

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2003

Commission file number: 001-31262

ASBURY AUTOMOTIVE GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware

01-0609375

(State or Other Jurisdiction of
Incorporation or Organization)

(I.R.S. Employer Identification No.)

Three Landmark Square, Suite 500, Stamford, Connecticut 06901, (203) 356-4400

(Address of, Including Zip Code, and Telephone Number, Including
Area Code, of Registrant's Principal Executive Offices)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 3 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes v No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes v No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date (applicable only to corporate registrants): The number of shares of common stock outstanding as of August 8, 2003 was 32,417,228 (net of 1,590,013 treasury shares).

ASBURY AUTOMOTIVE GROUP, INC.
June 30, 2003 Form 10-Q Quarterly Report

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ASBURY AUTOMOTIVE GROUP, INC.

CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except for share data)

ASSETS -----	June 30, 2003 ----- (unaudited)	December 31, 2002 -----
CURRENT ASSETS:		
Cash and cash equivalents	\$ 24,575	\$ 22,613
Contracts-in-transit	102,573	91,190
Current portion of restricted marketable securities	1,545	1,499
Accounts receivable (net of allowance of \$2,559 and \$2,122)	113,877	96,090
Inventories	642,375	604,791
Deferred income taxes	7,331	9,044
Prepaid and other current assets	37,515	37,314
	-----	-----
Total current assets	929,791	862,541
PROPERTY AND EQUIPMENT, net	258,602	274,172
GOODWILL	434,596	402,133
RESTRICTED CASH AND MARKETABLE SECURITIES	3,933	4,892
OTHER ASSETS	64,308	61,906
	-----	-----
Total assets	\$ 1,691,230	\$ 1,605,644
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Floor plan notes payable	\$ 585,768	\$ 540,419
Current maturities of long-term debt	30,369	36,412
Accounts payable	44,566	40,120
Accrued liabilities	81,890	77,325
	-----	-----
Total current liabilities	742,593	694,276
LONG-TERM DEBT	468,894	438,740
DEFERRED INCOME TAXES	26,450	29,972
OTHER LIABILITIES	15,310	15,705
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, 10,000,000 shares authorized		
Common stock, \$.01 par value, 90,000,000 shares authorized, 34,000,000 issued	340	340
Additional paid-in capital	410,748	410,718
Retained earnings	42,014	22,645
Treasury stock, at cost; 1,590,013 and 772,824 shares	(15,064)	(6,630)
Accumulated other comprehensive loss	(55)	(122)
	-----	-----
Total stockholders' equity	437,983	426,951
	-----	-----
Total liabilities and stockholders' equity	\$ 1,691,230	\$ 1,605,644
	=====	=====

See Notes to Consolidated Financial Statements.

ASBURY AUTOMOTIVE GROUP, INC.

CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)
(unaudited)

	For the Three Months Ended June 30,		For the Six Month Ended June 30,	
	2003	2002	2003	2002
REVENUES:				
New vehicle	\$ 765,271	\$ 666,859	\$ 1,398,791	\$ 1,284,401
Used vehicle	308,363	302,280	596,817	581,214
Parts, service and collision repair	139,078	124,947	268,826	245,512
Finance and insurance, net	33,990	28,609	63,131	54,432
Total revenues	1,246,702	1,122,695	2,327,565	2,165,559
cost of sales:				
New vehicle	708,964	610,842	1,295,179	1,177,094
Used vehicle	281,002	275,370	541,687	527,527
Parts, service and collision repair	65,730	58,951	127,238	115,559
Total cost of sales	1,055,696	945,163	1,964,104	1,820,180
GROSS PROFIT	191,006	177,532	363,461	345,379
OPERATING EXPENSES:				
Selling, general and administrative	147,825	134,931	286,860	264,136
Depreciation and amortization	5,055	4,859	9,866	9,731
Income from operations	38,126	37,742	66,735	71,512
OTHER INCOME (EXPENSE):				
Floor plan interest expense	(5,122)	(4,500)	(9,630)	(8,691)
Other interest expense	(9,997)	(8,926)	(19,951)	(18,674)
Interest income	81	348	262	662
Net losses from unconsolidated affiliates	--	--	--	(100)
Loss on sale of assets	(46)	--	(359)	--
Other, net	638	54	89	(341)
Total other expense, net	(14,446)	(13,024)	(29,589)	(27,144)
Income before income taxes	23,680	24,718	37,146	44,368
INCOME TAX EXPENSE:				
Income tax expense	9,425	9,810	14,784	12,037
Tax adjustment upon conversion from an L.L.C. to a corporation	--	--	--	11,553
Total income tax expense	9,425	9,810	14,784	23,590
Income from continuing operations	14,255	14,908	22,362	20,778
DISCONTINUED OPERATIONS, net of tax	(1,982)	(2,128)	(2,992)	(2,837)
Net income	\$ 12,273	\$ 12,780	\$ 19,370	17,941
PRO FORMA TAX (BENEFIT) EXPENSE:				
Pro forma income tax expense				5,621
Tax adjustment upon conversion from an L.L.C. to a corporation				(11,553)
Tax affected pro forma net income				\$ 23,873
EARNINGS PER SHARE:				
Basic	\$ 0.38	\$ 0.38	\$ 0.59	\$ 0.56
Diluted	\$ 0.38	\$ 0.37	\$ 0.59	\$ 0.56
PRO FORMA EARNINGS PER SHARE:				
Basic				\$ 0.74

Diluted				\$ 0.74
				=====
WEIGHTED AVERAGE SHARES OUTSTANDING (in thousands):				
Basic	32,701	34,000	32,876	32,210
	=====	=====	=====	=====
Diluted	32,714	34,084	32,881	32,258
	=====	=====	=====	=====

See Notes to Consolidated Financial Statements.

ASBURY AUTOMOTIVE GROUP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)
(unaudited)

	For the Six Months Ended June 30,	
	2003	2002
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	\$ 19,370	\$ 17,941
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	9,866	9,731
Depreciation and amortization from discontinued operations	1,232	2,131
Change in allowance for doubtful accounts	437	124
(Gain) loss on sale of discontinued operations, net of related taxes	(614)	345
Deferred income taxes	(1,810)	13,512
Loss from unconsolidated affiliates, net	--	100
Loss on sale of assets	359	--
Amortization of deferred finance fees	2,582	2,128
Proceeds from the sale of accounts receivable	9,993	8,862
Change in operating assets and liabilities, net of effects from acquisitions and divestitures-		
Contracts-in-transit	(11,383)	7,884
Accounts receivable, net	(28,218)	(17,614)
Inventories	(24,464)	(20,260)
Floor plan notes payable	45,793	3,032
Accounts payable and accrued liabilities	10,707	5,109
Other	(1,853)	948
Net cash provided by operating activities	31,997	33,973
CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditures	(24,613)	(23,623)
Proceeds from the sale of assets	698	1,077
Proceeds from sale of discontinued operations	7,210	4,838
Acquisitions (net of cash acquired)	(39,533)	(9,402)
Proceeds from restricted marketable securities	913	913
Net issuance of finance contracts	(2,878)	(119)
Other investing activities	--	(1,700)
Net cash used in investing activities	(58,203)	(28,016)
CASH FLOW FROM FINANCING ACTIVITIES:		
Distributions to members	(3,010)	(11,681)
Contributions	--	800
Repayments of debt	(23,601)	(311,842)
Proceeds from borrowings	63,213	265,735
Proceeds from initial public offering, net	--	65,543
Payment of debt issuance costs	--	(7,875)
Purchase of treasury stock	(8,434)	--
Net cash provided by financing activities	28,168	680
Net increase in cash and cash equivalents	1,962	6,637
CASH AND CASH EQUIVALENTS, beginning of period	22,613	60,506
CASH AND CASH EQUIVALENTS, end of period	\$ 24,575	\$ 67,143
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for-		
Interest	\$ 27,730	\$ 25,008
Income taxes	\$ 5,681	\$ 9,765

