreements in the Bankruptcy Case, as permitted under the Bankruptcy Code, unless Dealer executes and delivers this Agreement to GM on or before June 12, 2009.

E. In return for the payments set forth herein and GM's willingness not to pursue the immediate rejection of the Dealer Agreement in the Bankruptcy Case, Dealer desires to enter into this Agreement (i) to allow Dealer, among other things, to wind down its Dealership Operations in an orderly fashion (specifically including the sale of all of Dealer's new Motor Vehicles), (ii) to provide for Dealer's voluntary termination of the Dealer Agreements, GM's payment of certain monetary consideration to Dealer, and Dealer's covenants regarding its continuing Dealership Operations under the Dealer Agreements, as supplemented by the terms of this Agreement (the "Subject Dealership Operations"), and (iii) to provide for Dealer's release of GM, the 363 Acquirer and their related parties from any and all liability arising out of or connected with the Dealer Agreements, any predecessor agreement(s) thereto, and the relationship between GM and Dealer relating to the Dealer Agreements, and any predecessor agreement(s) thereto, all on the terms and conditions set forth herein.

COVENANTS

NOW, THEREFORE, in consideration of the foregoing recitals and the premises and covenants contained herein, Dealer and GM hereby agree (subject to any required Bankruptcy Court approvals) as follows:

1. Assignment-363 Sale. Dealer acknowledges and agrees that GM has the right, but not the obligation, to seek to assign the Dealer Agreements and this Agreement in the Bankruptcy Case to the 363 Acquirer. As part of the 363 Sale, provided such sale closes, GM may, in its sole discretion, assign the Dealer Agreements and this Agreement to the 363 Acquirer. If GM elects to exercise its option to assign the Dealer Agreements and this Agreement, Dealer specifically agrees to such assignment and agrees not to object to or protest any such assignment.

14 THIS DOCUMENT SHALL BE NULL AND VOID IF NOT EXECUTED BY DEALER AND RECEIVED BY GM ON OR BEFORE JUNE 12, 2009 OR IF DEALER CHANGES ANY TERM OR PROVISION HEREIN



2. Termination of Dealer Agreement. Subject to the terms of Section 1 above:

(a) Dealer hereby covenants and agrees to conduct the Subject Dealership Operations until the effective date of termination of the Dealer Agreements, which shall not occur earlier than January 1, 2010 or later than October 31, 2010, under and in accordance with the terms of the Dealer Agreements, as supplemented by the terms of this Agreement. Accordingly, Dealer hereby terminates the Dealer Agreements by written agreement in accordance with Section 14.2 thereof, such termination to be effective on October 31, 2010. Notwithstanding the foregoing, either party may, at its option, elect to cause the effective date of termination of the Dealer Agreements to occur (if not terminated earlier as provided herein) on any date after December 31, 2009, and prior to October 31, 2010, upon thirty (30) days written notice to the other party. In addition, and notwithstanding the foregoing, if Dealer has sold of all of its new Motor Vehicle inventory on or before December 31, 2009 and wishes to terminate the Dealer Agreements prior to January 1, 2010, Dealer may request that GM or the 363 Acquirer, as applicable, approve such termination and, absent other limiting circumstances, GM or the 363 Acquirer, as applicable, shall not unreasonably withhold its consent to such termination request, subject to the terms of this Agreement.

(b) Concurrently with its termination of the Dealer Agreements, Dealer hereby conveys to GM or the 363 Acquirer, as applicable, a non-exclusive right to use Dealer's customer lists and service records for the Subject Dealership Operations, and within ten (10) days following GM's or the 363 Acquirer's, as applicable, written request, Dealer shall deliver to GM or the 363 Acquirer, as applicable, digital computer files containing copies of such lists and records. Such right of use shall include without limitation the right to communicate with and solicit business and information from customers identified in such lists and records and to assign such non-exclusive right to third parties without thereby relinquishing its own right of use.

3. Payment to Dealer.

(a) Subject to Sections 1 and 2 above, in consideration of (i) Dealer's execution and delivery to GM of this Agreement, (ii) Dealer's agreement to sell its new Motor Vehicle inventory as set forth below, and (iii) the termination of the Dealer Agreements by written agreement in accordance with Section 14.2 thereof (as set forth in Section 2 of this Agreement), GM or the 363 Acquirer, as applicable, shall pay, or cause to be paid, to Dealer the sum of \$903,671 (the "Wind-Down Payment Amount"), subject to the terms herein. This payment is consideration solely for Dealer's covenants, releases and waivers set forth herein, and Dealer's transfer to GM or the 363 Acquirer, as applicable, of a non-exclusive right to use the customer lists and service records.

(b) GM shall pay twenty-five percent (25%) of the Wind-Down Payment Amount (the "Initial Payment Amount") to Dealer by crediting Dealer's open account maintained by GM on the GM Dealer Payment System (the "Open Account"), in accordance with GM's standard practices, within ten (10) business days following the later of (i) GM's receipt of any required Bankruptcy Court approvals, or (ii) full execution and delivery of this Agreement. GM or the 363 Acquirer, as applicable, shall pay the balance of the Wind-Down Payment Amount (the "Final Payment Amount") to Dealer, subject to the terms of this Agreement, by crediting Dealer's Open Account in accordance with its standard practices, within ten (10) business days after all of the following have occurred: (i) Dealer has sold all of its new Motor Vehicle inventory for the Existing Model Lines prior to the termination of the Dealer Agreements, (ii) Dealer's compliance with all applicable bulk transfer, sales tax transfer or similar laws and the expiration of all time periods provided therein, (iii) Dealer's delivery to GM or the 363 Acquirer, as applicable, of



certificates of applicable taxing authorities that Dealer has paid all sales, use, and other taxes or evidence reasonably satisfactory to GM or the 363 Acquirer, as applicable, that GM or the 363 Acquirer, as applicable, will have no liability or obligation to pay any such taxes that may remain unpaid, (iv) the effective date of termination of the Dealer Agreements in accordance with Section 2(a) above, (v) Dealer's compliance with the terms of Section 4(c) below, (vi) GM's or the 363 Acquirer's, as applicable, receipt of the fully executed Supplemental Wind-Down Agreement in substantially the form attached hereto as Exhibit A (subject to inclusion of information specific to Dealer's Dealership Operations), and (vii) GM's or the 363 Acquirer's, as applicable, receipt of any required Bankruptcy Court approvals. GM or the 363 Acquirer, as applicable, may, in its sole discretion, waive in writing any of the conditions for payment set forth in the preceding sentence.

(c) In addition to any other setoff rights under the Dealer Agreements, payment of all or any part of the Wind-Down Payment Amount may, in GM's or the 363 Acquirer's, as applicable, reasonable discretion, be (i) reduced by any amount owed by Dealer to GM or the 363 Acquirer, as applicable, or their Affiliates (as defined below), and/or (ii) delayed in the event GM or the 363 Acquirer, as applicable, has a reasonable basis to believe that any party has or claims any interest in the assets or properties of Dealer relating to the Subject Dealership Operations including, but not limited to, all or any part of the Wind-Down Payment Amount (each, a "Competing Claim"), in which event GM or the 363 Acquirer, as applicable, may delay payment of all or any part of the Wind-Down Payment Amount until GM or the 363 Acquirer, as applicable, has received evidence in form and substance reasonably acceptable to it that all Competing Claims have been fully and finally resolved.

4. Complete Waiver of All Termination Assistance Rights. In consideration of the agreements by GM hereunder, upon the termination of the Dealer Agreements, as provided in this Agreement, and cessation of the Subject Dealership Operations, the following terms shall apply in lieu of Dealer's rights to receive termination assistance, whether under the Dealer Agreements or applicable laws, all of which rights Dealer hereby waives:

(a) Neither GM nor the 363 Acquirer, as applicable, shall have any obligation to repurchase from Dealer any Motor Vehicles whatsoever.

(b) Neither GM nor the 363 Acquirer, as applicable, shall have any obligation to repurchase from Dealer any Parts or Accessories or Special Tools whatsoever.

(c) Dealer shall eliminate or remove from the Dealership Premises all Dealer-owned signs (freestanding or not) for the Subject Dealership Operations within thirty (30) days following the effective date of termination at no cost to either GM or the 363 Acquirer, as applicable. Dealer understands and agrees that neither GM nor the 363 Acquirer, as applicable, will purchase any Dealer-owned signs used in connection with the Subject Dealership Operations. Dealer hereby waives any rights it may have to require either GM or the 363 Acquirer, as applicable, to purchase any signs used or useful in connection with the Subject Dealership Operations. Dealer shall provide, or shall cause the owner of the Dealership Premises to provide, GMDI access to the Dealership Premises in order for GMDI to remove all GM signs leased to Dealer by GMDI. Dealer understands and agrees that the Wind-Down Payment Amount was determined by GM in part based on Dealer's agreement that it will timely remove all signs for the Subject Dealership Operations and will not require or attempt to require GM or the 363 Acquirer, as applicable, to purchase any or all of such signs pursuant to the provisions of the Dealer Agreements or any applicable statutes, regulations, or other laws.



(d) Dealer expressly agrees that the provisions of Article 15 of the Dealer Agreements do not, by their terms, apply to this termination.

(e) Dealer expressly agrees that all termination rights of Dealer are set forth herein and expressly agrees that any termination assistance otherwise available to Dealer as set forth in the Dealer Agreements or any state statute or regulation shall not apply to Dealer's termination of the Dealer Agreements.

(f) The terms of this Section 4 shall survive the termination of this Agreement.

5. Release; Covenant Not to Sue; Indemnity.

(a) Dealer, for itself, its Affiliates and any of their respective members, partners, venturers, stockholders, officers, directors, employees, agents, spouses, legal representatives, successors, and assigns (collectively, the "Dealer Parties"), hereby releases, settles, cancels, discharges, and acknowledges to be fully satisfied any and all claims, demands, damages, debts, liabilities, obligations, costs, expenses, liens, actions, and causes of action of every kind and nature whatsoever (specifically including any claims which are pending in any court, administrative agency or board or under the mediation process of the Dealer Agreements), whether known or unknown, foreseen or unforeseen, suspected or unsuspected ("Claims"), which Dealer or anyone claiming through or under Dealer may have as of the date of the execution of this Agreement against GM, the 363 Acquirer, their Affiliates or any of their respective members, partners, venturers, stockholders, officers, directors, employees, agents, spouses, legal representatives, successors or assigns (collectively, the "GM Parties"), arising out of or relating to (i) the Dealer Agreements or this Agreement, (ii) any predecessor agreement(s), (iii) the operation of the dealership for the Existing Model Lines, (iv) any facilities agreements, including without limitation, any claims related to or arising out of dealership facilities, locations or requirements, Standards for Excellence ("SFE") related payments or bonuses (except that GM shall pay any SFE payments due Dealer for the second (2nd) quarter of 2009 and neither GM nor the 363 Acquirer, as applicable, shall collect any further SFE related payments from Dealer for the third (3rd) quarter of 2009 or thereafter), and any representations regarding motor vehicle sales or profits associated with Dealership Operations under the Dealer Agreements, or (v) any other events, transactions, claims, discussions or circumstances of any kind arising in whole or in part prior to the effective date of this Agreement, provided, however, that the foregoing release shall not extend to (x) reimbursement to Dealer of unpaid warranty claims if the transactions giving rise to such claims occurred within ninety (90) days prior the date of this Agreement, (y) the payment to Dealer of any incentives currently owing to Dealer or any amounts currently owing to Dealer in its Open Account, or (z) any claims of Dealer pursuant to Section 17.4 of the Dealer Agreements, all of which amounts described in (x) - (z) above of this sentence shall be subject to setoff by GM or the 363 Acquirer, as applicable, of any amounts due or to become due to either or any of its Affiliates. GM or the 363 Acquirer, as applicable, shall not charge back to Dealer any warranty claims approved and paid by GM or the 363 Acquirer, as applicable, prior to the effective date of termination, as described in Section 2 above, after the later to occur of (A) the date six (6) months following payment, or (B) the effective date of termination, except that GM or the 363 Acquirer, as applicable, may make charge-backs for false, fraudulent or unsubstantiated claims within two (2) years of payment.

(b) As set forth above, GM reaffirms the indemnification provisions of Section 17.4 of the Dealer Agreements and specifically agrees that such provisions apply to all new Motor Vehicles sold by Dealer.



(c) Dealer, for itself, and the other Dealer Parties, hereby agrees not to, at any time, sue, protest, institute or assist in instituting any proceeding in any court or administrative proceeding, or otherwise assert (i) any Claim that is covered by the release provision in subparagraph (a) above or (ii) any claim that is based upon, related to, arising from, or otherwise connected with the assignment of the Dealer Agreement or this Agreement by GM to the 363 Acquirer in the 363 Sale, if any, or an allegation that such assignment is void, voidable, otherwise unenforceable, violates any applicable law or contravenes any agreement. As a result of the foregoing, any such breach shall absolutely entitle GM or the 363 Acquirer, as applicable, to an immediate and permanent injunction to be issued by any court of competent jurisdiction, precluding Dealer from contesting GM's or the 363 Acquirer's, as applicable, application for injunctive relief and prohibiting any further act by Dealer in violation of this Section 7. In addition, GM or the 363 Acquirer, as applicable, shall have all other equitable rights in connection with a breach of this Section 7 by Dealer, including, without limitation, the right to specific performance.

