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## **Statement Regarding Chrysler Group LLC's Agreement to Offer Binding Independent Review Process for Discontinued Dealers**

December 2, 2009, Washington, D.C. -

Chrysler Group LLC appreciates the leadership that Senate Majority Whip Richard Durbin, House Majority Leader Steny Hoyer and their staffs have displayed in the effort to settle issues regarding discontinued dealers amicably.

As a result of these discussions, Chrysler has agreed to provide a binding independent review process for discontinued dealers, with the understanding that this binding independent review is an alternative to federal legislation affecting Chrysler's dealer network. As a show of good faith, Chrysler is implementing the binding independent review process today. The appeal process provides:

- Transparency on Chrysler's initial dealer determinations through face-to-face meetings with Chrysler executives
- A binding review of those determinations by an independent 3-person panel
- An opportunity to join the new dealer network if that independent review panel rules in the discontinued dealer's favor

The fundamental elements of the appeal process include the following:

- Provide each discontinued dealer the general criteria and standards used by the former Chrysler LLC in making its rejection decisions and the specific criteria considered and applied to the individual discontinued dealer's circumstances
- Offer of a meeting with the discontinued dealer's former Business Center to discuss the criteria, and ability for the dealer to present information to refute the rejection decision
- Right to call for a binding independent review if dealer believes its rejection was not warranted. Chrysler will abide by the decision of the independent review panel
- Two opportunities to join the new dealer network if the panel rules in the discontinued dealer's favor: first, to join the new network as a Genesis (Chrysler, Jeep® and Dodge) dealer in the previous market area or, if that is not possible, to be offered an opportunity to open a Genesis dealership in another market area from a list of available market areas

A detailed letter describing the offer will be mailed to all 789 discontinued dealers on or before December 10, 2009, and the process will begin at that time. This offer will be available in all states where Chrysler is legally permitted to offer these opportunities to join the dealer network.

Additional Chrysler efforts to provide a soft landing for discontinued dealers include:

- Chrysler has successfully found buyers for 100 percent of the discontinued dealers' outstanding eligible new vehicle inventory
- On November 9, 2009, Chrysler notified the 789 rejected dealers, per our commitment in June, that if they desire, the company would repurchase eligible parts inventory at \$0.68 on the dollar, which was the average transaction price for eligible parts sold among dealers between June 9 and September 10, 2009. Dealers received the information in both email and letter form

The road to recovery for Chrysler required the company to make some very difficult decisions and sacrifices in order to build a vibrant new company. While Chrysler has not closed the door to further discussion with the dealer groups, Chrysler believes that the process it offers today fully addresses concerns that Congress and the discontinued dealers have raised: it provides transparency, a right of appeal, and opportunities to join the new dealer network. Moving forward with this process today enables us to focus our efforts on the business of servicing our current dealer

network and building and selling new Chrysler, Jeep, Dodge and Ram vehicles – our best way to repay the nation's support.

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