See Notes to Consolidated Financial Statements.

ASBURY AUTOMOTIVE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except share data)
(unaudited)

1. Summary of Significant Accounting Policies

Basis of Presentation:

The consolidated balance sheet at June 30, 2003, the consolidated statements of income for the three-month and six-month periods ended June 30, 2003 and 2002, and the consolidated statements of cash flows for the six-month periods ended June 30, 2003 and 2002, are unaudited. In the opinion of management, all adjustments necessary to present fairly the financial position, results of operations and cash flows for the interim periods were made. Certain items in the June 30, 2002 financial statements were reclassified to conform to the classification of the June 30, 2003 financial statement presentation. Due to seasonality and other factors, the results of operations for interim periods are not necessarily indicative of the results that would be realized for the entire year.

Certain information and footnote disclosures, normally included in financial statements prepared in accordance with generally accepted accounting principles, were omitted. Accordingly, these consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2002.

New Accounting Pronouncements:

In April 2003, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." SFAS No. 149 amends and clarifies the accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 149 is generally effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The adoption of SFAS No. 149 on July 1, 2003, as required, had no impact on the Company's consolidated financial statements.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity." SFAS No. 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires that certain financial statements be classified as liabilities that were previously considered equity. The adoption of this standard on July 1, 2003, as required, had no impact on the Company's consolidated financial statements.

All significant intercompany balances and transactions have been eliminated in consolidation.

2. INVENTORIES:

Inventories consisted of the following:

	June 30, 2003 -----	December 31, 2002 -----
New vehicles	\$501,026	\$477,453
Used vehicles	99,858	86,392
Parts, accessories and other	41,491	40,946
	-----	-----
	\$642,375	\$604,791
	=====	=====

3. EARNINGS PER SHARE:

Basic earnings per share is computed by dividing net income by the weighted-average common shares outstanding during the period. Diluted earnings per share is computed by dividing net income by the weighted-average common shares and common share equivalents outstanding during the period.

The following table sets forth the computation of basic and diluted earnings per share:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2003	2002	2003	2002
Net income applicable to common shares:				
Continuing operations	\$ 14,255	\$ 14,908	\$ 22,362	\$ 20,778
Discontinued operations	(1,982)	(2,128)	(2,992)	(2,837)
	<u>\$ 12,273</u>	<u>\$ 12,780</u>	<u>\$ 19,370</u>	<u>\$ 17,941</u>
Earnings per share:				
Basic-				
Continuing operations	\$ 0.44	\$ 0.44	\$ 0.68	\$ 0.65
Discontinued operations	(0.06)	(0.06)	(0.09)	(0.09)
	<u>\$ 0.38</u>	<u>\$ 0.38</u>	<u>\$ 0.59</u>	<u>\$ 0.56</u>
Diluted-				
Continuing operations	\$ 0.44	\$ 0.44	\$ 0.68	\$ 0.64
Discontinued operations	(0.06)	(0.07)	(0.09)	(0.08)
	<u>\$ 0.38</u>	<u>\$ 0.37</u>	<u>\$ 0.59</u>	<u>\$ 0.56</u>
Common shares and common share equivalents:				
Weighted-average shares outstanding	32,701	34,000	32,876	32,210
Basic shares	32,701	34,000	32,876	32,210
Shares issuable with respect to additional common share equivalents (stock options)	13	84	5	48
Diluted equivalent shares	<u>32,714</u>	<u>34,084</u>	<u>32,881</u>	<u>32,258</u>

4. INTANGIBLE ASSETS AND GOODWILL:

Intangible assets consist of the following (included in other assets on the accompanying consolidated balance sheets):

	June 30, 2003	December 31, 2002
Amortizable intangible assets:		
Noncompete agreements	\$ 5,331	\$ 5,331
Licensing agreements	1,750	1,750
Lease agreements (amortization is included in rent expense)	6,527	6,527
Total	<u>13,608</u>	<u>13,608</u>
Less - Accumulated amortization	(9,778)	(8,546)
Intangible assets, net	<u>\$ 3,830</u>	<u>\$ 5,062</u>
Unamortizable intangible assets - franchise rights	<u>\$ 8,000</u>	<u>\$ 8,000</u>

	June 30,	
	2003	2002
Amortization expense, net of discontinued operations:		
For the three months ended	\$218	\$232
	=====	=====
For the six months ended	\$443	\$549
	=====	=====
Estimated amortization expense -		
for the years ended December 31:		
2004		\$488
2005		105
2006		101
2007		101
2008		100

The changes in the carrying amounts of goodwill for the period ended June 30, 2003 are as follows:

Balance as of December 31, 2002	\$402,133
Additions related to current year acquisitions	34,136
Goodwill associated with discontinued operations	(1,673)

Balance as of June 30, 2003	\$434,596
	=====

5. COMPREHENSIVE INCOME:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2003	2002	2003	2002
Net income	\$ 12,273	\$ 12,780	\$ 19,370	\$ 17,941
Other comprehensive income, net of tax:				
Change in fair value of interest rate swaps	--	(3,472)	--	(1,985)
Income tax expense	--	1,357	--	127
	-----	-----	-----	-----
	--	(2,115)	--	(1,858)
Reclassification adjustment of loss on interest rate swaps included in net income	56	18	113	18
Income tax expense	(22)	(7)	(46)	(7)
	-----	-----	-----	-----
Comprehensive income	\$ 12,307	\$ 10,676	\$ 19,437	\$ 16,094
	=====	=====	=====	=====

6. EQUITY-BASED COMPENSATION:

The Company accounts for equity-based compensation issued to employees in accordance with Accounting Principles Board ("APB") Opinion No. 25 "Accounting for Stock Issued to Employees." APB No. 25 requires the use of the intrinsic value method, which measures compensation cost as the excess, if any, of the quoted market price of the stock at the measurement date over the amount an employee must pay to acquire the stock. The Company makes disclosures of pro forma net earnings and earnings per share as if the fair-value-based method of accounting had been applied as required by SFAS No. 123 "Accounting for Stock-Based Compensation" and as amended by SFAS No. 148 "Accounting for Stock-Based Compensation - Transition Disclosure."