(d) Dealer shall indemnify, defend and hold the GM Parties harmless, from and against any and all claims, demands, fines, penalties, suits, causes of action, liabilities, losses, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees and costs) which may be imposed upon or incurred by the GM Parties, or any of them, arising from, relating to, or caused by Dealer's (or any other Dealer Party's) breach of this Agreement or Dealer's execution or delivery of or performance under this Agreement. "Affiliate" means, with respect to any Person (as defined below), any Person that controls, is controlled by or is under common control with such Person, together with its and their respective partners, venturers, directors, officers, stockholders, agents, employees and spouses. "Person" means an individual, partnership, limited liability company, association, corporation or other entity. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract, or otherwise.

(e) The terms of this Section 5 shall survive the termination of this Agreement.

6. Subject Dealership Operations. From the effective date of this Agreement until the effective date of termination of the Dealer Agreements (which shall not occur prior to January 1, 2010, subject to Section 2(a) above):

(a) Dealer shall not, and shall have no right to, purchase Motor Vehicles from GM or the 363 Acquirer, as applicable, which rights Dealer hereby waives.

(b) Dealer shall have the right to purchase service parts from GM or the 363 Acquirer, as applicable, to perform warranty service and other normal service operations at the Dealership Premises during the term of this Agreement. Dealer shall have no obligation, however, to follow the recommendations of GM's service parts operations' retail inventory management ("RIM") process, which recommendations are provided for guidance purposes only. Dealer's future orders of service parts of any kind (as well as service parts currently on hand and those acquired in the future from a source other than GM or the 363 Acquirer, as applicable), including but not limited to RIM-recommended orders, shall not be eligible for return.

(c) Dealer shall not, and shall have no right to, propose to GM or the 363 Acquirer, as applicable (under Section 12.2 of the Dealer Agreements or otherwise) or consummate a change in Dealer Operator, a change in ownership, or, subject to GM's or the 363 Acquirer's, as applicable, option, a transfer of the dealership business or its principal assets to any Person; provided, however, that GM or the 363 Acquirer, as applicable, shall honor the terms of Section



12.1 of the Dealer Agreements upon the death or incapacity of the Dealer Operator, except that the term of any new Dealer Agreements under Subsection 12.1.5 shall expire on October 31, 2010, subject to the terms of this Agreement. Accordingly, neither GM nor the 363 Acquirer, as applicable, shall have any obligation (under Section 12.2 of the Dealer Agreements or otherwise) to review, process, respond to, or approve any application or proposal to accomplish any such change, except as expressly otherwise provided in the preceding sentence.

(d) In addition to all other matters set forth herein, the following portions of the Dealer Agreements shall not apply; Sections 6.1 and 6.3.1 (concerning ordering of new Motor Vehicles), Article 8 (Training), Article 9 (Review of Dealer's Performance), Sections 12.2 and 12.3 (Changes in Management and Ownership), Article 15 (Termination Assistance), and Article 16 (Dispute Resolution).

(e) Except as expressly otherwise set forth herein, the terms of the Dealer Agreements, shall remain unmodified and in full force and effect.

7. No Protest.

(a) GM or the 363 Acquirer, as applicable, may desire to relocate or establish representation for the sale and service of the Existing Model Lines in the vicinity of Dealer's Dealership Premises identified in the Dealer Agreements. In consideration of GM's and the 363 Acquirer's, as applicable, covenants and obligations herein, Dealer covenants and agrees that it will not commence, maintain, or prosecute, or cause, encourage, or advise to be commenced, maintained, or prosecuted, or assist in the prosecution of any action, arbitration, mediation, suit, proceeding, or claim of any kind, before any court, administrative agency, or other tribunal or dispute resolution process, whether federal, state, or otherwise, to challenge, protest, prevent, impede, or delay, directly or indirectly, any establishment or relocation whatsoever of motor vehicle dealerships for any of the Existing Model Lines.

(b) Dealer, for itself and for each and all of the other Dealer Parties, hereby releases and forever discharges the GM Parties, from any and all past, present, and future claims, demands, rights, causes of action, judgments, executions, damages, liabilities, costs, or expenses (including, without limitation, attorneys' fees) which they or any of them have or might have or acquire, whether known or unknown, actual or contingent, which arise from, are related to, or are associated in any way with, directly or indirectly, the establishment or relocation of any of such Existing Model Lines.

(c) Dealer recognizes that it may have some claim, demand, or cause of action of which it is unaware and unsuspecting which it is giving up pursuant to this Section 7. Dealer further recognizes that it may have some loss or damage now known that could have consequences or results not now known or suspected, which it is giving up pursuant to this Section 7. Dealer expressly intends that it shall be forever deprived of any such claim, demand, cause of action, loss, or damage and understands that it shall be prevented and precluded from asserting any such claim, demand, cause of action, loss, or damage.

(d) Dealer acknowledges that, upon a breach of this Section 7 by Dealer, the determination of the exact amount of damages would be difficult or impossible and would not restore GM or the 363 Acquirer, as applicable, to the same position it would occupy in the absence of breach. As a result of the foregoing, any such breach shall absolutely entitle GM or the 363 Acquirer, as applicable, to an immediate and permanent injunction to be issued by any court of competent jurisdiction, precluding Dealer from contesting GM's or the 363 Acquirer's, as applicable, application for injunctive relief and prohibiting any further act by Dealer in



violation of this Section 7. In addition, GM or the 363 Acquirer, as applicable, shall have all other equitable rights in connection with a breach of this Section 7 by Dealer, including, without limitation, the right to specific performance.

8. Due Authority. Dealer and the individual(s) executing this Agreement on behalf of Dealer hereby jointly and severally represent and warrant to GM that this Agreement has been duly authorized by Dealer and that all necessary corporate action has been taken and all necessary corporate approvals have been obtained in connection with the execution and delivery of and performance under this Agreement.

9. Confidentiality. Dealer hereby agrees that, without the prior written consent of GM or the 363 Acquirer, as applicable, it shall not, except as required by law, disclose to any person (other than its agents or employees having a need to know such information in the conduct of their duties for Dealer, which agents or employees shall be bound by a similar undertaking of confidentiality) the terms or conditions of this Agreement or any facts relating hereto or to the underlying transactions.

10. Informed and Voluntary Acts. Dealer has reviewed this Agreement with its legal, tax, or other advisors, and is fully aware of all of its rights and alternatives. In executing this Agreement, Dealer acknowledges that its decisions and actions are entirely voluntary and free from any duress.

11. Binding Effect. This Agreement shall benefit and be binding upon the parties hereto and their respective successors or assigns. Without limiting the generality of the foregoing, after the 363 Sale occurs and provided that GM assigns the Dealer Agreements and this Agreement to the 363 Acquirer, this Agreement shall benefit and bind the 363 Acquirer.

12. Effectiveness. This Agreement shall be deemed withdrawn and shall be null and void and of no further force or effect unless this Agreement is executed fully and properly by Dealer and is received by GM on or before June 12, 2009.

13. Continuing Jurisdiction. By executing this Agreement, Dealer hereby consents and agrees that the Bankruptcy Court shall retain full, complete and exclusive jurisdiction to interpret, enforce, and adjudicate disputes concerning the terms of this Agreement and any other matter related thereto. The terms of this Section 13 shall survive the termination of this Agreement.

14. Other Agreements.

(a) Dealer shall continue to comply with all of its obligations under Channel Agreements (as defined below) between GM and Dealer, provided that GM or the 363 Acquirer, as applicable, and Dealer shall enter into any amendment or modification to the Channel Agreements required as a result of GM's restructuring plan, in a form reasonably satisfactory to GM or the 363 Acquirer, as applicable. In the event of any conflict between the terms of the Channel Agreements and this Agreement, the terms and conditions of this Agreement shall control.

(b) The term "Channel Agreements" shall mean any agreement (other than the Dealer Agreements) between GM and Dealer imposing on Dealer obligations with respect to its Dealership Operations under the Dealer Agreements, including, without limitation, obligations to relocate Dealership Operations, to construct or renovate facilities, not to protest establishment or relocation of other dealerships, to conduct exclusive Dealership Operations under the Dealer Agreements, or to meet certain sales performance standards (as a condition of receiving or retaining payments from GM or the 363 Acquirer, as applicable, or otherwise). Channel Agreements may be entitled, without limitation, "Summary Agreement," "Agreement and Business Plan," "Exclusive Use Agreement," "Performance Agreement," "No-Protest Agreement," or "Declaration of Use Restriction, Right of First Refusal, and Option to Purchase."



Notwithstanding the foregoing, the term "Channel Agreement" shall not mean or refer to (i) any termination agreement of any kind with respect to the Dealer Agreement between Dealer and GM (each a "Termination Agreement"), (ii) any performance agreement of any kind between Dealer and GM (each a "Performance Agreement"), or (iii) any agreement between Dealer (or any Affiliate of Dealer) and Argonaut Holdings, Inc., a Delaware corporation and wholly-owned subsidiary of GM ("AHI"), including, without limitation, any agreement entitled "Master Lease Agreement," "Prime Lease," or "Dealership Sublease" (and Dealer shall comply with all of the terms of such agreements with AHI). Dealer acknowledges that GM shall be entitled, at its option, to move to reject any currently outstanding Termination Agreements or Performance Agreements in the Bankruptcy Case. By executing this letter agreement, Dealer agrees not to, at any time, sue, protest, institute or assist in instituting any proceeding in any court or administrative proceeding, or otherwise assert any objection or protest of any kind with respect to GM's rejection of such Termination Agreements or Performance Agreements.

(c) All of the Channel Agreements shall automatically terminate and be of no further force or effect on the effective date of termination of the Dealer Agreements, except that those provisions that, by their terms, expressly survive termination of the Channel Agreements shall survive the termination contemplated under this Agreement. Following the effective date of termination of the Dealer Agreements, Dealer and GM shall execute and deliver documents in recordable form reasonably satisfactory to GM or the 363 Acquirer, as applicable, confirming the termination of any Channel Agreements affecting title to real property owned or leased by Dealer or Dealer's Affiliates.

15. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the state of Michigan.

16. Counterparts. This Agreement may be executed in counterparts, each of which when signed by all of the parties hereto shall be deemed an original, but all of which when taken together shall constitute one agreement.

17. Breach. In the event of a breach of this Agreement by Dealer, GM and the 363 Acquirer shall each have all of its remedies at law and in equity, including, without limitation, the right to specific performance.

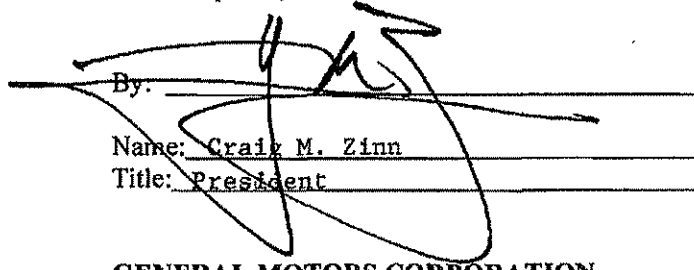
18. Complete Agreement of the Parties. This Agreement, the Dealer Agreements, and the schedules, exhibits, and attachments to such agreements (i) contain the entire understanding of the parties relating to the subject matter of this Agreement, and (ii) supersede all prior statements, representations and agreements relating to the subject matter of this Agreement. The parties represent and agree that, in entering into this Agreement, they have not relied upon any oral or written agreements, representations, statements, or promises, express or implied, not specifically set forth in this Agreement. No waiver, modification, amendment or addition to this Agreement is effective unless evidenced by a written instrument signed by an authorized representative of the parties, and each party acknowledges that no individual will be authorized to orally waive, modify, amend or expand this Agreement. The parties expressly waive application of any law, statute, or judicial decision allowing oral modifications, amendments, or additions to this Agreement notwithstanding this express provision requiring a writing signed by the parties.

[Signature Page Follows]



IN WITNESS WHEREOF, Dealer and GM have executed this Agreement as of the day and year first above written.

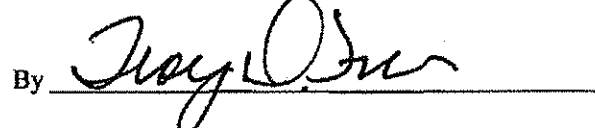
Zinn Companies, Inc.

By: 

Name: Craig M. Zinn

Title: President

GENERAL MOTORS CORPORATION

By: 

Authorized Representative

THIS DOCUMENT SHALL BE NULL AND VOID IF NOT EXECUTED BY DEALER AND RECEIVED BY GM ON OR BEFORE JUNE 12, 2009, OR IF DEALER CHANGES ANY TERM OR PROVISION HEREIN.



EXHIBIT A

SAMPLE SUPPLEMENTAL WIND-DOWN AGREEMENT

THIS SUPPLEMENTAL WIND-DOWN AGREEMENT (this "Agreement") is made and entered into as of the ____ day of _____, 20__, by _____, a _____ ("Dealer"), for the use and benefit of _____, a _____ ("GM") and _____, a _____ corporation ("363 Acquirer").

RECITALS

A. Dealer and GM are parties to Dealer Sales and Service Agreements for _____ motor vehicles (the "Dealer Agreements").

B. Dealer and GM are parties to that certain Wind-Down Agreement dated June __, 2009 (the "Original Wind-Down Agreement"). All initially capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Original Wind-Down Agreement.

