

DAIMLERCHRYSLER

DaimlerChrysler
Insurance Company

August 20, 2001 (via UPS)

Mr. Thomas Kline
R. K. Chevrolet, Inc.
2661 Virginia Beach Boulevard
Virginia Beach, VA 23462

RE: Chrysler Insurance Company

Dear Tom:

As you are intimately aware, our organization has been providing a comprehensive property and casualty insurance program for your various dealerships for the past five years. During that time, we have provided the garage package, worker's compensation and commercial umbrella coverage and have developed a mutually beneficial partnership/business relationship between our organizations.

Effective January 1, 2002, Chrysler Insurance Company has made a decision to exit from the property and casualty insurance market and we will not renew any dealerships after that date. This decision is based solely from a strategic corporate decision standpoint and has absolutely nothing to do with any underwriting or financial concerns with your organization.

Our experience with your organization has proven to be a well managed operation, and found your Senior Management group to be extremely proactive in the important areas of loss prevention and claims management. As a matter of fact, when we renewed the group's coverage on May 1, 2000, we committed to providing a three-year rate guarantee that was based on your loss history. After the first year, we were delighted to hold to this agreement as your experience continued to be outstanding. Until this recent development, we were on target to honor the guarantee for the coming policy term as well.

I have personally met with yourself, Bob Kline (President) and Fran Rice (Controller) on numerous occasions and have found all of you to be cooperative and open to any way to manage your risk in the interest of bringing financial rewards to our partnership. The Kline family has instituted a financial reward system, as well as informational resources to all the members of their organization and all in the interest of providing a superior work environment for all employees, and making a very pleasant experience for their loyal customer base.

It is my personal opinion, given my 20 plus years of calling on franchised automobile dealers, that this is one of the finest run organizations on the east coast and would offer any insurance company considering your business my highest personal recommendation. If there were ever a "Herbst Insurance Company" in my future, you would be the very first organization I would seek to be my first policyholder.

While it is with great personal and professional remorse that I have to write a letter of this nature, please know that I have thoroughly enjoyed the business partnership that we have forged over the past five years.

DaimlerChrysler Insurance Company
580 White Plains Road
Tarrytown, NY 10591
Tel: (914) 333-1328
Fax: (914) 333-1429
Mobile: (914) 953-4182
E-Mail: kh9@dcx.com

Should any insurance company wish to speak with me personally with respect to finding suitable replacement coverage, I would hope that they feel free to contact me at my Tarrytown, NY office at (914) 333-1328.

I wish nothing but the very best to the Kline family and the R. K. Chevrolet group for maximum successes in the future.

Best regards,

A handwritten signature in cursive script, appearing to read "Karl R. Herbst".

Karl R. Herbst
Regional Sales Manager

Cc: Herb Moss (via e-mail)