A reconciliation of the Company's net earnings to pro forma net earnings, and the related pro forma earnings per share amounts, is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2003	2002	2003	2002
Net income	\$ 12,273	\$ 12,780	\$ 19,370	\$ 17,941
Adjustment to net earnings for:				
Stock-based compensation expense included in net earnings, net of tax	15	29	30	95
Pro forma stock-based compensation expense, net of tax	(892)	(1,430)	(1,816)	(2,622)
Pro forma net income	\$ 11,396	\$ 11,379	\$ 17,584	\$ 15,414
Earnings per share:				
Basic - as reported	\$ 0.38	\$ 0.38	\$ 0.59	\$ 0.56
Basic - pro forma	\$ 0.35	\$ 0.33	\$ 0.53	\$ 0.48
Diluted - as reported	\$ 0.38	\$ 0.37	\$ 0.59	\$ 0.56
Diluted - pro forma	\$ 0.35	\$ 0.33	\$ 0.53	\$ 0.48

7. DISCONTINUED OPERATIONS:

During the first six months of 2003, the Company classified as discontinued operations eight full-service dealership locations (nine franchises), 10 used-only dealership locations and one ancillary business. Three full service dealerships were divested during the first six months and five dealerships were held for sale as of June 30, 2003. Of the 10 used-only locations, six were closed during the quarter and four were subsequently closed in July. In addition, the Company closed one ancillary business in the second quarter. The results of operations of these entities are accounted for as discontinued operations in the consolidated statements of income. A summary statement of income information relating to the discontinued operations is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2003	2002	2003	2002
Revenues	\$ 21,225	\$ 29,284	\$ 46,230	\$ 57,329
Cost of sales	19,032	25,109	41,032	48,833
Gross profit	2,193	4,175	5,198	8,496
Operating expenses	4,894	5,929	10,280	11,347
Loss from operations	(2,701)	(1,754)	(5,082)	(2,851)
Other, net	(102)	(154)	(235)	(358)
Net loss	(2,803)	(1,908)	(5,317)	(3,209)
Gain (loss) on disposition of discontinued operations	(508)	(952)	330	(393)
Loss before income taxes	(3,311)	(2,860)	(4,987)	(3,602)
Related tax benefit	1,329	732	1,995	765
Discontinued operations	(\$ 1,982)	(\$ 2,128)	(\$ 2,992)	(\$ 2,837)

The assets and liabilities of dealerships held for sale as of June 30, 2003 and December 31, 2002 are included in the consolidated balance sheet. A summary of balance sheet information related to dealerships held for sale is as follows:

	June 30, 2003 -----	December 31, 2002 -----
Inventories	\$ 6,046	\$17,934
	-----	-----
Total current assets	6,046	17,934
Property and equipment, net	563	1,704
	-----	-----
Total assets	\$ 6,609	\$19,638
	=====	=====
Floor plan notes payable	\$ 4,980	\$17,354
Current liabilities	4,980	17,354
	-----	-----
Total liabilities	\$ 4,980	\$17,354
	=====	=====

8. PROPERTY AND EQUIPMENT:

During the first quarter of 2003, the Company sold, under four sale/leaseback agreements with an independent third party, certain land and buildings for \$16.9 million, recognizing a \$0.1 million loss on the sales. Under the agreements, the Company will leaseback the properties from the purchaser over a 20-year period. The Company is accounting for the leasebacks as operating leases. The estimated annual rental expense under these agreements will be approximately \$1.6 million.

During the second quarter of 2003, the Company sold, under a sale/leaseback agreement with an independent third party, certain land for \$8.5 million. Under the terms of the agreement, the Company will leaseback the property with the intent to construct a new dealership facility. The Company anticipates the facility to cost \$8.5 million and take 18 months to construct. When completed, the Company will sell the facility to the same third-party and amend the existing land lease to leaseback the entire facility for a 22-year period. The estimated annual rental expense under the agreement will be approximately \$742,000.

In addition, the Company sold, under three sale/leaseback agreements with the same third party, certain land and building assets for \$4.5 million. Under the terms of the agreements, the Company will leaseback the properties from the purchasers for 15 to 20 year periods. We will account for the leasebacks as operating leases. The estimated annual rental expense under these agreements will be approximately \$376,000.

9. ACQUISITIONS:

During the second quarter of 2003, the Company made two acquisitions (three franchises, one of which is held for sale) for \$39.5 million in cash, which was funded under the Company's existing credit facility. The acquisitions' purchase price will be allocated to the underlying assets and liabilities based upon their estimated fair values. The resulting preliminary estimate of goodwill and intangibles assets from these transactions is approximately \$34 million. The results of operations for these acquisitions are included in the Company's consolidated results from the dates of acquisition.

Subsequent to June 30, 2003, the Company completed the acquisition of one dealership location (five franchises) for \$8.4 million in cash, funded from the Company's Committed Credit Facility. The seller was the existing president of one of the Company's platforms. The purchase price will be allocated to the underlying assets and liabilities based on their estimated fair values, resulting in a preliminary estimate of goodwill and intangible assets of approximately \$7 million. The Company believes that this transaction involves terms that would be comparable to terms that would be obtained from an unaffiliated third party.

10. NON-CASH FINANCING ACTIVITY:

In connection with the sale/leaseback transactions mentioned in Note 8, \$26.2 million of the sales proceeds were paid directly to the Company's lenders. Of that amount, \$5.7 million related to proceeds for the sale of assets that were included in the Company's current period capital expenditures as shown on the consolidated statement of cash flows.

11. COMMITMENTS AND CONTINGENCIES:

A significant portion of the Company's vehicle business involves the sale of vehicles, parts or vehicles composed of parts that are manufactured outside the United States. As a result, the Company's operations are subject to customary risks of importing merchandise, including fluctuations in the relative values of currencies, import duties, exchange controls, trade restrictions, work stoppages and general political and socio-economic conditions in foreign countries. The United States or the countries from which the Company's products are imported may, from time to time, impose new quotas, duties, tariffs or other restrictions, or adjust presently prevailing quotas, duties or tariffs, which may affect our operations and our ability to purchase imported vehicles and/ or parts at reasonable prices.

Manufacturers may direct the Company to implement costly capital improvements to dealerships as a condition for renewing the Company's franchise agreements with them. Manufacturers also typically require that their franchises meet specific standards of appearance. These factors, either alone or in combination, could cause the Company to divert its financial resources to capital projects from uses that management believes may be of higher long-term value to the Company, such as acquisitions.

Substantially all of the Company's facilities are subject to federal, state and local provisions regarding the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Company expect such compliance to have, any material effect upon the capital expenditures, net earnings, financial condition, liquidity or competitive position of the Company. Management believes that its current practices and procedures for the control and disposition of such materials comply with applicable federal, state and local requirements.