C. **[IF DEALER AGREEMENTS ASSIGNED TO THE 363 ACQUIRER][GM assigned all of its right, title and interest in the Dealer Agreements and the Original Wind-Down Agreement to the 363 Acquirer.]**

D. Pursuant to the Original Wind-Down Agreement, Dealer agreed to terminate and cancel the Dealer Agreements and all rights and continuing interests therein by written agreement and to release GM and its related parties from any and all liability arising out of or connected with the Dealer Agreements, any predecessor agreement(s) thereto, and the relationship between [GM or the 363 Acquirer] and Dealer relating to the Dealer Agreements, and any predecessor agreement(s) thereto, on the terms and conditions set forth herein, intending to be bound by the terms and conditions of this Agreement.

E. Dealer executes this Agreement in accordance with Section 3 of the Original Wind-Down Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the foregoing recitals and the premises and covenants contained herein, Dealer hereby agrees as follows:

1. Termination of Dealer Agreements.

(a) Dealer hereby terminates the Dealer Agreements by written agreement in accordance with Section 14.2 thereof. The effective date of such termination shall be _____, 20__.

(b) Dealer shall timely pay all sales taxes, other taxes and any other amounts due to creditors, arising out of the operations of Dealer.

(c) Dealer shall be entitled to receive the Final Payment Amount in accordance with the terms of the Original Wind-Down Agreement.

14 THIS DOCUMENT SHALL BE NULL AND VOID IF NOT EXECUTED BY DEALER AND RECEIVED BY GM ON OR BEFORE JUNE 12, 2009 OR IF DEALER CHANGES ANY TERM OR PROVISION HEREIN



2. Release; Covenant Not to Sue; Indemnity.

(a) Dealer, for itself, its Affiliates and any of their respective members, partners, venturers, stockholders, officers, directors, employees, agents, spouses, legal representatives, successors, and assigns (collectively, the "Dealer Parties"), hereby releases, settles, cancels, discharges, and acknowledges to be fully satisfied any and all claims, demands, damages, debts, liabilities, obligations, costs, expenses, liens, actions, and causes of action of every kind and nature whatsoever (specifically including any claims which are pending in any court, administrative agency or board or under the mediation process of the Dealer Agreements), whether known or unknown, foreseen or unforeseen, suspected or unsuspected ("Claims"), which Dealer or anyone claiming through or under Dealer may have as of the date of the execution of this Agreement against GM, the 363 Acquirer, their Affiliates or any of their respective members, partners, venturers, stockholders, officers, directors, employees, agents, spouses, legal representatives, successors or assigns (collectively, the "GM Parties"), arising out of or relating to (i) the Dealer Agreements or this Agreement, (ii) any predecessor agreement(s), (iii) the operation of the dealership for the Existing Model Lines, (iv) any facilities agreements, including without limitation, any claims related to or arising out of dealership facilities, locations or requirements, Standards for Excellence ("SFE") related payments or bonuses (except that the 363 Acquirer shall pay any SFE payments due Dealer for the second (2nd) quarter of 2009 and the 363 Acquirer shall not collect any further SFE related payments from Dealer for the third (3rd) quarter of 2009 or thereafter), and any representations regarding motor vehicle sales or profits associated with Dealership Operations under the Dealer Agreements, or (v) any other events, transactions, claims, discussions or circumstances of any kind arising in whole or in part prior to the effective date of this Agreement, provided, however, that the foregoing release shall not extend to (x) reimbursement to Dealer of unpaid warranty claims if the transactions giving rise to such claims occurred within ninety (90) days prior the date of this Agreement, (y) the payment to Dealer of any incentives currently owing to Dealer or any amounts currently owing to Dealer in its Open Account, or (z) any claims of Dealer pursuant to Section 17.4 of the Dealer Agreements, all of which amounts described in (x) - (z) above of this sentence shall be subject to setoff by GM of any amounts due or to become due to GM or any of its Affiliates. GM shall not charge back to Dealer any warranty claims approved and paid by GM prior to the effective date of termination, as described in Section 1 above, after the later to occur of (A) the date six (6) months following payment, or (B) the effective date of termination, except that GM may make charge-backs for false, fraudulent or unsubstantiated claims within two (2) years of payment.

(b) Dealer, for itself, and the other Dealer Parties, hereby agrees not to, at any time, sue, protest, institute or assist in instituting any proceeding in any court or administrative proceeding, or otherwise assert [(i) any Claim that is covered by the release provision in subparagraph (a) above **[IF DEALER AGREEMENTS ASSIGNED TO THE 363 ACQUIRER]** [or (ii) any claim that is based upon, related to, arising from, or otherwise connected with the assignment of the Dealer Agreements or the Original Wind-Down Agreement by GM to the 363 Acquirer in the 363 Sale, if any, or an allegation that such assignment is void, voidable, otherwise unenforceable, violates any applicable law or contravenes any agreement.] Notwithstanding anything to the contrary, Dealer acknowledges and agrees that GM will suffer irreparable harm from the breach by any Dealer Party of this covenant not to sue and therefore agrees that GM shall be entitled to any equitable remedies available to them, including, without limitation, injunctive relief, upon the breach of such covenant not to sue by any Dealer Party.

(c) Dealer shall indemnify, defend and hold the GM Parties harmless, from and against any and all claims, demands, fines, penalties, suits, causes of action, liabilities, losses, damages, costs of settlement, and expenses (including, without limitation, reasonable attorneys' fees and

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JUNE 12, 2009 OR IF DEALER CHANGES ANY TERM OR PROVISION HEREIN



costs) which may be imposed upon or incurred by the GM Parties, or any of them, arising from, relating to, or caused by Dealer's (or any other Dealer Parties') breach of this Agreement or Dealer's execution or delivery of or performance under this Agreement. "Affiliate" means, with respect to any Person (as defined below), any Person that controls, is controlled by or is under common control with such Person, together with its and their respective partners, venturers, directors, officers, stockholders, agents, employees and spouses. "Person" means an individual, partnership, limited liability company, association, corporation or other entity. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract, or otherwise.

3. Due Authority. Dealer and the individual(s) executing this Agreement on behalf of Dealer hereby jointly and severally represent and warrant to GM that this Agreement has been duly authorized by Dealer and that all necessary corporate action has been taken and all necessary corporate approvals have been obtained in connection with the execution and delivery of and performance under this Agreement.

4. Confidentiality. Dealer hereby agrees that, without the prior written consent of GM, it shall not, except as required by law, disclose to any person (other than its agents or employees having a need to know such information in the conduct of their duties for Dealer, which agents or employees shall be bound by a similar undertaking of confidentiality) the terms or conditions of this Agreement or any facts relating hereto or to the underlying transactions.

5. Informed and Voluntary Acts. Dealer has reviewed this Agreement with its legal, tax, or other advisors, and is fully aware of all of its rights and alternatives. In executing this Agreement, Dealer acknowledges that its decisions and actions are entirely voluntary and free from any duress.

6. Binding Effect. This Agreement shall be binding upon any replacement or successor dealer as referred to in the Dealer Agreements and any successors or assigns. This Agreement shall be binding upon any replacement or successor dealer as referred to in the Dealer Agreements and any successors or assigns, and shall benefit any of GM's successors or assigns.

7. Continuing Jurisdiction. By executing this Agreement, Dealer hereby consents and agrees that the Bankruptcy Court shall retain full, complete and exclusive jurisdiction to interpret, enforce, and adjudicate disputes concerning the terms of this Agreement and any other matter related thereto. The terms of this Section 7 shall survive the termination of this Agreement.

8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the state of Michigan.

9. No Reliance. The parties represent and agree that, in entering into this Agreement, they have not relied upon any oral or written agreements, representations, statements, or promises, express or implied, not specifically set forth in this Agreement. No waiver, modification, amendment or addition to this Agreement is effective unless evidenced by a written instrument signed by an authorized representative of the parties, and each party acknowledges that no individual will be authorized to orally waive, modify, amend or expand this Agreement. The parties hereto expressly waive application of any law, statute, or judicial decision allowing oral modifications, amendments, or additions to this Agreement notwithstanding this express provision requiring a writing signed by the parties.

[Signature Page Follows]

14 THIS DOCUMENT SHALL BE NULL AND VOID IF NOT EXECUTED BY DEALER AND RECEIVED BY GM ON OR BEFORE JUNE 12, 2009 OR IF DEALER CHANGES ANY TERM OR PROVISION HEREIN



IN WITNESS WHEREOF, Dealer has executed this Agreement through its duly authorized officer as of the day and year first above written.

By: _____
Name: _____
Title: _____

14 THIS DOCUMENT SHALL BE NULL AND VOID IF NOT EXECUTED BY DEALER AND RECEIVED BY GM ON OR BEFORE JUNE 12, 2009 OR IF DEALER CHANGES ANY TERM OR PROVISION HEREIN

6090_14_130566



EXHIBIT B

2300 North State Road 7
Hollywood, Florida 33021
954.967.4111
Fax 954.985.3844

Alan N. Jockers, Esq.
In-House General Counsel
Direct No. (954) 967-4110
Direct Fax (954) 985-7117
ajockers@czag.net

October 22, 2009

VIA OVERNIGHT MAIL

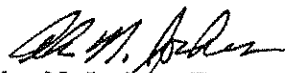
Jeff Bennett
General Motors
100 Renaissance Center, Mail Code 482-A06-C66
Detroit MI 48265-1000

RE: Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick

Dear Mr. Bennett:

In accordance with the instructions in Greg Ross' October 16, 2009 letter, enclosed is the Supplemental Wind-Down Agreement with Mr. Zinn's original signature, the original Post Termination Notification, and the original Dealer Counsel Authorization. The other required documentation will follow to your attention upon completion.

Sincerely yours,


Alan N. Jockers, Esq.

Encls.



GMC



SUPPLEMENTAL WIND-DOWN AGREEMENT

THIS SUPPLEMENTAL WIND-DOWN AGREEMENT (this "Agreement") is made and entered into as of the 10th day of November, 2009, by ZINN COMPANIES, INC. ("Dealer"), for the use and benefit of MOTORS LIQUIDATION COMPANY, f/k/a General Motors Corporation ("GM"), and GENERAL MOTORS COMPANY ("363 Acquirer").

RECITALS

A. Dealer and GM are parties to Dealer Sales and Service Agreements for Pontiac, Buick, and GMC Truck motor vehicles (the "Dealer Agreements"). Dealer's dealership operations are located in Pembroke Pines, Florida.

B. Dealer and GM are parties to that certain Wind-Down Agreement dated June 1, 2009 (the "Original Wind-Down Agreement"). All initially capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Original Wind-Down Agreement.

C. GM assigned all of its right, title and interest in the Dealer Agreements and the Original Wind-Down Agreement to the 363 Acquirer.

D. Pursuant to the Original Wind-Down Agreement, Dealer agreed to terminate and cancel the Dealer Agreements and all rights and continuing interests therein by written agreement and to release GM and its related parties from any and all liability arising out of or connected with the Dealer Agreements, any predecessor agreement(s) thereto, and the relationship between GM or the 363 Acquirer and Dealer relating to the Dealer Agreement, and any predecessor agreement(s) thereto, on the terms and conditions set forth herein, intending to be bound by the terms and conditions of this Agreement.

E. Dealer executes this Agreement in accordance with Section 3 of the Original Wind-Down Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the foregoing recitals and the premises and covenants contained herein, Dealer hereby agrees as follows:

1. Termination of Dealer Agreements.

(a) Dealer hereby terminates the Dealer Agreements by written agreement in accordance with Section 14.2 thereof. The effective date of such termination shall be November 10, 2009.

(b) Dealer shall timely pay all sales taxes, other taxes and any other amounts due to creditors, arising out of the operations of Dealer.

(c) Dealer shall be entitled to receive the Final Payment Amount in accordance with the terms of the Original Wind-Down Agreement.

