

[ FORM 43.00 ]

[ LOAN EXTENSION AGREEMENT ]

"LENDER" \_\_\_\_\_

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"BORROWER" \_\_\_\_\_

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"GUARANTOR" \_\_\_\_\_

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"DEALERSHIP" \_\_\_\_\_

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\_\_\_\_\_

EXECUTION DATE: \_\_\_\_\_.

EFFECTIVE DATE: \_\_\_\_\_.

WHEREAS, BORROWER is indebted to LENDER individually under a notes in the following amounts:

DATE OF DEBT	AMOUNT	BORROWER
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and by virtue of BORROWER'S unconditional, and unlimited continuing guarantees, collectively referred to as "DEALERSHIP GUARANTY", of the debts of the following automobile dealerships, collectively referred to as DEALERSHIP:

DATE OF GUARANTEE	AMOUNT	DEALERSHIP
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WHEREAS, GUARANTOR is indebted to LENDER, by virtue of GUARANTOR'S unconditional, unlimited continuing guarantee, jointly with BORROWER, under the following debts:

DATE OF DEBT	AMOUNT	BORROWER
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WHEREAS, DEALERSHIP is indebted to LENDER in the following amounts:

DATE OF DEBT	AMOUNT	BORROWER
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WHEREAS, the aforementioned debts and Guarantees ("GUARANTEED DEBT"), were all due and payable in full on \_\_\_\_\_, 20\_\_\_\_; and

WHEREAS, BORROWER and DEALERSHIP desire to have LENDER extend the maturity date of the Notes and the Guaranteed Debts, which LENDER is willing to do, under the terms and conditions set forth herein;

for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and including the mutual promises contained herein, the parties hereto hereby agree as follows:

LENDER agrees to extend the maturity dates of each of the Notes and of the Guaranteed Debts to the earlier of:

- (a) a default thereunder;
- (b) a default hereunder; or
- (c) \_\_\_\_\_, 20\_\_\_\_,

Upon the execution by BORROWER, DEALERSHIP and GUARANTOR of the Amendment, Modification and/or Extension of Promissory Note, on forms attached hereto as EXHIBITS "\_\_\_\_" and "\_\_\_\_" and under the terms described under said exhibits and herein.

BORROWER, DEALERSHIP AND GUARANTOR have represented to LENDER that as a result of the sale of assets of DEALERSHIP payments will be made to LENDER for application to the GUARANTEED DEBT on or before \_\_\_\_\_, 20\_\_\_\_ in the amount of \$\_\_\_\_\_, plus the amount of the floor plan loans for DEALERSHIP, which are outstanding on the date of such payment [excluding those amount by which such floor plan loans are out of trust as of \_\_\_\_\_, 20\_\_\_\_, or the date of such payment, whichever amount is less].

LENDER agrees that if such payments are made on or before \_\_\_\_\_, 20\_\_\_\_, LENDER will:

- (a) extend the maturity of the Notes and of the GUARANTEED DEBT to \_\_\_\_\_, 20\_\_\_\_ during which period [but not after which period] LENDER;
- (b) give consideration to any proposal of BORROWER, GUARANTOR, or DEALERSHIP, made in writing to LENDER, for repayment of the balance owing on said Notes and GUARANTEED DEBT over a period not to exceed \_\_\_\_\_ additional months;

upon the condition that adequate collateral security is provided to LENDER for the amount so owing and that the financial information given to LENDER, reasonably demonstrates that the balance then owing can be fully liquidated within the extension period.

BORROWER AND DEALERSHIP agree to remit to LENDER all proceeds from the sale of the assets described below, after deducting the cost of sale and the amount necessary to fully discharge any properly recorded liens thereon in existence as of the Effective Date hereof, for application against the Notes and GUARANTEED DEBTS, in such order, and in such manner, as LENDER shall determine in LENDER'S sole discretion:

The property described in EXHIBIT "2.1.1";

The property described in EXHIBIT "2.1.2";

The property described in EXHIBIT "2.1.3";

The property described in EXHIBIT "2.1.4";

The property described on EXHIBIT "2.1.5";

BORROWER AND DEALERSHIP agree that until such time, the DEALERSHIP ASSETS are sold, LENDER will receive all of BORROWER'S share of rental income from the DEALERSHIP REAL PROPERTY, such share being estimated at \$\_\_\_\_\_ per month, which monies shall be applied to the Notes or the GUARANTEED INDEBTEDNESS, but such application to either obligation, or to any specific debt or obligation making up the Guaranteed Indebtedness, shall be at LENDER'S sole and absolute discretion.

documents as LENDER shall from time to time request to evidence, effectuate, perfect, or give notice of, LENDER'S rights and liens as set forth in Sections 2.1 and 2.2 hereof and in addition, will execute the documents attached hereto as EXHIBITS "\_\_\_\_\_" through "\_\_\_\_\_".