The Company is involved in legal proceedings and claims which arise in the ordinary course of its business and with respect to certain of these claims the sellers have indemnified the Company. In the opinion of management of the Company, the amount of ultimate liability with respect to these actions will not materially affect the financial condition, liquidity or the results of operations of the Company.

The dealerships operated by the Company hold franchise agreements with a number of vehicle manufacturers. In accordance with the individual franchise agreements, each dealership is subject to certain rights and restrictions typical of the industry. The ability of the manufacturers to influence the operations of the dealerships or the loss of a franchise agreement could have a negative impact on the Company's operating results.

INDEPENDENT ACCOUNTANTS' REPORT

To Asbury Automotive Group, Inc.:

We have reviewed the accompanying consolidated balance sheet of Asbury Automotive Group, Inc. and subsidiaries ("the Company") as of June 30, 2003, and the related consolidated statements of income for the three-month and six month periods ended June 30, 2003 and 2002, and of cash flows for the six-month periods ended June 30, 2003 and 2002. These interim financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to such condensed consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of Asbury Automotive Group, Inc. and subsidiaries as of December 31, 2002, and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated February 25, 2003 (which includes an explanatory paragraph regarding the adoption of Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets"), we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2002 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Deloitte & Touche LLP

Stamford, Connecticut
July 28, 2003

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the unaudited consolidated financial statements and notes thereto included in Item 1 of this report.

RESULTS OF OPERATIONS

Three Months Ended June 30, 2003, Compared to Three Months Ended June 30, 2002

Net income for the second quarter of 2003 was \$12.3 million compared with \$12.8 million in the prior year period. Net income includes the results of discontinued operations, the majority of which consists of certain now closed non-core businesses, including our Price 1 pilot program (closed in July 2003) and six "Thomason Select" used car stores. Basic earnings per share, including discontinued operations, were \$0.38 in both periods, while diluted earnings per share were \$0.38 for the three months ended June 30, 2003 versus \$0.37 for the same period in 2002.

Net income from continuing operations for the second quarter of 2003 was \$14.3 million compared with \$14.9 million in the corresponding period a year ago. Basic and diluted earnings per share from continuing operations were \$0.44 per share in both periods.

Income from continuing operations before income taxes totaled \$23.7 million for the three months ended June 30, 2003, down 4% from \$24.7 million for the same period last year. The slight decrease can primarily be attributed to margin pressure on new vehicles, deterioration of our expense structure, and the continued poor performance of our Oregon platform offsetting strong finance and insurance ("F&I") and fixed operations performance, and the impact of acquisitions.

Revenues-

(dollars in thousands, except for unit and per vehicle data)

	For the Three Months Ended June 30,		Increase (Decrease)	% Change
	2003	2002		
New Vehicle Data:				
Retail revenues - same store (1)	\$ 721,257	\$ 655,582	\$ 65,675	10%
Retail revenues - acquisitions	27,784	310		
Total new retail	749,041	655,892	93,149	14%
Fleet revenues - same store (1)	16,238	10,967	5,271	48%
Fleet revenues - acquisitions	(8)	--		
Total new fleet revenues	16,230	10,967	5,263	48%
New vehicle revenue, as reported	\$ 765,271	\$ 666,859	\$ 98,412	15%
Used Vehicle Data:				
Retail revenues - same store (1)	\$ 231,096	\$ 229,167	\$ 1,929	1%
Retail revenues - acquisitions	8,050	268		
Total used retail revenues	239,146	229,435	9,711	4%
Wholesale revenues - same store (1)	67,023	72,843	(5,820)	(8%)
Wholesale revenues - acquisitions	2,194	2		
Total wholesale revenues	69,217	72,845	(3,628)	(5%)
Used vehicle revenue, as reported	\$ 308,363	\$ 302,280	\$ 6,083	2%

Retail units - same store (1)
Retail units - actual

15,096
15,552

14,898
14,914

198
638

1%
4%

(dollars in thousands, except for unit and per vehicle data)

	For the Three Months Ended June 30,		Increase (Decrease)	% Change
	2003	2002		
Parts, Service and Collision Repair:				
Revenues - same store (1)	\$ 133,730	\$ 124,860	\$ 8,870	7%
Revenues - acquisitions	5,348	87		
	-----	-----		
Parts, service and collision repair revenue, as reported	\$ 139,078	\$ 124,947	14,131	11%
	=====	=====		
Finance and Insurance:				
Revenues - same store (1)	\$ 33,136	\$ 28,589	\$ 4,547	16%
Revenues - acquisitions	854	20		
	-----	-----		
Finance and insurance revenue, as reported	\$ 33,990	\$ 28,609	\$ 5,381	19%
	=====	=====		
Total Revenue:				
Same store (1)	\$ 1,202,480	\$ 1,122,008	\$ 80,472	7%
Acquisitions	44,222	687		
	-----	-----		
Total revenue, as reported	\$ 1,246,702	\$ 1,122,695	124,007	11%
	=====	=====		

(1) Same store amounts include the results of dealerships for the identical months for each period presented in the comparison, commencing with the first full month in which the dealership was owned by the Company.

Revenues of \$1.2 billion for the three months ended June 30, 2003, represented a \$124.0 million or 11% increase over the three months ended June 30, 2002. Same store revenue grew \$80.5 million or 7% with the remaining increase of \$43.5 million derived from acquisitions. On a same store basis, our new retail units were up 4% compared to the three months ended June 30, 2002, despite the industry being down. New vehicle revenue growth continues to be a major focus. Used retail vehicle unit sales were up 1% versus the prior year period with improvements in our Tampa and Texas platforms offset by weaknesses in our Oregon platform. Fixed operations revenues were up 7% on a same store basis, primarily due to continued emphasis on customer retention and expanded product offerings, as well as strong warranty business. Same store finance and insurance revenues grew 16% and gross profit per vehicle retailed ("PVR") increased 12%. Contributing to this success was strength in product sales, increased penetration rates (number of finance and insurance contracts sold to the combined total of new and used retail unit sales), maturing of our preferred provider programs and continued focus on underperforming stores.