2. Release; Covenant Not to Sue; Indemnity.

(a) Dealer, for itself, its Affiliates and any of their respective members, partners, venturers, stockholders, officers, directors, employees, agents, spouses, legal representatives, successors, and assigns (collectively, the "Dealer Parties"), hereby releases, settles, cancels, discharges, and acknowledges to be fully satisfied any and all claims, demands, damages, debts,

liabilities, obligations, costs, expenses, liens, actions, and causes of action of every kind and nature whatsoever (specifically including any claims which are pending in any court, administrative agency or board or under the mediation process of the Dealer Agreements), whether known or unknown, foreseen or unforeseen, suspected or unsuspected ("Claims"), which Dealer or anyone claiming through or under Dealer may have as of the date of the execution of this Agreement against GM, the 363 Acquirer, their Affiliates or any of their respective members, partners, venturers, stockholders, officers, directors, employees, agents, spouses, legal representatives, successors or assigns (collectively, the "GM Parties"), arising out of or relating to (i) the Dealer Agreements or this Agreement, (ii) any predecessor agreement(s), (iii) the operation of the dealership for the Existing Model Lines, (iv) any facilities agreements, including without limitation, any claims related to or arising out of dealership facilities, locations or requirements, Standards for Excellence ("SFE") related payments or bonuses (except that the 363 Acquirer shall pay any SFE payments due Dealer for the second (2nd) quarter of 2009 and the 363 Acquirer shall not collect any further SFE related payments from Dealer for the third (3rd) quarter of 2009 or thereafter), and any representations regarding motor vehicle sales or profits associated with Dealership Operations under the Dealer Agreements, or (v) any other events, transactions, claims, discussions or circumstances of any kind arising in whole or in part prior to the effective date of this Agreement, provided, however, that the foregoing release shall not extend to (x) reimbursement to Dealer of unpaid warranty claims if the transactions giving rise to such claims occurred within ninety (90) days prior to the date of this Agreement, (y) the payment to Dealer of any incentives currently owing to Dealer or any amounts currently owing to Dealer in its Open Account, or (z) any claims of Dealer pursuant to Section 17.4 of the Dealer Agreements, all of which amounts described in (x) - (z) above of this sentence shall be subject to setoff by GM or the 363 Acquirer, as applicable, of any amounts due or to become due to GM or the 363 Acquirer, or any of their Affiliates. Neither GM nor the 363 Acquirer shall charge back to Dealer any warranty claims approved and paid by GM or the 363 Acquirer prior to the effective date of termination, as described in Section 1 above, after the later to occur of (A) the date six (6) months following payment, or (B) the effective date of termination, except that GM and the 363 Acquirer may make charge-backs for false, fraudulent or unsubstantiated claims within two (2) years of payment.

(b) Dealer, for itself, and the other Dealer Parties, hereby agrees not to, at any time, sue, protest, institute or assist in instituting any proceeding in any court or administrative proceeding, or otherwise assert (i) any Claim that is covered by the release provision in subparagraph (a) above or (ii) any claim that is based upon, related to, arising from, or otherwise connected with the assignment of the Dealer Agreements or the Original Wind-Down Agreement by GM to the 363 Acquirer in the 363 Sale, if any, or an allegation that such assignment is void, voidable, otherwise unenforceable, violates any applicable law or contravenes any agreement. Notwithstanding anything to the contrary, Dealer acknowledges and agrees that GM and the 363 Acquirer will suffer irreparable harm from the breach by any Dealer Party of this covenant not to sue and therefore agrees that GM and the 363 Acquirer shall be entitled to any equitable remedies available to them, including, without limitation, injunctive relief, upon the breach of such covenant not to sue by any Dealer Party.

(c) Dealer shall indemnify, defend and hold the GM Parties harmless, from and against any and all claims, demands, fines, penalties, suits, causes of action, liabilities, losses, damages, costs of settlement, and expenses (including, without limitation, reasonable attorneys' fees and costs) which may be imposed upon or incurred by the GM Parties, or any of them, arising from, relating to, or caused by Dealer's (or any other Dealer Parties') breach of this Agreement or Dealer's execution or delivery of or performance under this Agreement. "Affiliate" means, with respect to any Person (as defined below), any Person that controls, is controlled by or is under

common control with such Person, together with its and their respective partners, venturers, directors, officers, stockholders, agents, employees and spouses. "Person" means an individual, partnership, limited liability company, association, corporation or other entity. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract, or otherwise.

3. Due Authority. Dealer and the individual(s) executing this Agreement on behalf of Dealer hereby jointly and severally represent and warrant to GM and the 363 Acquirer that this Agreement has been duly authorized by Dealer and that all necessary corporate action has been taken and all necessary corporate approvals have been obtained in connection with the execution and delivery of and performance under this Agreement.

4. Confidentiality. Dealer hereby agrees that, without the prior written consent of both GM and the 363 Acquirer, it shall not, except as required by law, disclose to any person (other than its agents or employees having a need to know such information in the conduct of their duties for Dealer, which agents or employees shall be bound by a similar undertaking of confidentiality), the terms or conditions of this Agreement or any facts relating hereto or to the underlying transactions.

5. Informed and Voluntary Acts. Dealer has reviewed this Agreement with its legal, tax, or other advisors, and is fully aware of all of its rights and alternatives. In executing this Agreement, Dealer acknowledges that its decisions and actions are entirely voluntary and free from any duress.

6. Binding Effect. This Agreement shall be binding upon any replacement or successor dealer as referred to in the Dealer Agreements and any successors or assigns, and shall benefit any of GM's and the 363 Acquirer's successors or assigns.

7. Continuing Jurisdiction. By executing this Agreement, Dealer hereby consents and agrees that the Bankruptcy Court shall retain full, complete and exclusive jurisdiction to interpret, enforce, and adjudicate disputes concerning the terms of this Agreement and any other matter related thereto. The terms of this Section 7 shall survive the termination of this Agreement.

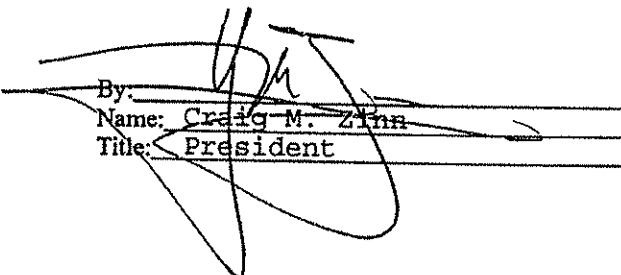
8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the state of Michigan.

9. No Reliance. Dealer represents and agrees that, in delivering this Agreement, it has not relied upon any oral or written agreements, representations, statements, or promises, express or implied, not specifically set forth in this Agreement. No waiver, modification, amendment or addition to this Agreement is effective unless evidenced by a written instrument signed by an authorized representative of the parties, and each party acknowledges that no individual will be authorized to orally waive, modify, amend or expand this Agreement. The parties hereto expressly waive application of any law, statute, or judicial decision allowing oral modifications, amendments, or additions to this Agreement notwithstanding this express provision requiring a writing signed by the parties.

[Signature Page Follows]

IN WITNESS WHEREOF, Dealer has executed this Agreement through its duly authorized representative as of the day and year first above written.

ZINN COMPANIES, INC.


By: _____
Name: Craig M. Zinn
Title: President



General Motors

POST TERMINATION NOTIFICATION

Terminating Dealer Company Information

Dealership Name: Pines Pontiac-GMC-Buick BAC: 130566

Physical Street Address: 16100 Pines Blvd.

City: Pembroke Pines State: FL Zip: 33027

Phone Number: (954) 967-4111

Terminating Dealer Operator Contact Information

(Please provide contact information where GM can reach the terminating Dealer Operator and an Alternate Contact for the foreseeable future)

Dealer Operator Name: Craig M. Zinn

Contact street address same as the dealership address shown above? Y N

Street Address: 1841 North State Road 7

City: Hollywood State: FL Zip: 33021

Contact phone number same as the dealership phone number shown above? Y N

Phone Number: _____ Alternate Phone: (954) 967-4110

Email Address: c/o ajockers@czag.net

Is Dealer Company currently represented by counsel? Yes No

If represented by counsel, Attorney's Name: Alan N. Jockers, Esq.

If Dealer Company is currently represented by counsel, does Dealer Company prefer LFS discuss bulk sales compliance and tax clearance directly with representatives of the Dealer Company or Dealer Company's attorney? Dealer Company Attorney

(If Dealer Company prefers LFS discuss directly with Dealer Company, please complete the Dealer Counsel Authorization attached and fax to LFS.)

Firm: Patrica Parke, Controller

Street Address: 1841 North State Road 7

City: Hollywood State: FL ZIP: 33021

Phone Number: (954) 967-4111 Alternate Phone: (954) 967-4109

Email Address: pparke@czag.net

DEALER: Fax to your Dealer Business Planning Analyst in the GM Dealer Business Planning Group at 313-667-5461/5462 and LFS at 720-359-8201

DEALER COUNSEL AUTHORIZATION

THIS DEALER COUNSEL AUTHORIZATION (this "Authorization") is made as of October 21, 2009, by Alan N. Jockers ("Attorney") and Zinn Companies, Inc. ("Dealer"), for the benefit of LOWE, FELL & SKOGG, LLC ("LFS") and GENERAL MOTORS COMPANY ("GM").

RECITALS

A. Pursuant to ABA Model Rules of Professional Conduct Rule 4.2, "A lawyer shall not communicate about the subject of the representation with a person a lawyer knows to be represented by another lawyer in the matter, unless the lawyer has the consent of the other lawyer or is authorized to do so by law or court order."

B. Pursuant to that certain Post-Termination Notification delivered by Dealer to GM (the "Notification"), to which a form of this Authorization is attached, Dealer indicated that it is represented by Attorney in certain matters related to its GM dealership operations.

C. Dealer stated in the Notification that it prefers that LFS communicate directly with representatives of Dealer other than Attorney with regard to bulk-sales-compliance and tax-clearance matters arising in connection with that certain Wind-Down Agreement (the "Wind-Down Agreement") between Dealer and GM (and executed by General Motors Corporation, GM's predecessor in interest thereunder). Such matters constitute conditions precedent to GM's obligation to disburse the Final Payment Amount (as defined in the Wind-Down Agreement) to Dealer.

D. Attorney desires to provide written authorization for LFS to conduct such communication.

CONSENT

1. Representation. Attorney and Dealer hereby acknowledge and agree that Attorney currently represents Dealer in certain matters related to Dealer's dealership operations. Dealer represents that no attorney other than Attorney represents Dealer with respect to the Wind-Down Agreement or the subject matters comprehended thereby.

2. Consent. Dealer and Attorney hereby authorize LFS to communicate directly with representatives of Dealer other than Attorney with regard to any and all matters related to GM's or Dealer's compliance with applicable bulk sales laws and obtaining certificates or other evidence necessary or desirable in confirming that, following the effective date of termination of the Dealer Agreements (as defined in the Wind-Down Agreement), GM will have no liability to pay any tax or imposition levied against Dealer under applicable laws or any amount assessed as a result of Dealer's failure to pay any such tax or imposition.

IN WITNESS WHEREOF, Dealer and Attorney have executed and delivered this Authorization as of the date first mentioned above.

ATTORNEY:

By: [Signature]
Name: Alan N. Jockers, Esq.
Title: In-House General Counsel

DEALER:

By: [Signature]
Name: Craig M. Zinn
Title: President

Please fax executed Authorization to LFS at 720-359-8201

EXHIBIT C



General Motors LLC
Dealer Business Planning Group
Mail Code 482-A06-C66
100 GM Renaissance Center
Detroit, MI 48265-1000

FEDEX AIRBILL 7981 5666 6725

November 20, 2009

Zinn Companies, Inc.
16100 Pines Blvd.
Pembroke Pines, FL 33027

Attention: Mr. Craig Zinn

This letter is written in connection with that certain Supplemental Wind-Down Agreement ("Supplemental Agreement") dated November 10, 2009, executed and delivered by Zinn Companies, Inc. ("Dealer"). Pursuant to the terms of the Supplemental Agreement, Dealer agreed to terminate its Buick, Pontiac, GMC Dealer Agreements between GM and Dealer effective on November 10, 2009. Please be advised that the termination date for the Buick, Pontiac, GMC Dealer Agreements has been extended to November 20, 2009. All other terms and conditions of the Supplemental Wind-Down Agreement remain in full force and effect.

Please confirm your agreement with this letter by returning a signed facsimile copy to Jeff Bennett. If you have any questions, please direct them to Jeff Bennett at 313-867-5504.

Sincerely,

Tony Napoleon
Zone Manager
General Motors LLC

ACKNOWLEDGED AND AGREED
THIS 30 DAY OF November, 2009

Zinn Companies, Inc., a Florida Corporation

By:

Name: Craig M. Zinn

Title: President

Date: November 30, 2009

- cc: Field Manager - Dealer Support: Southeast-Mike Johnson
- Field Manager - Distribution: Southeast-Ross Bird
- Fixed Operations Zone Manager: Michael Farnum
- Regional Warranty Coordinator: Steven Sparks (SE)
- Lowe, Fell & Skogg, LLC (Regional Attorney): slowe@ifslaw.com
- GM Parts: Southeast-Erica Hudson-Biggens
- Customer Consultant, Fleet and Commercial: Debbie.Francisco@gm.com, Shirley.Stimage@gm.com
- OE Tools: dlrstat@servicesolutions.spx.com
- GM Co-op: Loria Savage: lsavage@cecom.com

EXHIBIT D

Sec. 747. (a) Definitions- For purposes of this section the following definitions apply:

(1) The term `covered manufacturer' means--

(A) an automobile manufacturer in which the United States Government has an ownership interest, or to which the Government has provided financial assistance under title I of the Emergency Economic Stabilization Act of 2008; or

(B) an automobile manufacturer which acquired more than half of the assets of an automobile manufacturer in which the United States Government has an ownership interest, or to which the Government has provided financial assistance under title I of the Emergency Economic Stabilization Act of 2008.

(2) The term `covered dealership' means an automobile dealership that had a franchise agreement for the sale and service of vehicles of a brand or brands with a covered manufacturer in effect as of October 3, 2008, and such agreement was terminated, not assigned in the form existing on October 3, 2008 to another covered manufacturer in connection with an acquisition of assets related to the manufacture of that vehicle brand or brands, not renewed, or not continued during the period beginning on October 3, 2008, and ending on December 31, 2010.