BORROWER, DEALERSHIP and GUARANTOR acknowledge that, in order to facilitate the sale of such assets, LENDER may be requested to release its lien(s) thereon, notwithstanding the fact that LENDER will be receiving payment in exchange therefore of an amount less than the amount owing on the GUARANTEED DEBTS secured by such assets, and that LENDER is unwilling to release its liens under such circumstances unless BORROWER, DEALERSHIP and GUARANTOR

provide additional collateral security for repayment of the Notes and GUARANTEED DEBTS, and otherwise make the agreement set forth in this Agreement, and in particular Article 3 hereof.

BORROWER, DEALERSHIP and GUARANTOR agree that the obligations to pay LENDER the Notes and GUARANTEED DEBTS shall be secured by, and in addition to the collateral otherwise securing the Notes and GUARANTEED DEBTS, the following

The Guarantee of \_\_\_\_\_, of the Notes and all of the GUARANTEED DEBTS, which Guarantee shall be secured by a second lien on all of that entity's assets. Said lien is to be evidenced by execution by BORROWER, DEALERSHIP and GUARANTOR of the security \_\_\_\_\_ agreement and financing statements attached hereto as EXHIBITS "\_\_\_\_\_" through "\_\_\_\_\_". BORROWER represents and warrants that BORROWER is the owner of \_\_\_\_\_ % of all of \_\_\_\_\_ the issued and outstanding stock of DEALERSHIP, and that BORROWER will obtain \_\_\_\_\_ appropriate Directors' Resolutions authorizing the execution of the Security Documents.

An assignment of:

An assignment of:

An assignment of:

An assignment of:

BORROWER, DEALERSHIP and GUARANTOR agree that upon the sale, other than in the ordinary course of business, of the assets of DEALERSHIP under a purchase and sale agreement, or otherwise, THEY will obtain and deliver to LENDER the written agreement of the buyer of such assets, to remit to LENDER all payments received, or accounts, instruments or general intangibles arising, on account of:

(a) retail (or fleet) purchases of motor vehicles, parts or services from \_\_\_\_\_ or \_\_\_\_\_, as the case may be; or

(b) from factory rebates, payment for warranty service work, advertising co-op payments, or other dealer incentives, refunds or rebates, all of which were

earned by the DEALERSHIP, or BORROWER, as the case may be, prior to such sale, or arose on account of services rendered, or sales made or other acts of the DEALERSHIP or BORROWER, as the case may be, prior to such asset or stock sale.

LENDER shall apply any amount so received to the Notes or the Guaranteed Debt, but application to any specific debt or obligation making up the Guaranteed Debt shall be at LENDER'S sole and absolute discretion.

BORROWER, DEALERSHIP and GUARANTOR acknowledge and agree that nothing contained in this Agreement, in any way effects, reduces, or discharges their obligations under their Guarantees.

BORROWER, DEALERSHIP and GUARANTOR agree that the obligations included in their respective guarantees include without limitation, all obligations of BORROWER and DEALERSHIP arising under any agreement under which LENDER has purchased retail installment contracts from DEALERSHIP, and any chargebacks or repurchase obligations arising thereunder.

BORROWER and DEALERSHIP acknowledge that neither DEALERSHIP, nor BORROWER maintain a funded dealer reserve account with LENDER in connection with LENDER'S purchase of retail installment sales contracts.

BORROWER, GUARANTOR and DEALERSHIP agree to provide to LENDER, upon execution of this Agreement, legal descriptions, sufficient if they were used in a mortgage or deed of trust, of the real property upon which are located fixtures utilized in connection with the operation of the DEALERSHIP.

BORROWER, GUARANTOR and DEALERSHIP, for themselves heir heirs, representatives, successors and assigns hereby unconditionally release and forever discharge LENDER, its officers, directors, employees, and agents, and their heirs, representatives, successors and assigns from any and all manner of claims, demand, damages, obligations, liabilities, causes of actions, or suits, in law or in equity, for damages, costs, loss of profit, or for any other relief which they, or any of them, might now have or might subsequently accrue to them or their heirs, representatives, successors and assigns arising directly or indirectly from the credit extensions represented by the Notes (or prior notes in the event the Notes evidence renewals of prior credit extensions) or the Guaranteed Debts, or any action taken by LENDER

or its officers, directors, employees, and agents in connection with the collection of amounts due on the Notes, or the *Guaranteed Debts*, or the *Guarantees*, or the realization on any security interest therefore, or any communications to or with any potential purchasers of any of the Dealerships or the assets of any of the Dealerships.

The parties hereto have caused this Agreement Regarding Extension and Payment of Debt to be executed on the Execution Date to be effective as of the Effective Date set forth above.

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Individually

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Individually

By: \_\_\_\_\_

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