Gross Profit-

(dollars in thousands, except for unit and per vehicle data)

	For the Three Months Ended June 30,		Increase (Decrease)	% Change
	2003	2002		
New Vehicle Data:				
Retail gross profit - same store (1)	\$ 54,063	\$ 55,638	\$ (1,575)	(3%)
Retail gross profit - acquisitions	2,017	20		
	-----	-----		
Total new retail gross profit	56,080	55,658	422	1%
Fleet gross profit - same store (1)	234	359	(125)	(35%)
Fleet gross profit - acquisitions	(7)	--		
	-----	-----		
Total new fleet gross profit	227	359	(132)	(37%)
	-----	-----		
New vehicle gross profit, as reported	\$ 56,307	\$ 56,017	290	1%
	=====	=====		

Retail units - same store (1)	25,260	24,253	1,007	4%
Retail units - actual	26,133	24,265	1,868	8%

(dollars in thousands, except for unit and per vehicle data)

	For the Three Months Ended June 30,		Increase (Decrease)	% Change
	2003	2002		
Used Vehicle Data:				
Retail gross profit - same store (1)	\$ 26,860	\$ 27,525	\$ (665)	(2%)
Retail gross profit - acquisitions	691	32		
Total used retail gross profit	27,551	27,557	(6)	(0%)
Wholesale gross profit - same store (1)	(176)	(647)	471	73%
Wholesale gross profit - acquisitions	(14)	--		
Total wholesale gross profit	(190)	(647)	457	71%
Used vehicle gross profit, as reported	\$ 27,361	\$ 26,910	\$ 451	2%
Retail units - same store (1)	15,096	14,898	198	1%
Retail units - actual	15,552	14,914	638	4%
Parts, Service and Collision Repair:				
Gross profit - same store (1)	\$ 69,908	\$ 65,938	\$ 3,970	6%
Gross profit - acquisitions	3,440	58		
Parts, service and collision repair gross profit, as reported	\$ 73,348	\$ 65,996	\$ 7,352	11%
Finance and Insurance:				
Gross profit - same store (1)	\$ 33,136	\$ 28,589	\$ 4,547	16%
Gross profit - acquisitions	854	20		
Finance and insurance gross profit, as reported	\$ 33,990	\$ 28,609	\$ 5,381	19%
Gross profit per vehicle retailed - same store (1)	821	730	91	12%
Gross profit per vehicle retailed - actual	815	730	85	12%
Total Gross Profit:				
Gross profit - same store (1)	\$ 184,025	\$ 177,402	\$ 6,623	4%
Gross profit - acquisitions	6,981	130		
Total gross profit, as reported	\$ 191,006	\$ 177,532	\$ 13,474	8%

(1) Same store amounts include the results of dealerships for the identical months for each period presented in the comparison, commencing with the first full month in which the dealership was owned by the Company.

Gross profit for the quarter ended June 30, 2003, increased \$13.5 million or 8% over the quarter ended June 30, 2002. Same store retail gross profit was up 4% for the same period. Consistent with our business model, we achieved significant same store growth in finance and insurance of 16% and steady increases in fixed operations of 6% during the period. This was offset by continued margin pressure on new and used vehicles.

Operating Expenses-

Selling, general and administrative ("SG&A") expenses for the quarter ended June 30, 2003, increased \$12.9 million or 10% over the quarter ended June 30, 2002. Incremental expenses from acquisitions, rising insurance costs, \$1.2 million in severance expenses, \$1.0 million in increased legal fees, as well as typical variable (salesperson compensation and personnel) expense increases due to incremental gross profit, all contributed to the overall increase in SG&A. As a result, SG&A expenses as a percentage of gross profit increased to 77.4% from 76.0% for the quarter ended June 30, 2003, compared to the same period in 2002. SG&A expenses as a percent of revenue decreased due to a slight shift in the sales mix to new vehicles as we continue to focus on that element of our business.

Depreciation and Amortization-

Depreciation and amortization expense increased \$196,000 to \$5.1 million for the quarter ended June 30, 2003, as compared to the same period in 2002. The increase is almost entirely related to acquisitions.

Other Income (Expense)-

Floor plan interest expense increased to \$5.1 million from \$4.5 million for the three months ended June 30, 2003. This 13.8% increase was primarily due to higher inventory levels in the current quarter. Non-floor plan interest expense increased by \$1.1 million from the prior year's second quarter primarily from the increased interest rate on our Senior Subordinated Notes issued in June 2002.

Income Tax Provision-

Income tax expense was \$9.4 million for the three months ended June 30, 2003 versus \$9.8 million for the prior year quarter. Our tax rate for the three months ended June 30, 2003, was 39.8% and was based on the estimated effective tax rate for the year.

Discontinued Operations-

During the second quarter of 2003, we decided to close our Price 1 pilot program (four stores), closed our "Thomason Select" used vehicle program (six stores), began actively pursuing the sale of four "full service" dealerships and sold one dealership. The \$2.0 million loss from discontinued operations in the three months ended June 30, 2003 includes the operating losses of the entities mentioned above as well as another dealership that was classified as discontinued operations during the first quarter of 2003, which is still held for sale. The Price 1 stores ceased operations in July 2003. Discontinued operations for the quarter ended June 30, 2002 were \$2.1 million, including the operating losses from the stores mentioned above as well as the operating losses and net loss on the sale of one dealership and the related real estate sold in the second quarter of 2002 and the operating losses of one dealership sold in the third quarter of 2002.

Six Months Ended June 30, 2003, Compared to Six Months Ended June 30, 2002

Net income for the six months ended June 30, 2003 was \$19.4 million or \$0.59 per basic and diluted share, including a \$3.0 million loss from discontinued operations. For the six months ended June 30, 2002, tax affected pro forma net income was \$23.9 million or \$0.74 per basic and diluted share. Pro forma net income from continuing operations for the six months ended June 30, 2003 was \$26.7 million or \$0.78 per diluted share. The pro forma results for the prior year exclude a nonrecurring deferred income tax provision required by SFAS 109 related to our change in tax status from a limited liability company to a "C" corporation in conjunction with our March 2002 initial public offering ("IPO"). In addition, the pro forma results from continuing operations also assume that we were a publicly traded "C" corporation for the entire period. A reconciliation of pro forma net income from continuing operations to GAAP net income from continuing operations follows - see "Reconciliation of Non-GAAP Financial Information".

Income from continuing operations before income taxes totaled \$37.1 million for the six months ended June 30, 2003, down 16% from \$44.4 million for the same period last year. The decrease can be attributed to continued vehicle margin pressure, deterioration of our expense structure in the first quarter and weak performance in the Oregon platform offset by second quarter improvement in expense controls and the improved performance of the Arkansas platform, which was underperforming during the first half of 2002.

Revenues-

(dollars in thousands, except for unit and per vehicle data)