(b) A covered dealership that was not lawfully terminated under applicable State law on or before April 29, 2009, shall have the right to seek, through binding arbitration, continuation, or reinstatement of a franchise agreement, or to be added as a franchisee to the dealer network of the covered manufacturer in the geographical area where the covered dealership was located when its franchise agreement was terminated, not assigned, not renewed, or not continued. Such continuation, reinstatement, or addition shall be limited to each brand owned and manufactured by the covered manufacturer at the time the arbitration commences, to the extent that the covered dealership had been a dealer for such brand at the time such dealer's franchise agreement was terminated, not assigned, not renewed, or not continued.

(c) Before the end of the 30-day period beginning on the date of the enactment of this Act, a covered manufacturer shall provide to each covered dealership related to such covered manufacturer a summary of the terms and the rights accorded under this section to a covered dealership and the specific criteria pursuant to which such dealer was terminated, was not renewed, or was not assumed and assigned to a covered manufacturer.

(d) A covered dealership may elect to pursue the right to binding arbitration

with the appropriate covered manufacturer. Such election must occur within 40 days of the date of enactment. The arbitration process must commence as soon as practicable thereafter with the selection of the arbitrator and conclude with the case being submitted to the arbitrator for deliberation within 180 days of the date of enactment of this Act. The arbitrator may extend the time periods in this subsection for up to 30 days for good cause. The covered manufacturer and the covered dealership may present any relevant information during the arbitration. The arbitrator shall balance the economic interest of the covered dealership, the economic interest of the covered manufacturer, and the economic interest of the public at large and shall decide, based on that balancing, whether or not the covered dealership should be added to the dealer network of the covered manufacturer. The factors considered by the arbitrator shall include (1) the covered dealership's profitability in 2006, 2007, 2008, and 2009, (2) the covered manufacturer's overall business plan, (3) the covered dealership's current economic viability, (4) the covered dealership's satisfaction of the performance objectives established pursuant to the applicable franchise agreement, (5) the demographic and geographic characteristics of the covered dealership's market territory, (6) the covered dealership's performance in relation to the criteria used by the covered manufacturer to terminate, not renew, not assume or not assign the covered dealership's franchise agreement, and (7) the length of experience of the covered dealership. The arbitrator shall issue a written determination no later than 7 business days after the arbitrator determines that case has been fully submitted. At a minimum, the written determination shall include (1) a description of the covered dealership, (2) a clear statement indicating whether the franchise agreement at issue is to be renewed, continued, assigned or assumed by the covered manufacturer, (3) the key facts relied upon by the arbitrator in making the determination, and (4) an explanation of how the balance of economic interests supports the arbitrator's determination.

(e) The arbitrator shall be selected from the list of qualified arbitrators maintained by the Regional Office of the American Arbitration Association (AAA), in the Region where the dealership is located, by mutual agreement of the covered dealership and covered manufacturer. If agreement cannot be reached on a suitable arbitrator, the parties shall request AAA to select the arbitrator. There will be no depositions in the proceedings, and discovery shall be limited to requests for documents specific to the covered dealership. The parties shall be responsible for their own expenses, fees, and costs, and shall share equally all other costs associated with the arbitration, such as arbitrator fees, meeting room charges, and administrative costs. The arbitration shall be conducted in the State where the covered dealership is located. Parties will have the option of conducting arbitration electronically and telephonically, by mutual agreement of both parties. The arbitrator shall not award compensatory, punitive, or exemplary damages to any party. If the arbitrator finds in favor of a covered dealership, the covered manufacturer shall as soon

as practicable, but not later than 7 business days after receipt of the arbitrator's determination, provide the dealer a customary and usual letter of intent to enter into a sales and service agreement. After executing the sales and service agreement and successfully completing the operational prerequisites set forth therein, a covered dealership shall return to the covered manufacturer any financial compensation provided by the covered manufacturer in consideration of the covered manufacturer's initial determination to terminate, not renew, not assign or not assume the covered dealership's applicable franchise agreement.

(f) Any legally binding agreement resulting from a voluntary negotiation between a covered manufacturer and covered dealership(s) shall not be considered inconsistent with this provision and any covered dealership that is a party to such agreement shall forfeit the right to arbitration established by this provision.

(g) Notwithstanding the requirements of this provision, nothing herein shall prevent a covered manufacturer from lawfully terminating a covered dealership in accordance with applicable State law.

EXHIBIT E

Alan Jockers

From: Steve Friend [sfriend@czag.net]
Sent: Wednesday, January 06, 2010 1:18 PM
To: 'Alan Jockers'
Cc: 'JZEZULKA@CZAG.NET'
Subject: FW: Zinn Pembroke Pines Wind Down Payment
Importance: High
Attachments: Zinn Waiver Letter.doc

From: tony.napoleon@gm.com [mailto:tony.napoleon@gm.com]
Sent: Wednesday, January 06, 2010 12:45 PM
To: sfriend@czag.net
Subject: Fw: Zinn Pembroke Pines Wind Down Payment

Steve, See the note below on receipt of the waiver letter.

Tony Napoleon
Zone Manager - RCC Atlanta
678-240-9917
678-240-9955(fax)
tony.napoleon@gm.com

----- Forwarded by Tony Napoleon/US/GM/GMC on 01/06/2010 12:43 PM -----

Heather Zawol/C/US/GM/GMC

To Tony Napoleon/US/GM/GMC@GM

cc Gregory D. Ross/US/GM/GMC@GM, Jeffery
Bennett/C/US/GM/GMC@GM

01/06/2010 12:24 PM

Subject Re: Zinn Pembroke Pines Wind Down Payment [Link](#)

Hi Tony,

I have not received the waiver letter yet. Did he mention if he faxed or mailed it? If it was mailed it's quite possible we won't receive it until tomorrow. If he faxed it, you may want to tell him to send it again to my attention.

Thank You!

Heather Zawol
Dealer Contractual Manager
Channel Vantage, Inc.
on site at
General Motors LLC
ph) 313-667-5444
fax) 313-667-5461/5462
heather.zawol@gm.com

Tony Napoleon/US/GM/GMC

To Jeffery Bennett/C/US/GM/GMC

1/29/2010

01/06/2010 12:12 PM

cc Gregory D. Ross/US/GM/GMC@GM, Heather
Zawol/C/US/GM/GMC@GM

Subject Re: Zinn Pembroke Pines Wind Down Payment [Link](#)

Heather, Could you verify that you received the Waiver letter from Steve Friend? Let me know, as in speaking with him today, he said that he sent it in.

They are looking for their funds payment.

THANX,

Tony Napoleon
Zone Manager - RCC Atlanta
678-240-9917
678-240-9955(fax)
tony.napoleon@gm.com

Jeffery Bennett/C/US/GM/GMC

01/05/2010 08:50 AM

To Gregory D. Ross/US/GM/GMC@GM, Tony Napoleon/US/GM/GMC@GM
cc Heather Zawol/C/US/GM/GMC@GM
Subject Zinn Pembroke Pines Wind Down Payment

Greg/Tony,

Craig Zinn has completed all requirements of his wind down to be paid the final 75% however since the new arbitration legislation was passed, we also need to get the attached waiver letter before we will terminate or make the final payment. Can one of you reach out to Mr. Zinn to get the attached waiver completed?

Please make sure you reply to Heather Zawol as well as I am transitioning to a new position this week and am in and out of the office. Thanks.

Jeff Bennett
Senior Contractual Manager
ChannelVantage, Inc.
Onsite at General Motors

100 Renaissance Center
Mail Code 482-A06-C66
Detroit, MI 48265
Phone: (313) 667-5504
Fax: (313) 667-5461
Email: jeffery.bennett@gm.com

Nothing in this message is intended to constitute an electronic signature unless a specific statement to

1/29/2010

the contrary is included in this message.

Confidentiality Note: This message is intended only for the person or entity to which it is addressed. It may contain confidential and/or privileged material. Any review, transmission, dissemination or other use, or taking of any action in reliance upon this message by persons or entities other than the intended recipient is prohibited and may be unlawful. If you received this message in error, please contact the sender and delete it from your computer.

EXHIBIT F



General Motors LLC
Dealer Contractual Group
Mail Code 482-A06-C66
100 GM Renaissance Center
Detroit, MI 48265-1000

January 5, 2010

Zinn Companies, Inc.
1841 North State Road 7
Hollywood, FL 33021

Re: Waiver of Rights With Respect to Recently Enacted Federal Dealer Legislation

Dear Mr. Craig Zinn:

This letter is being delivered to Zinn Companies, Inc. ("Dealer") in connection with your request to terminate the Dealer Sales and Service Agreement(s) (the "Dealer Agreement(s)") with General Motors LLC ("GM") pursuant to the terms of the Wind-Down Agreement dated as of June 2, 2009 (the "Wind-Down Agreement"). All initially capitalized terms used but not otherwise defined herein shall have the meaning set forth for such terms in the Wind-Down Agreement.

In addition to Dealer's satisfaction of the conditions for termination as set forth in the Wind-Down Agreement, including, without limitation, the execution by Dealer of the Supplemental Wind-Down Agreement, Dealer must execute this letter in the space provided below. By executing in the space provided below, Dealer hereby (i) acknowledges and specifically agrees that the Wind-Down Agreement, the Supplemental Wind-Down Agreement and this letter constitute legally binding agreements that were the result of voluntary negotiations between Dealer and GM as expressly permitted by and exempted from certain provisions of recently enacted federal legislation addressing dealer issues related to industry restructuring (the "Recently Enacted Legislation"), and (ii) waives any rights set forth in the Recently Enacted Legislation, including, without limitation, any and all rights to arbitrate thereunder. Please note that, without an executed copy of this letter, GM will be unable to terminate the Dealer Agreements and make the Final Payment Amount in accordance with the terms of the Wind-Down Agreement.

If the foregoing accurately reflects the agreement between Dealer and GM with respect to the subject matter of this letter, please so indicate by executing in the space provided below and returning a fully executed copy of this letter to Heather Zawol.

GENERAL MOTORS LLC

ACKNOWLEDGED AND ACCEPTED THIS
__ DAY OF JANUARY, 2010

By: _____
Title: _____

EXHIBIT G

Alan N. Jockers, Esq.
In-House General Counsel
Direct No. (954) 967-4110
Direct Fax (954) 985-7117
ajockers@czag.net

1850 North State Road 7
Hollywood, Florida 33021
954.967.4111
Fax 954.985-3844

January 7, 2010

VIA OVERNIGHT MAIL & EMAIL - jeffery.bennett@gm.com

Jeff Bennett, Senior Contractual Manager
General Motors
100 Renaissance Center
Mail Code: 482-A06-C66
Detroit, MI 48265-1000

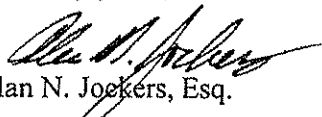
**NOTICE OF MATERIAL BREACH OF WIND-DOWN
AGREEMENT & DEMAND FOR PAYMENT**

I am providing legal representation to Zinn Companies, Inc. ("Zinn Co.") in regard to the above referenced matter. This letter is written to advise you of GM's material breach of the terms of the Wind-Down Agreement which was entered into with Zinn Co. I was directed by your law firm to submit issues regarding payment to the attention of GM. My client has been informed that you are refusing to pay Zinn Co. pursuant to the terms of the Wind-Down Agreement despite Zinn Co.'s satisfaction of all conditions precedent to payment. Section 3 of the Wind-Down Agreement provides that GM was required to pay the balance of the Wind-Down Payment amount to Zinn Co. within ten business days after fulfillment of all of the terms and conditions contained in the agreement.

You have indicated in your January 5, 2010 email that, "Craig Zinn has completed all requirements of his wind down to be paid the final 75% however since the new arbitration legislation was passed, we also need to get the attached waiver letter before we will terminate or make the final payment..." Please be advised that the Wind-Down Agreement entered into by the parties does not require Zinn Co. to sign the arbitration waiver. Further, the arbitration legislation referenced in your email does not require Zinn Co. to sign the waiver. Rather, Section 747(e) of the legislation specifically provides that in the event that a covered dealership prevails in the arbitration, it "shall return to the covered manufacturer any financial compensation provided by the covered manufacturer..." Accordingly, GM's attempt to force Zinn Co. to involuntarily sign the waiver without additional consideration is without merit, thwarts the purpose of the legislation, and GM's failure to pay constitutes a material breach of the Wind-Down Agreement.

More than ten business days have passed since Zinn Co. satisfied of all the conditions set forth in the Wind-Down Agreement, accordingly, without waiver of any right or remedy, Zinn Co. hereby demands immediate payment pursuant to the terms of the parties' agreement. Please make the payment, and provide a written response to this letter no later than the close of business January 12, 2010. Govern yourself accordingly.

Sincerely yours,



Alan N. Jockers, Esq.

Cc: Tony Napoleon, Zone Manager via email: tony.napoleon@gm.com
Heather Zawol, Dealer Contractual Manager via email: heather.zawol@gm.com
Lowe Fell & Skogg c/o Jenna Skogg, via email & overnight mail: jskogg@lfsllaw.com
Lowe, Fell & Skogg, LLC, 370 Seventeenth Street, Suite 4900, Denver, Colorado 80202
Akerman Senterfitt, litigation counsel for Zinn Companies, Inc. – Robert Zinn, Esq. & Martin Hayes, Esq.



