

GM's "MAGICALLY APPEARING" REVIEW PROGRAM

June 5, 2009

After several days of GM formally stating that there was no appeal of their decisions on the wind-down packets, juxtapose to Mr. Henderson's testimony to the Senate that there was an appeal process and an apparent V-8 moment occurred. Yesterday GM published a review process. Review materials must be submitted by Monday at 5:00 for any dealer wishing to have the wind-down decision reviewed. At this point, the Lord only knows what standards may be used or to what degree the review will take place. However, as a legal precaution, dealers wishing to take part must do so within that time frame. We are helping in the preparation of several of these review requests. NOTE that the requests must be signed by the dealer principle shown in the franchise agreement and may only be submitted electronically.

GM says the review process will be completed by June 12th but is still insisting that the non-negotiable agreements be returned by close of business June 12th.

GM personnel, together with a "facilitator, lawyer, court reporter" or somebody else who will not identify themselves, have been calling dealers to browbeat them into returning documents early. As we said yesterday, be polite and noncommittal and tell them you are considering your options. When they announce to you that the call is being recorded, tell them that's fine but you are recording the conversation also. Let us know what they say. Also, if they use any pressure tactics (we are aware that there have been some), let us know that also.

Again, hold off signing these documents until mid-week as there may be some other events that will transpire in the interim. Please tune in to our web cast Monday at 3:00 p.m.