	For the Six Months Ended June 30,		Increase (Decrease)	% Change
	2003	2002		
New Vehicle Data:				
Retail revenues - same store (1)	\$ 1,331,002	\$ 1,261,948	\$ 69,054	5%
Retail revenues - acquisitions	38,101	310		
Total new retail	1,369,103	1,262,258	106,845	8%
Fleet revenues - same store (1)	29,689	22,143	7,546	34%
Fleet revenues - acquisitions	(1)	--		
Total new fleet revenues	29,688	22,143	7,545	34%
New vehicle revenue, as reported	<u>\$ 1,398,791</u>	<u>\$ 1,284,401</u>	\$ 114,390	9%
Retail units - same store (1)	47,041	46,305	736	2%
Retail units - actual	48,274	46,317	1,957	4%
Used Vehicle Data:				
Retail revenues - same store (1)	\$ 449,820	\$ 445,178	\$ 4,642	1%
Retail revenues - acquisitions	13,926	268		
Total used retail revenues	463,746	445,446	18,300	4%
Wholesale revenues - same store (1)	128,985	135,767	(6,782)	(5%)
Wholesale revenues - acquisitions	4,086	1		
Total wholesale revenues	133,071	135,768	(2,697)	(2%)
Used vehicle revenue, as reported	<u>\$ 596,817</u>	<u>\$ 581,214</u>	\$ 15,603	3%
Retail units - same store (1)	29,492	29,344	148	1%
Retail units - actual	30,371	29,360	1,011	3%
Parts, Service and Collision Repair:				
Revenues - same store (1)	\$ 260,210	\$ 245,424	\$ 14,786	6%
Revenues - acquisitions	8,616	88		
Parts, service and collision repair revenue, as reported	<u>\$ 268,826</u>	<u>\$ 245,512</u>	\$ 23,314	9%
Finance and Insurance:				
Revenues - same store (1)	\$ 61,637	\$ 54,412	\$ 7,225	13%
Revenues - acquisitions	1,494	20		
Finance and insurance revenue, as reported	<u>\$ 63,131</u>	<u>\$ 54,432</u>	\$ 8,699	16%
Total Revenue:				
Same store (1)	\$ 2,261,343	\$ 2,164,872	\$ 96,471	4%
Acquisitions	66,222	687		
Total revenue, as reported	<u>\$ 2,327,565</u>	<u>\$ 2,165,559</u>	\$ 162,006	7%

(1) Same store amounts include the results of dealerships for the identical months for each period presented in the comparison, commencing with the first full month in which the dealership was owned by the Company.

Revenues of \$2.3 billion for the six months ended June 30, 2003, represented a \$162.0 million or 7% increase over the six months ended June 30, 2002. Same store revenue grew \$96.5 million or 4% with the remainder derived from acquisitions. On a same store basis our new retail units were up 2% while the industry was down 2.5%. Our relative success can be attributed to our

advantageous brand mix and an increased focus on new vehicles sales in an effort to meet manufacturer sales requirements. Used retail vehicle unit sales were basically flat versus the prior year in a difficult used car market, as new vehicle incentives continue to have an adverse affect on the used vehicle

market. With ongoing focus on fixed operations and F&I, we achieved 6% and 13% same store growth, respectively, as we continue to benefit from the sharing of best practices between our platforms in these areas.

Gross Profit-

(dollars in thousands, except for unit and per vehicle data)

	For the Six Months Ended June 30,		Increase (Decrease)	% Change
	2003	2002		
New Vehicle Data:				
Retail gross profit - same store (1)	\$ 100,341	\$ 106,669	(\$ 6,328)	(6%)
Retail gross profit - acquisitions	2,695	19		
Total new retail gross profit	103,036	106,688	(3,652)	(3%)
Fleet gross profit - same store (1)	577	619	(42)	(7%)
Fleet gross profit - acquisitions	(1)	--		
Total new fleet gross profit	576	619	(43)	(7%)
New vehicle gross profit, as reported	\$ 103,612	\$ 107,307	(3,695)	(3%)
	=====	=====		
Retail units - same store (1)	47,041	46,305	736	2%
Retail units - actual	48,274	46,317	1,957	4%
Used Vehicle Data:				
Retail gross profit - same store (1)	\$ 53,562	\$ 53,855	(\$ 293)	(1%)
Retail gross profit - acquisitions	1,421	32		
Total used retail gross profit	54,983	53,887	1,096	2%
Wholesale gross profit - same store (1)	224	(200)	424	212%
Wholesale gross profit - acquisitions	(77)	--		
Total wholesale gross profit	147	(200)	347	174%
Used vehicle gross profit, as reported	\$ 55,130	\$ 53,687	\$ 1,443	3%
	=====	=====		
Retail units - same store (1)	29,492	29,344	148	1%
Retail units - actual	30,371	29,360	1,011	3%
Parts, Service and Collision Repair:				
Gross profit - same store (1)	\$ 136,044	\$ 129,894	\$ 6,150	5%
Gross profit - acquisitions	5,544	59		
Parts, service and collision repair gross profit, as reported	\$ 141,588	\$ 129,953	\$ 11,635	9%
	=====	=====		
Finance and Insurance:				
Gross profit - same store (1)	\$ 61,637	\$ 54,412	\$ 7,225	13%
Gross profit - acquisitions	1,494	20		
Finance and insurance gross profit, as reported	\$ 63,131	\$ 54,432	8,699	16%
	=====	=====		
Gross profit per vehicle retailed - same store (1)	805	719	86	12%
Gross profit per vehicle retailed - actual	803	719	84	12%
Total Gross Profit:				
Gross profit - same store (1)	\$ 352,385	\$ 345,249	\$ 7,136	2%
Gross profit - acquisitions	11,076	130		
Total gross profit, as reported	\$ 363,461	\$ 345,379	\$ 18,082	5%
	=====	=====		

(1) Same store amounts include the results of dealerships for the identical months for each period presented in the comparison, commencing with the

first full month in which the dealership was owned by the Company.

Gross profit for the quarter ended June 30, 2003, increased \$18.1 million or 5% over the same period ended June 30, 2002. Same store gross profit increased 2% year over year driven by significant growth in F&I of 13% and moderate growth in

fixed operations of 5%, offset by slight same store decreases in gross profit for new and used vehicles.

Operating Expenses-

Selling, general and administrative ("SG&A") expenses for the six months ended June 30, 2003 were \$286.9 million, up 8.6% from \$264.1 million for the six months ended June 30, 2002. The majority of the increase was due to expense deterioration in several platforms in the first quarter. We saw significant improvement in the second quarter with the implementation of expense reduction initiatives.

Depreciation and Amortization-

Depreciation and amortization expense increased \$135,000 to \$9.7 million for the six months ended June 30, 2003, as compared to the same period in 2002.

Other Income (Expense)-

Floor plan interest expense increased to \$9.6 million for the six months ended June 30, 2003. This 10.8% increase was due to high inventory levels, primarily in our domestic brands. Non-floor plan interest expense increased by \$1.3 million from the prior year's first six months mostly driven by the increased interest rate on our Senior Subordinated Notes issued in June 2002.

Income Tax Provision-

Income tax expense was \$14.8 million for the six months ended June 30, 2003 versus \$23.6 million for the same period last year. For the time period from January 1, 2002 through the date of our IPO, we were structured as a limited liability company and only provided a tax provision in accordance with SFAS 109 for the nine "C" corporations that we owned directly or indirectly during that period. Effective with our IPO, which closed March 19, 2002, we converted to a corporation and became subject to federal, state and local income taxes. During the six months ended June 30, 2002, we recorded, in accordance with SFAS No. 109, a one-time non-recurring charge of \$11.6 million related to the establishment of a net deferred tax liability, in connection with our conversion. This liability represented the difference between the financial statement and tax basis of our assets and liabilities at the conversion date. Our tax rate for the six months ended June 30, 2003, was 39.8% and was based on the estimated effective tax rate for the year.