EXHIBIT H

Alan N. Jockers, Esq.
In-House General Counsel
Direct No. (954) 967-4110
Direct Fax (954) 985-7117
ajockers@czag.net

1850 North State Road 7
Hollywood, Florida 33021
954.967.4111
Fax 954.985-3844

January 18, 2010

VIA OVERNIGHT MAIL & EMAIL

Bishopj@adr.org

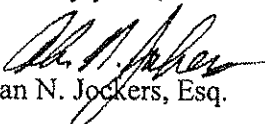
American Arbitration Association
John Bishop, Vice President
2200 Century Parkway, Suite 300
Atlanta, GA 30345

RE: Zinn Companies, Inc. f/k/a/ Pines Pontiac-GMC-Buick Demand for
Arbitration against General Motors, LLC pursuant to the Automobile
Industry Special Binding Arbitration Program

Dear Mr. Bishop:

Enclosed please find two copies of Zinn Companies, Inc.'s Demand for Arbitration, along with its share of the required filing fee, in the amount of \$1,625.00. Please advise me immediately if anything else is necessary in order to initiate these proceedings.

Sincerely yours,


Alan N. Jockers, Esq.

Encls. 1) Automobile Industry Special Binding Arbitration Program Demand for Arbitration
2) Check #1001 for \$1,625.00

Cc w/ encls. via Overnight Mail & email, tony.napoleon@gm.com:
General Motors, LLC
100 Renaissance Center
Detroit MI, 48265-1000

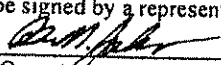
Cc w/ encls. via email: J. Martine Hayes, Esq., counsel for Zinn Companies, Inc.





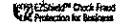
American Arbitration Association
Dispute Resolution Services Worldwide

AUTOMOBILE INDUSTRY SPECIAL BINDING ARBITRATION PROGRAM
Demand for Arbitration Pursuant To
Section 747, Consolidated Appropriations Act of 2010 - For General Motors, LLC Dealers

Name of Manufacturer General Motors, LLC			Name of Representative (if known)		
Address 100 Renaissance Center			Name of Firm (if applicable)		
			Representative's Address		
City Detroit	State MI	Zip Code 48265-1000	City	State	Zip Code
Phone No. 678-240-9917		Fax No. 678-240-9955	Phone No.		Fax No.
Email Address: tony.napoleon@gm.com			Email Address:		
Amount Enclosed \$ <u>1,625.00</u> In accordance with Fee Schedule: <input type="checkbox"/> Flexible Fee Schedule <input checked="" type="checkbox"/> Standard Fee Schedule					
Hearing locale <u>Broward County, Florida</u> <input checked="" type="checkbox"/> Requested by Claimant					
Estimated time needed for hearings overall: _____ hours or <u>3.00</u> days					
<input type="checkbox"/> Desk Arbitration Acceptable (Documents only or Documents plus Teleconferencing)					
<input type="checkbox"/> Video Conference Acceptable					
You are hereby notified that copies of this demand are being filed with the American Arbitration Association's Case Management Center, located in (check one) <input checked="" type="checkbox"/> Atlanta, GA <input type="checkbox"/> Fresno, CA, with a request that it commence administration of the arbitration. The AAA will provide notice of your opportunity to file an answering statement.					
Signature (may be signed by a representative) 		Date: 1/18/10	Name of Representative J. Martin Hayes		
Name of Dealer/Operator Zinn Companies, Inc. f/k/a Pines Pontiac-GMC-Buick			Name of Firm (if applicable) Akerman Senterfitt		
Check box of GM Line/Make to be Arbitrated: <input checked="" type="checkbox"/> Buick <input type="checkbox"/> Cadillac <input type="checkbox"/> Chevrolet <input checked="" type="checkbox"/> GMC Truck GM BAC CODE: 130566					
Address (to be used in connection with this case) c/o Alan N. Jockers, 1850 North State Road 7			Representative's Address 106 E. College Ave., Ste. 1200		
City Hollywood	State FL	Zip Code 33021	City Tallahassee	State FL	Zip Code 32301
Phone No. 954-967-4110		Fax No. 954-985-7117	Phone No. 850-425-1647		Fax No. 850-224-1247
Email Address: ajockers@czag.net			Email Address: martin.hayes@akerman.com		
To begin proceedings, please send a copy of this Demand in compliance with Section 747, of the Consolidated Appropriations Act of 2010, provided for in the Rules, to the AAA.					
Please visit our website at www.adr.org if you would like to file this case online. AAA Customer Service can be reached at 800-778-7879.					

CZAG DEALER SERVICES

1850 N STATE ROAD 7
HOLLYWOOD, FL 33021



1/18/2010

PAY TO THE ORDER OF: AMERICAN ARBITRATION ASSOCIATION

\$ **1,625.00

One Thousand Six Hundred Twenty-Five Only*****

DOLLARS

AMERICAN ARBITRATION ASSOCIATION
2200 CENTURY PARKWAY, SUITE 300
ATLANTA, GA 30345

James R. Zinn
Richard D. Parker
AUTHORIZED SIGNATURE

MEMO RE ZINN COMPANIES INC DEMAND FOR ARBITRATIO

⑈00100⑈ ⑆067015313⑆ 2000009379⑈

CZAG DEALER SERVICES

1001

CZAG DEALER SERVICES

1001

EXHIBIT I



Date: February 22, 2010

To: Mr. Steven Friend
Zinn Companies, Inc.
Dba Pines Pontiac-GMC-Buick

As you may know, pursuant to an Order from the Bankruptcy Court supervising General Motors Corporation's bankruptcy proceedings, all judicial and administrative matters involving the former GM were stayed until further Order of the Court. Consequently, all mediations pending involving GM dealers were stayed.

In mid-June 2009, Pines Pontiac-GMC-Buick-Term dealership signed a Wind Down Agreement that expressly released any claims or disputes of any nature relating to mediation which was pending concerning the results of the audit of the dealership that occurred on March 6, 2009 and detailed \$55,6671.79 to be charged back to the dealership.

Specifically, Paragraph 6 of that Wind Down Agreement states:

Release: Covenant Not to Sue: Indemnity

In consideration for the covenants and agreements set forth herein, without limitation, the assignment of the Dealer Agreements in the 363 Sale:

- (a) Dealer, for itself, the other Dealer Parties, hereby releases, settles, cancels, discharges, and acknowledges to be fully satisfied any and all claims, demands, damages, debts, liabilities, obligations, costs, expenses, liens, actions, and causes of action of every kind and nature whatsoever (specifically including any claims which are pending in any court, administrative agency or board or under the mediation process of the Dealer Agreements), whether known or unknown, foreseen or unforeseen, suspected or unsuspected ("Claims"), which Dealer or anyone claiming through or under Dealer may have as of the date of execution of this letter agreement against the GM parties, arising out of or relating to (i) the Dealer Agreements or this letter agreement....

The United States Bankruptcy Court for the Southern District of New York subsequently approved a 363 sale of certain assets of the former General Motors Corporation to General Motors Company (now General Motors LLC) and the Court expressly found the Participation Agreements were valid properly executed documents.

As a result of executing the Wind Down Agreement, Pines Pontiac-GMC-Buick dealership has released any claims or disputes relating to this audit and the matter is accordingly not eligible for mediation.

This debit will be processed March 11, 2011

The enclosed Audit Debit Summary dated March 6, 2009 in the amount of \$55,6671.79 is provided for your reference.

A handwritten signature in black ink, appearing to read "Jeff Watts", is positioned above the typed name.

Jeff Watts
Director Events &
Dealer Mediation
General Motors LLC



March 6, 2009

Mr. Steven Friend, Group GM
Zinn Companies, Inc.
Dba Pines Pontiac-GMC-Buick
16100 Pines Blvd.
Pembroke Pines, FL 33027

Re: Dealer Audit Report: SALES & SFE Country: USA
Region: VSSM Southeast Dealer Code: B 39 251; T 53 517; P 17 053
GMAS Audit Code: ANDLVSCODENAA090 Site Code: 06090
GMAS Auditor(s): Dana Rush BAC Code: 130566
Audit Period: 8/23/2007 - 2/22/2009
CSI Extended: 09/20/2003 - 8/22/2007
Audit Contact Period: 02/23/2009 - 03/06/2009

As a result of this audit at your dealership, deviations from GM VSSM incentive program guidelines and policies were identified. During the audit period, 8/23/2007 - 2/22/2009 approximately 369 cases were analyzed. For the extended audit 09/20/2003-8/22/2007 approximately 89 CSI cases were analyzed. Sales incentive payment eligibility is dependent on compliance with all relevant program guidelines and policies. Deviations identified are summarized below and details of the audit and non-compliant items are shown on the attached documents.

REVISED DEBIT SUMMARY – GM Bankruptcy

Deviation Category	Deviation Description	Cases / Lines	Debit Amount (Local Currency)
			\$
1	Documentation Not Received	25/25 23/25	27,081.79 25,271.79
	Total GM Claim for CSI Intervention (SFE)		TBD 531,400.00
	Total Debit and Damages		-27,081.79 \$556,671.79

Pines Pontiac GMC Buick should review its dealership administrative process to ensure all staff members are acquainted with Southeast Region VSSM sales incentive requirements for sales incentive documentation and guidelines. This confirms our meeting on March 6, 2009 and review of the audit findings.

Pursuant to the June 1, 2009 Order of the United States Bankruptcy Court for the Southern District of New York, all judicial, administrative and other actions and proceedings against General Motors Corporation are stayed, restrained and enjoined until further Order of the Court. Please see attached for settlement terms.

Dana Rush, GMAS

Mr. Steven Friend, Group General Manager

General Motors Corporation
GM Audit Services

100 Renaissance Center
MC 482 A38 D82
Detroit, MI 48265-1000

(313) 665-3584
Fax (313) 665-3534

FedEx

Express

Personal & Confidential

The World Un Time.

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7:59
02:23
1 333TM 23

TO REUSE: Cover or mark through any previous shipping information.

SEARCH ID: 123456789
 BILL TO: 123456789
 BILL FROM: 123456789
 BILL TO: 123456789
 BILL FROM: 123456789
 BILL TO: 123456789
 BILL FROM: 123456789

To: C/O PATRICIA PIKE
 PINES POINT RC-GMC-BUICK (130565)
 2300 N STATE ROAD 7
 HOLLYWOOD FL 33021

HOLLYWOOD FL 33021

FedEx

TUE - 23 FEB AS
 PRIORITY OVERNIGHT

TK4 9761 0528 7160

33021 A1

FLS LGHT

21 1-4S
 1-4S

XH HMOA



108583 227819 17:01

Align bottom of Peel and Stick Airbill or Pouch here.



The settlement letter you received on Tuesday, February 23 (dated February 22) contained the incorrect date of when the stated debt would be processed. Attached is a new letter with the corrected date.



Date: February 23, 2010

To: Mr. Steven Friend
Zinn Companies, Inc.
Dba Pines Pontiac-GMC-Buick

As you may know, pursuant to an Order from the Bankruptcy Court supervising General Motors Corporation's bankruptcy proceedings, all judicial and administrative matters involving the former GM were stayed until further Order of the Court. Consequently, all mediations pending involving GM dealers were stayed.

In mid-June 2009, Pines Pontiac-GMC-Buick-Term dealership signed a Wind Down Agreement that expressly released any claims or disputes of any nature relating to mediation which was pending concerning the results of the audit of the dealership that occurred on March 6, 2009 and detailed \$55,6671.79 to be charged back to the dealership.

Specifically, Paragraph 6 of that Wind Down Agreement states:

Release: Covenant Not to Sue: Indemnity

In consideration for the covenants and agreements set forth herein, without limitation, the assignment of the Dealer Agreements in the 363 Sale:

- (a) Dealer, for itself, the other Dealer Parties, hereby releases, settles, cancels, discharges, and acknowledges to be fully satisfied any and all claims, demands, damages, debts, liabilities, obligations, costs, expenses, liens, actions, and causes of action of every kind and nature whatsoever (specifically including any claims which are pending in any court, administrative agency or board or under the mediation process of the Dealer Agreements), whether known or unknown, foreseen or unforeseen, suspected or unsuspected ("Claims"), which Dealer or anyone claiming through or under Dealer may have as of the date of execution of this letter agreement against the GM parties, arising out of or relating to (i) the Dealer Agreements or this letter agreement....

The United States Bankruptcy Court for the Southern District of New York subsequently approved a 363 sale of certain assets of the former General Motors Corporation to General Motors Company (now General Motors LLC) and the Court expressly found the Participation Agreements were valid properly executed documents.

As a result of executing the Wind Down Agreement, Pines Pontiac-GMC-Buick dealership has released any claims or disputes relating to this audit and the matter is accordingly not eligible for mediation.

This debit will be processed March 11, 2010.

The enclosed Audit Debit Summary dated March 6, 2009 in the amount of \$55,6671.79 is provided for your reference.