Discontinued Operations-

During the first six months of 2003, we completed the sale of three full service dealerships and closed six "Thomason Select" used-only lots in Oregon. In addition, we decided to close our four Price 1 pilot program used vehicle stores and began actively pursuing the sale of five full service dealerships. The \$3.0 million loss from discontinued operations includes the operating losses of the dealership mentioned above offset by net gain on the sales of the stores sold in the first half of the year. Discontinued operations for the six months ended June 30, 2002 was \$2.8 million, including the results and related real estate of operations of the dealerships mentioned above and the operating losses and net loss on the sale of three dealerships and related real estate assets, sold during the first half of 2002 and the operating losses of another dealership sold in the third quarter of 2002.

LIQUIDITY AND CAPITAL RESOURCES

We require cash to fund working capital needs, finance acquisitions of new dealerships and fund capital expenditures. These requirements are met principally from cash flow from operations, borrowings under the First Amended and Restated Credit Agreement and the Floor Plan Facility (as defined below), mortgage notes and proceeds from sale/leaseback transactions. As of June 30, 2003 we had cash and cash equivalents of \$24.6 million.

Credit Facilities-

On January 17, 2001, we entered into a committed financing agreement (the "Committed Credit Facility") with Ford Motor Credit Company, General Motors Acceptance Corporation and DaimlerChrysler Services North America, LLC (the "Lenders") with total availability of \$550 million. The Committed Credit Facility is used for acquisition financing and working capital purposes. On June 6, 2003, we signed the First Amended and Restated Credit Agreement (the "ARCA") retaining all the essential provisions of the Committed Credit Facility, but

reducing the availability for borrowings to \$450 million and increasing our working capital borrowing capacity from \$25 million to \$75 million. Our decision to amend the existing credit facility was driven by our desire to reduce the commitment fee paid to the Lenders, which is based on the unused portion of the facility, and to extend the facility by one year through January 2006. At June 30, 2003, \$341.6 million was available for borrowings. All borrowings under the ARCA and the Committed Credit Facility (collectively the "Committed Credit Facility") bear (bore) interest at variable rates based on 1-month LIBOR plus a specified percentage that is dependent upon our adjusted level of debt leverage as of the end of each calendar quarter.

During the third quarter of 2002, we obtained consent from the Lenders for a cash management sublimit of \$75 million under our Committed Credit Facility. The cash management sublimit allows us to repay up to \$75 million of debt outstanding under our Committed Credit Facility using cash that has been centrally collected by our cash management system. This sublimit remains in place under the terms of the ARCA. The net amount repaid under the cash management sublimit may be borrowed by us on short-term notice for general corporate purposes. As of June 30, 2003, we had \$18 million available for borrowings under the cash management sublimit.

Floor Plan Financing-

We finance substantially all of our new vehicle inventory and a portion of our used vehicle inventory under the floor plan financing credit facilities (the "Floor Plan Facilities"). The Floor Plan Facilities also provide used vehicle financing up to a fixed percentage of the value of each financed used vehicle. In connection with the ARCA signed June 6, 2003, total availability under the floor plan facilities was reduced from \$750 million to \$695 million. Amounts financed under the floor plan arrangements bear interest at variable rates, which are typically tied to LIBOR or the prime rate. As of June 30, 2003, we had \$585.8 million outstanding under all of our floor plan financing agreements.

Sale/Leaseback Agreements-

During the first quarter of 2003, we sold, under four sale/leaseback agreements with an independent third party, certain land and buildings for \$16.9 million, recognizing an approximate \$100,000 loss on the sales. Under the agreements, we will leaseback the properties from the purchaser over a 20-year period. We are accounting for the leasebacks as operating leases. The estimated annual rental expense under these agreements will be approximately \$1.6 million.

During the second quarter of 2003, we sold, under a sale/leaseback agreement with an independent third party, certain land for \$8.5 million. Under the terms of the agreement, we will leaseback the property with the intent to construct a new dealership facility. We anticipate the facility to cost \$8.5 million and take 18 months to construct. When completed, we will sell the facility to the same third party and amend the existing land lease to leaseback the entire facility for a 22-year period. The estimated annual rental expense under the agreement will be approximately \$742,000.

In addition, we sold, under three sale/leaseback agreements with the same third party certain, land and building assets for \$4.5 million. Under the terms of the agreements we will leaseback the properties from the purchasers for 15 to 20 year periods. We will account for the leasebacks as operating leases. The estimated annual rental expense under these agreements will be approximately \$376,000.

Acquisitions and Acquisition Financing-

During the first half of 2003, we completed the acquisitions of two dealerships (three franchises, one of which is currently held for sale) for an aggregate purchase price of \$39.5 million, all funded through borrowings under our Committed Credit Facility.

Subsequent to June 30, 2003, we completed the acquisition of one dealership location (5 franchises) for \$8.4 million in cash, funded from our Committed Credit Facility. The seller was the existing president of one of our platforms. The purchase price will be allocated to the underlying assets and liabilities based on their estimated fair values, resulting in a preliminary estimate of goodwill and intangible assets of approximately \$7 million. We believe that this transaction involves terms that would be comparable to terms that would be obtained from an unaffiliated third party.

Capital Expenditure Financing

In addition, during the first six months of 2003, we used the proceeds from \$6.8 million of current period borrowings for current period capital spending.

Cash Flow

Operating Activities-

Net cash provided by operating activities totaled \$32.0 million for the six months ended June 30, 2003 consisting of net income of \$19.4 million, non-cash items of \$22.0 million (primarily depreciation and amortization and proceeds from the sale of accounts receivable) and a \$9.4 million net increase in operating assets and liabilities. Operating assets in the aggregate increased as incremental sales led to increases in accounts receivable and inventory partially offset by additional floor plan borrowings.

Net cash provided by operating activities totaled \$34.0 million for the six months ended June 30, 2002 as net income of \$17.9 million plus non-cash items of \$37.0 million (primarily depreciation and amortization, the proceeds from the sale of accounts receivable, and deferred income taxes) offset a \$20.9 million net increase in operating assets and liabilities. This net increase was primarily due to higher used vehicle inventories without the related increases in floor plan notes payable.

Investing Activities-

Net cash used in investing activities for the six months ended June 30, 2003 was \$58.2 million, as capital expenditures of \$24.6 million, dealership acquisitions of \$39.5 million and the net issuance of finance contracts of \$2.9 million was offset by proceeds from the sale of discontinued operations and fixed assets of \$7.9 million.

Net cash used in investing activities for the six months and June 30, 2002 was \$28.0 million, as capital expenditures of \$23.6 million and other investing activities of \$1.7 million were offset by the proceeds from the sale of discontinued operations and fixed assets of \$5.9 million.

Financing Activities-

Net cash provided by financing activities for the six months ended June 30, 2003 was \$28.2 million, as net proceeds from borrowings of \$63.2 million offset debt repayments of \$23.6 million, distributions to members and the repurchase of treasury stock. (We made our final L.L.C. distribution to our members in the first quarter of 2003).