Jeff Watts
Director Events &
Dealer Mediation
General Motors LLC

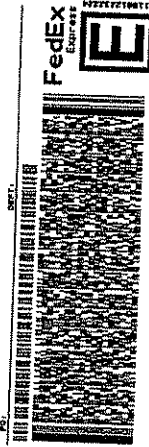
FedEx Express

ORIGIN ID: NEBA (7541713-3148)
SHIP DATE: 23FEB10
SHIP TIME: 4:05 PM
ORIGIN: 0103122/0RPEZ31

TO: C/O PATRICIA PIKE
PINES PONTIAC-GMC-BUICK (130566)
2300 N STATE ROAD 7

HOLLYWOOD FL 33021

SHIP TO: HOLLYWOOD FL 33021

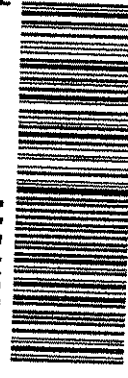


9761 0528 7229
MED - 24FEB AI
PRIORITY OVERNIGHT

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7229
02.24
FZ

XH HWOA

33021
FL-MS
FLL



The World's
Envelope

For FedEx Express® Shipments Only

EXHIBIT J

ACCOUNTS RECEIVABLE STATEMENT

STATEMENT DATE: 02/19/10
SETTLEMENT DATE: 02/25/10

STATEMENT PERIOD: 02/13/10 - 02/19/10
REMIT TO:

PINES PONTIAC-GMC-BUICK
1841 NORTH STATE ROAD 7
HOLLYWOOD FL 33021-4510

GENERAL MOTORS LLC
P.O. BOX 70595
CHICAGO, IL 60673

DOCUMENT DATE	DESCRIPTION	DOCUMENT NUMBER	DOCUMENT AMOUNT
02/12/10	BALANCE FORWARD	000079466977	62,959.92 CR
	SUB-TOTAL		62,959.92 CR
16 17053	ACTIVITY:		
02/19/10	LETTER AGREEMENT PROGRAM	000079512676	677,753.25 CR
	SUB-TOTAL		677,753.25 CR
	CREDIT OWED ON 02/25/10		740,713.17 CR

IF EFT HAS BEEN ELECTED BY THIS ACCOUNT DO NOT REMIT PAYMENT FOR ANY BALANCE DUE

0328

EXHIBIT K



March 6, 2009

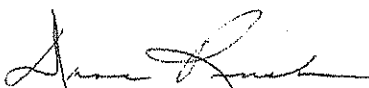
Mr. Steven Friend, Group GM
Zinn Companies, Inc.
Db a Pines Pontiac-GMC-Buick
16100 Pines Blvd.
Pembroke Pines, FL 33027

Re: Dealer Audit Report: SALES & SFE Country: USA
Region: VSSM Southeast Dealer Code: B 39 251; T 53 517; P 17 053
GMAS Audit Code: ANDLVSCODENAA090 Site Code: 06090
GMAS Auditor(s): Dana Rush BAC Code: 130566
Audit Period: 8/23/2007 - 2/22/2009
CSI Extended: 09/20/2003 - 8/22/2007
Audit Contact Period: 02/23/2009 - 03/06/2009

As a result of this audit at your dealership, deviations from GM VSSM incentive program guidelines and policies were identified. During the audit period, 8/23/2007 - 2/22/2009 approximately 369 cases were analyzed. For the extended audit 09/20/2003-8/22/2007 approximately 89 CSI cases were analyzed. Sales incentive payment eligibility is dependent on compliance with all relevant program guidelines and policies. Deviations identified are summarized below and details of the audit and non-compliant items are shown on the attached documents.

Deviation Category	Deviation Description	Cases / Lines	Debit Amount (Local Currency)
			\$
I	Documentation Not Received	25/25	27,081.79
	Total GM Claim for CSI Intervention (SFE)		TBD
	Total Debit and Damages		\$27,081.79

Pines Pontiac GMC Buick should review its dealership administrative process to ensure all staff members are acquainted with Southeast Region VSSM sales incentive requirements for sales incentive documentation and guidelines. This confirms our meeting on March 6, 2009 and review of the audit findings. If the proposed debit amount is not accepted or if you disagree with GM's request for reimbursement, then you have until April 6, 2009 to initiate the mediation process per the GM Dealer Agreement.


Dana Rush, GMAS



Mr. Steven Friend, Group General Manager

EXHIBIT L

2300 North State Road 7
Hollywood, Florida 33021
954.967.4111
Fax 954.985.3844

Alan N. Jockers, Esq.
In-House General Counsel
Direct No. (954) 967-4110
Direct Fax (954) 985-7117
ajockers@czag.net

April 3, 2009

VIA OVERNIGHT MAIL & FACSIMILE
(617) 973-9532

Nancy Connelly
Mediation Works Incorporated
Third Floor
4 Faneuil Hall
Boston, MA 02109-1632

Ref: USED CAR

Date: 04/03/2009
Wgt: 0.1 LBS
DV: 0.00

SHIPPING: 11.34
SPECIAL: 0.28
HANDLING: 0.00
TOTAL: 11.62

Svcs: STANDARD OVERNIGHT
TRCK: 9357 3705 2713

RE: Request for Mediation - GM Audit of Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick

Dear Ms. Connelly:

I am providing legal representation to Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick ("PPG" or the "Dealership") in regard to the above referenced matter. Enclosed please find the Dealership's Filing Form requesting mediation, its one page summary of the dispute, and check number 57829 in the amount of \$1,000.00.

Please contact me if anything else is required to initiate the mediation process.

Sincerely yours,


Alan N. Jockers, Esq.

Encls.

Cc via Facsimile: (313) 667-5462
William T. Hepburn, Jr., JMAC Secretary



GMC



GENERAL MOTORS DISPUTE RESOLUTION PROCESS

REQUEST FOR MEDIATION

Filing Form

INSTRUCTIONS:

- Type or Print clearly all information requested on the form and sign in the space provided.
- Attach a one-page description of the specific facts involved in your dispute and briefly explain why you are seeking mediation.
- Forward the completed filing form and the one-page description with a Deposit Check (payable to "Mediation Works Incorporated") for \$1,000.00 to the Administrator listed below. A photocopy of the filing form and attachments should be sent to the JMAC Secretary. The Deposit will be applied toward the requesting party's mediation expenses.

The Mediation will be conducted in accordance with procedures outlined in the General Motors Dispute Resolution Process.

Party Requesting Mediation:

Company*: Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick
By: Patricia A. Parke Title: Corporate Secretary
Street Address: 2300 N. State Rd. 7 Phone: 954/967-4111
City, State, Zip: Hollywood, FL 33021 Fax: 954/985-7117

Party Whose Decision or Action will be the Subject of the Mediation:

Company*: General Motors Corporation
Name: Dana Rush Title: GM Audit Services
Street Address: 100 Renaissance Center Phone: 313/665-3584
City, State, Zip Detroit, MI 48265-1000 Fax: 313/665-3534
Mail Code 482 A38 D82

If additional parties are involved in the dispute, attach a separate sheet listing above information for each additional party.
* Corporate Name and DBA Name

Attach a one-page description of the specific facts involved in your dispute: (Required)

If you have any questions, please do not hesitate to call the Administrator or the JMAC Secretary.

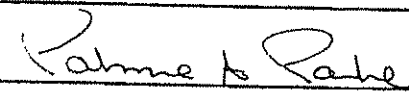
GM Dispute Resolution Process Administrator

Nancy Connelly
Mediation Works Incorporated
Third Floor
4 Faneuil Hall
Boston, MA 02109-1632
Phone: 617-973-9739 Ext 24 or 800-894-8323
Fax: 617-973-9532
E-mail: nconnelly@mwi.org

JMAC Secretary

William T. Hepburn, Jr.
General Motors Corporation
MC: 482-A07-C66
100 Renaissance Center
Detroit, MI 48265-1000
Phone: 313-665-1833
FAX: 313-667-5462
E-mail: william.t.hepburnjr@gm.com

Print Name: Patricia A. Parke

Signature of Dealer: 

Date: 4/3/09

REQUEST FOR MEDIATION
ONE PAGE DESCRIPTION OF FACTS INVOLVED IN DISPUTE
BETWEEN GENERAL MOTORS AND PINES PONTIAC-GMC-BUICK

The dispute arises from the Audit Results Package which General Motors hand delivered to Pines Pontiac-GMC-Buick ("PPG" or the "Dealership") on March 6, 2009. The Dealership formally responded on April 3, 2009. In summary, and without waiver of any right or remedy it may have, the Dealership disagrees with GM's request for reimbursement and the proposed debit amounts are not accepted, therefore mediation has been requested in regard to the entire audit.

In regard to the "Documentation Not Received" item for \$27,081.79 and "Deviation Notice – Missing Documentation" aspect of the audit, the Dealership provided GM with documentation on April 3, 2009 which supports the Dealership's incentive eligibility for a number of the deliveries at issue.

In regard to the "Total GM Claim for CSI Intervention (SFE)" for an unstated amount, the Dealership has not been provided with adequate information or documentation which would enable it to respond to the claim. For example, it is not clear whether any of the alleged deviations resulted in PPG's receipt of any incentive payments. Additionally, the Dealership objected to the audit because it was conducted in violation of Florida law. As evidenced in the Audit Results Package, the audit covered a period that was more than 18 months prior to the date incentives were paid. PPG therefore requested an explanation as to why the statutory protections it has been afforded under Florida law have been ignored. In pertinent part, Florida Statute section 320.64(25) provides:

Audit of incentive payments shall only be for an 18-month period immediately following the date the incentive was paid. An applicant or licensee shall not deny a claim or charge a motor vehicle dealer back subsequent to the payment of the claim unless the applicant or licensee can show that the claim was false or fraudulent or that the motor vehicle dealer failed to substantially comply with the reasonable written and uniformly applied procedures of the applicant or licensee for such repairs or incentives.

Additionally, the Dealership was not afforded with the full amount of time it is allowed under Florida law to respond to the audit. The audit results package was incomplete, but nonetheless required a response within a 30 day period. Florida law requires "a reasonable period after the meeting within which to respond to the proposed charge-backs, with such period to be commensurate with the volume of claims under consideration, but in no case less than 45 days after the meeting."

**PINES
PONTIAC
GMC BUICK**

16100 PINES BLVD.
PEMBROKE PINES, FLORIDA 33027

74-478
724

01100000 010000

57829

PAY ****ONE THOUSAND DOLLARS AND 00/100****

TO THE
ORDER
OF
**MEDITION WORKS INCORPORATED
3RD FLOOR, 4 FANEUIL HALL
BOSTON MA 02109**

DATE	AMOUNT
------	--------

04/02/09	\$1,000.00
----------	------------

ZINN COMPANIES, INC.
VOID AFTER 90 DAYS

 SECURITY
FEATURES INCLUDED
DETAILS ON BACK

[Signature]
AUTHORIZED SIGNATURE

[Signature]
AUTHORIZED SIGNATURE

COMERICA BANK ANN ARBOR, N.A.
ANN ARBOR, MI

⑈057829⑈ ⑆072404786⑆ 2176974364⑈

NAME	NUMBER	DATE
------	--------	------

MEDITION WORKS INCORPORATED

04/02/09

S
D

ACCT#	AMOUNT	CTRL#
7230	1000.00	
7230	0.00	

DESC	PO#
MEDIATION FEE- GM/PPG	
AUDIT	

REMITTANCE ADVICE
DETACH AND RETAIN

PINES PONTIAC GMC TRUCK
16100 PINES BLVD.
PEMBROKE PINES, FLORIDA 33027

CHECK NO.

57829

NET
AMOUNT

\$1,000.00

EXHIBIT M



April 3, 2009

VIA OVERNIGHT MAIL & FACSIMILE
(313) 665-3534

Dana Rush, GMAS
General Motors Corporation
100 Renaissance Center
MC 482 A38 D82
Detroit, MI 48265-1000

RE: GM Audit of Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick

Dear Ms. Rush:

This letter is in response to your March 6, 2009 correspondence "Re: Deviation Notice-Customer Satisfaction Survey Interference." You have requested Pines Pontiac to correct and explain in writing the corrective actions taken to remedy the above breaches within 30 days of your notice.

I thank you for providing me with this opportunity. As you are aware, I recently took over management of the dealership, and was not aware that the alleged practices were going on. A majority of the employees who are alleged to have been implicated in these practices no longer work for Pines Pontiac, and I have addressed your allegations with the remaining employees. Accordingly, appropriate action has been taken to address the matters raised in your letter, and you can rest assured that these issues will not arise in the future.

Should you wish to discuss this matter further, I will be receptive to any suggestions GM may have.

Sincerely yours,
Pines Pontiac-GMC-Buick


Steven Friend

16100 Pines Blvd.
Pembroke Pines, FL 33027
(954) 443-2500

EXHIBIT N



MEDIATION WORKS INCORPORATED

April 8, 2009

Via Email

Craig Zinn Automotive Group
By Alan Jockers, Esq.
2300 North State Road 7
Hollywood, FL 33201
ajockers@czag.net

Re:

Mediation of Craig Zinn Automotive Group d/b/a Pines Pontiac GMC Buick with General Motors
MWI Case # 2009-0294

Dear Att. Jockers,

We received your **Request for Mediation** on April 3, 2009 under the guidelines of the General Motors Dispute Resolution Process [the 'Process']. We also received on April 6, 2009 your filing fee/retainer in the form of check #57829 for \$1,000.

Please note: under Mandatory Mediation, Page 1 of the Process, the parties will **withhold implementation** of any contested decision and will **stay proceedings** in any other venue until the completion of the Mediation under these procedures. Further, on Page 2, delivery of a completed filing, and notice by the program administrator to the other party, will automatically **defer any action** on the eligible issue in dispute pending the outcome of mediation.

As the **next step** in the Process, we forwarded the Request for Mediation to General Motors upon receipt. General Motors responded that they have no objection to the filing based upon its opinion that the dispute is within the scope of the Process. Further, GM identified their attendees as Bill Nicholson, GM Decision-maker, and Ron Spies, Corporate Audit.

We will move the process forward with the selection of the GM Dealer-Mediator and the GM Management-Mediator who will comprise the mediator panel along with the Independent Facilitator. Shortly, you will receive a roster of Dealer and Management-Mediator Candidates for your rank-ordering.

Please feel free to contact me at any time if I can provide assistance or you would like a status up-date. Thank you.

Cordially,

Nancy A. Connelly, GM Program Administrator 617-973-9739 x25 / toll-free direct 800-894-8323
Cc: Lynn Garrett, GM Coordinator

EXHIBIT O



March 6, 2009

Mr. Steven Friend, Group GM
Zinn Companies, Inc.
Dba Pines Pontiac-GMC-Buick
16100 Pines Blvd.
Pembroke Pines, FL 33027

Re: Dealer Audit Report: SALES & SFE
Region: VSSM Southeast Country: USA
GMAS Audit Code: ANDLVSCODENAA090 Dealer Code: B 39 251; T 53 517; P 17 053
GMAS Auditor(s): Dana Rush Site Code: 06090
Audit Period: 8/23/2007 - 2/22/2009 BAC Code: 130566
CSI Extended: 09/20/2003 - 8/22/2007
Audit Contact Period: 02/23/2009 - 03/06/2009

As a result of this audit at your dealership, deviations from GM VSSM incentive program guidelines and policies were identified. During the audit period, 8/23/2007 - 2/22/2009 approximately 369 cases were analyzed. For the extended audit 09/20/2003-8/22/2007 approximately 89 CSI cases were analyzed. Sales incentive payment eligibility is dependent on compliance with all relevant program guidelines and policies. Deviations identified are summarized below and details of the audit and non-compliant items are shown on the attached documents.

REVISED DEBIT SUMMARY - APRIL 23, 2009

Deviation Category	Deviation Description	Cases / Lines	Debit Amount (Local Currency)
1	Documentation Not Received		\$
		25/25	27,081.79
	Total GM Claim for CSI Intervention (SFE)	23/25	25,271.79
			TBD
	Total Debit and Damages		531,400.00
			-527,081.79
			\$536,671.79

Pines Pontiac GMC Buick should review its dealership administrative process to ensure all staff members are acquainted with Southeast Region VSSM sales incentive requirements for sales incentive documentation and guidelines. This confirms our meeting on March 6, 2009 and review of the audit findings. If the proposed debit amount is not accepted or if you disagree with GM's request for reimbursement, then you have until April 6, 2009 to initiate the mediation process per the GM Dealer Agreement.

Dana Rush, GMAS

Mr. Steven Friend, Group General Manager

General Motors Corporation
GM Audit Services

100 Renaissance Center
MC 482 A38 D82
Detroit, MI 48265-1000

(313) 665-3584
Fax (313) 665-3334

EXHIBIT P

2300 North State Road 7
Hollywood, Florida 33021
954.967.4111
Fax 954.985.3844

Alan N. Jockers, Esq.
In-House General Counsel
Direct No. (954) 967-4110
Direct Fax (954) 985-7117
ajockers@czag.net

May 20, 2009

VIA OVERNIGHT MAIL & FACSIMILE
(313) 665-3550

Dana Rush, GMAS
General Motors Corporation
100 Renaissance Center
MC 482 A38 D82
Detroit, MI 48265-1000

Ref:	Date: 05/20/2009	SHIPPING:	11.34
Dep: USED CAR	Wgt: 0.1 LBS	SPECIAL:	0.00
		HANDLING:	0.00
	DV: 0.00	TOTAL:	11.34

Svcs: STANDARD OVERNIGHT
TRCK: 9357 3706 3320

RE: GM Audit of Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick

Dear Ms. Rush:

This letter is in response to the Revised Debit Summary dated April 23, 2009 which you recently provided to Zinn Companies, Inc. d/b/a Pines Pontiac-GMC-Buick ("PPG" or the "Dealership"). PPG has already protested the illegal audit that GM has undertaken, notified GM that the Dealership disagrees with its request for reimbursement, informed GM that the proposed audit amounts are not accepted, and requested mediation in regard to the entire audit. In regard to the Revised Debit Summary, PPG continues to disagree with GM's request for reimbursement, does not accept the amounts requested, and reconfirms its request to mediate this matter. Under no circumstance does GM have permission to debit any of PPG's accounts in regard to this dispute.

Without limitation, PPG protests the amounts set forth in your April 23, 2009 Revised Debit Summary for the following reasons:

- The audit covers a period that is more than 18 months prior to the date incentives were paid, in violation of Florida Statute section 320.64(25).
- The "CSI Interference Summary" chart attached to your April 23, 2009 correspondence provides no legitimate explanation for the proposed debits. Further, GM's proposed debit amounts have no apparent relationship to the percent of CSI interference which is alleged. For example, in the fourth quarter of 2004 you assert that PPG interfered with 7.4% of the total eligible surveys, but claim a charge back of 100% of the total SFE Bonuses paid (i.e. \$80,000). You have failed to explain why GM is attempting to debit 100%, rather than 7.4% of the bonuses paid.
- Pursuant to Florida law, GM was required to "provide a detailed explanation, with supporting documentation, as to the basis for each of the claims for which the applicant or licensee proposed a charge-back to the dealer..." GM failed to comply with this aspect of Fla. Stat. § 320.64(25). At the March 6, 2009 meeting that you initiated on



GMC



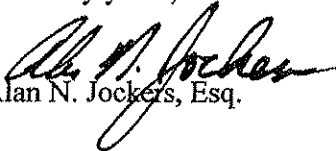
Letter to Dana Rush
Page 2 of 2
May 20, 2009

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behalf of GM, you failed to provide a detailed explanation or sufficient supporting documentation regarding the matters raised in the audit. You did not provide PPG with copies of the surveys at issue, did not explain the relationship between the alleged CSI interference and the amounts GM intended to debit, and you refused to even provide the Dealership with the total amount of damages claimed. Further GM has provided no evidence to show that the alleged interference had any relation to bonus monies which were allegedly paid.

This correspondence is written without waiver of any rights or remedy that PPG may have.

Sincerely yours,


Alan N. Jockers, Esq.

Cc: Craig M. Zinn
Tony Stampone
Steven Friend



GMC



EXHIBIT Q



MEDIATION WORKS INCORPORATED

June 22, 2009

Via Email

Attorney Alan Jockers for
Craig M. Zinn, President
Pines Pontiac-GMC-Buick
In-House General Counsel
Craig Zinn Automotive Group
2300 North State Road 7
Hollywood, FL 33021
ajockers@CZAG.NET

RE: Pines Pontiac-GMC-Buick Mediation with General Motors Corporation
MWI Case # 2009-0294

Dear Attorney Jockers:

We received your Request for Mediation on 4/06/2009 and forwarded the filing to GM. Please see recent correspondence from GM:

“Please be advised that, due to the filing of GM's bankruptcy petition on Monday, June 1, 2009, an automatic stay on claims such as these was ordered by the federal bankruptcy court. Accordingly, we will not be proceeding with mediations in light of the automatic stay. The automatic stay is in effect until further notice.”

Please note that we will begin the process of returning your retainer fee in the amount of \$1000.

Feel free to contact me at any time if I can provide assistance.

Thank you.

Cordially,

Nancy A. Connelly, GM Alternate Dispute Resolution Program Manager at MWI
617-973-9739 x25 / toll-free direct 800-894-8323

cc: Lynn Garrett, GM Mediation/Litigation Coordinator - via Email

EXHIBIT R

Effective: May 28, 2009

West's Florida Statutes Annotated Currentness

Title XXIII. Motor Vehicles (Chapters 316-325)

Chapter 320. Motor Vehicle Licenses (Refs & Annos)

→ **320.64. Denial, suspension, or revocation of license; grounds**

(25) The applicant or licensee has undertaken an audit of warranty, maintenance, and other service-related payments or incentive payments, including payments to a motor vehicle dealer under any licensee-issued program, policy, or other benefit, which previously have been paid to a motor vehicle dealer in violation of this section or has failed to comply with any of its obligations under s. 320.696. An applicant or licensee may reasonably and periodically audit a motor vehicle dealer to determine the validity of paid claims as provided in s. 320.696. Audits of warranty, maintenance, and other service-related payments shall be performed by an applicant or licensee only during the 1-year period immediately following the date the claim was paid. Audit of incentive payments shall only be for an 18-month period immediately following the date the incentive was paid. After such time periods have elapsed, all warranty, maintenance, and other service-related payments and incentive payments shall be deemed final and incontrovertible for any reason notwithstanding any otherwise applicable law, and the motor vehicle dealer shall not be subject to any charge-back or repayment. An applicant or licensee may deny a claim or, as a result of a timely conducted audit, impose a charge-back against a motor vehicle dealer for warranty, maintenance, or other service-related payments or incentive payments only if the applicant or licensee can show that the warranty, maintenance, or other service-related claim or incentive claim was false or fraudulent or that the motor vehicle dealer failed to substantially comply with the reasonable written and uniformly applied procedures of the applicant or licensee for such repairs or incentives. An applicant or licensee may not charge a motor vehicle dealer back subsequent to the payment of a warranty, maintenance, or service-related claim or incentive claim unless, within 30 days after a timely conducted audit, a representative of the applicant or licensee first meets in person, by telephone, or by video teleconference with an officer or employee of the dealer designated by the motor vehicle dealer. At such meeting the applicant or licensee must provide a detailed explanation, with supporting documentation, as to the basis for each of the claims for which the applicant or licensee proposed a charge-back to the dealer and a written statement containing the basis upon which the motor vehicle dealer was selected for audit or review. Thereafter, the applicant or licensee must provide the motor vehicle dealer's representative a reasonable period after the meeting within which to respond to the proposed charge-backs, with such period to be commensurate with the volume of claims under consideration, but in no case less than 45 days after the meeting. The applicant or licensee is prohibited from changing or altering the basis for each of the proposed charge-backs as presented to the motor vehicle dealer's representative following the conclusion of the audit unless the applicant or licensee receives new information affecting the basis for one or more charge-backs and that new information is received within 30 days after the conclusion of the timely conducted audit. If the applicant or licensee claims the existence of new information, the dealer must be given the same right to a meeting and right to respond as when the charge-back was originally presented. After all internal dispute resolution processes provided through the applicant or licensee have been completed, the applicant or licensee shall give written notice to the motor vehicle dealer of the final amount of its proposed charge-back. If the dealer disputes that amount, the dealer may file a protest with the department within 30 days after receipt of the notice. If a protest is timely filed, the department shall notify the applicant or licensee of the filing of the protest, and the applicant or licensee may not take any action to recover the amount of the proposed charge-back until the department renders a final determination, which is not subject to further appeal, that the charge-back is in compliance with the provisions of this section. In any hearing pursuant to this subsection, the applicant or licensee has the burden of proof that its audit and resulting charge-back are in compliance with this subsection.

Effective: May 28, 2008 to May 27, 2009

West's Florida Statutes Annotated

Title XXIII. Motor Vehicles (Chapters 316-325)

Chapter 320. Motor Vehicle Licenses

→ **320.64. Denial, suspension, or revocation of license; grounds**

(25) The applicant or licensee has undertaken an audit of warranty payments or incentive payments previously paid to a motor vehicle dealer in violation of this section or has failed to comply with any of its obligations under s. 320.696. An applicant or licensee may reasonably and periodically audit a motor vehicle dealer to determine the validity of paid claims as provided in s. 320.696. Audit of warranty payments shall only be for the 1-year period immediately following the date the claim was paid. Audit of incentive payments shall only be for an 18-month period immediately following the date the incentive was paid. An applicant or licensee shall not deny a claim or charge a motor vehicle dealer back subsequent to the payment of the claim unless the applicant or licensee can show that the claim was false or fraudulent or that the motor vehicle dealer failed to substantially comply with the reasonable written and uniformly applied procedures of the applicant or licensee for such repairs or incentives. An applicant or licensee may not charge a motor vehicle dealer back subsequent to the payment of a claim unless a representative of the applicant or licensee first meets in person, by telephone, or by video teleconference with an officer or employee of the dealer designated by the motor vehicle dealer. At such meeting the applicant or licensee must provide a detailed explanation, with supporting documentation, as to the basis for each of the claims for which the applicant or licensee proposed a charge-back to the dealer and a written statement containing the basis upon which the motor vehicle dealer was selected for audit or review. Thereafter, the applicant or licensee must provide the motor vehicle dealer's representative a reasonable period after the meeting within which to respond to the proposed charge-backs, with such period to be commensurate with the volume of claims under consideration, but in no case less than 45 days after the meeting. The applicant or licensee is prohibited from changing or altering the basis for each of the proposed charge-backs as presented to the motor vehicle dealer's representative following the conclusion of the audit unless the applicant or licensee receives new information affecting the basis for one or more charge-backs. If the applicant or licensee claims the existence of new information, the dealer must be given the same right to a meeting and right to respond as when the charge-back was originally presented.