Net cash provided by financing activities for the six months ended June 30, 2002 was \$680,000 as proceeds from our initial public offering of \$65.5 million and the net proceeds from borrowings of \$265.7 million (mainly the issuance of the Senior Subordinated Notes), were offset by repayments of debt of \$311.8 million (as we were required under our Committed Credit Facility to use the majority of IPO proceeds and all subordinated debt proceeds to repay existing debt), and distributions to members.

Capital Expenditures

Capital spending for the six months ended June 30, 2003 and 2002 was \$24.6 million and \$23.6 million, respectively. Capital spending other than from acquisitions is expected to be approximately \$50 million for the year ended December 31, 2003 and will be primarily related to operational improvements and manufacturer-required spending to upgrade existing dealership facilities.

Stock Repurchase

Pursuant to our Senior Subordinated Note indenture, we are permitted to repurchase shares subject to the following restrictions: (i) up to \$15 million under a "Restricted Payments" building basket, plus (ii) up to \$2 million per fiscal year under our "Stock Repurchase" basket. The Restricted Payments building basket equals the greater of \$15 million, or 50% of the consolidated net income beginning April 1, 2002 (less the cumulative amount of any Restricted Payments since the Senior Subordinated Notes' inception). During 2002, we repurchased 772,824 shares of our common stock for a purchase price of \$6.6 million. During the first six months of 2003, we repurchased an additional 817,189 shares for an aggregate purchase price of \$8.4 million. During the second quarter of 2003, we reached the \$15 million limit of the "Restricted Payments" building basket.

New Accounting Pronouncements

In April 2003, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." SFAS No. 149 amends and clarifies the accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 149 is generally effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The adoption of SFAS No. 149 on July 1, 2003, as required, had no impact on the Company's consolidated financial statements.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity." SFAS No. 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires that certain financial statements be classified as liabilities that were previously considered equity. The adoption of this standard on July 1, 2003, as required, had no impact on the Company's consolidated financial statements.

Reconciliation of "Non-GAAP" Financial Information

For analysis purposes, in Management's Discussion and Analysis we discuss pro forma net income from continuing operations and related earnings per share for the six months ended June 30, 2002. The consolidated statement of income reconciles GAAP net income to tax affected pro forma net income by assuming that we were taxed as a "C" corporation for all twelve months of 2002 and excluding the one-time charge for our conversion from a limited liability company to a corporation. The following table assumes that all discontinued entities were sold prior to 2002 and all shares issued in our IPO were outstanding on January 1, 2002.

(in thousands, except for per share data)

For the Six Months
Ended June 30, 2002

Tax affected pro forma net income	\$23,873
Discontinued operations	2,837

Pro forma net income from continuing operations	\$26,710
	=====
Pro forma earnings per share:	
Basic	\$0.79
	=====
Diluted	\$0.78
	=====
Pro forma common shares and share equivalents:	
Weighted average shares outstanding-	
Basic	32,210
Adjustment for 4,500 shares offered March 14, 2002 as if offered on January 1, 2002	1,790

Pro forma basic shares	34,000
Shares issuable with respect to additional common share equivalents (stock options)	48

Pro forma diluted shares	34,048
	=====

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

We are exposed to market risk from changes in interest rates on a significant portion of our outstanding indebtedness. Given the total amount of variable rate indebtedness outstanding at June 30, 2003 (\$243.1 million), a 1% change in the LIBOR rate would result in a change of approximately \$2.4 million to our annual non-floor plan interest expense. Based on floor plan amounts outstanding at June 30, 2003, a 1% change in the LIBOR rate would result in a \$5.9 million change to annual floor plan interest expense.

Item 4. Controls and Procedures

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

As of the end of the period covered by this report, the Company conducted an evaluation (under the supervision of and with the participation of the Company's management, including the chief executive officer and chief financial officer), of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15e and 15d-15e under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on this evaluation, the Company's chief executive officer and chief financial officer concluded that as of the end of such period: such disclosure controls and procedures were reasonably designed to ensure that information required to be disclosed by the Company in reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

CHANGES IN INTERNAL CONTROLS

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

. . .

Forward Looking Information

This report contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements include statements relating to goals, plans and projections regarding the Company's financial position, results of operations, market position, product development and business strategy. These statements are based on management's current expectations and involve significant risks and uncertainties that may cause results to differ materially from those set forth in the statements. These risks and uncertainties include, among other things,

- o market factors,
- o the Company's relationships with vehicle manufacturers and other suppliers,
- o risks associated with the Company's substantial indebtedness,
- o risks related to pending and potential future acquisitions, and
- o general economic conditions both nationally and locally and governmental regulations and legislation.

There can be no guarantees the Company's plans for future operations will be successfully implemented or that they will prove to be commercially successful. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

PART II - OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The information required by this Item, with respect to the Company's Annual Meeting of Stockholders held on May 8, 2003, was included in Part II, Item 4 of the Company's Quarterly Report on Form 10-Q for the for the quarter ended March 31, 2003.

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

- 10.1 First Amended and Restated Credit Agreement, dated June 6, 2003
- 10.2 Severance Agreement with Vice President and General Counsel Lynne Burgess, dated April 21, 2003
- 10.3 Severance Agreement with Vice President, Human Resources Philip Johnson, dated April 21, 2003
- 31.1 Certificate of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certificate of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certificate of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certificate of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

b. Reports on Form 8-K

Report filed April 17, 2003, under Item 5, related to issuance of a press release announcing the Company would release its first quarter financial results before the market opens on April 30, 2003, and that it met the fixed charge coverage requirement under its credit facility as of March 31, 2003.

Report filed April 30, 2003, under Item 9, related to issuance of a press release announcing the Company's earnings for the first quarter ended March 31, 2003.

Report filed July 11, 2003, related to issuance of a press release announcing that the Company has reached a mutual agreement with Wal-Mart Stores, Inc. to end the pilot "Price 1" program.

Report filed July 30, 2003, under Item 9, related to the issuance of a press release announcing that Michael Kane has been named President and CEO of the Company's Texas platform.

Report filed July 31, 2003, under Item 9, related to issuance of a press release announcing the Company's earnings for the second quarter and six months ended June 30, 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Asbury Automotive Group, Inc.

(Registrant)

Date: August 13, 2003

/s/ Kenneth B. Gilman

Kenneth B. Gilman
Chief Executive Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Asbury Automotive Group, Inc.

(Registrant)

Date: August 13, 2003

/s/ Thomas F. Gilman

Thomas F. Gilman
Senior Vice President and Chief Financial Officer

Index to Exhibits

Exhibit Number -----	Description -----
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FIRST AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 6, 2003

among

ASBURY AUTOMOTIVE GROUP, INC. and
ASBURY AUTOMOTIVE GROUP HOLDINGS, INC.
as Borrower

and

FORD MOTOR CREDIT COMPANY,
DAIMLERCHRYSLER SERVICES NORTH AMERICA LLC,
GENERAL MOTORS ACCEPTANCE CORPORATION,
and
the other Lenders party hereto,

as the Lenders

and

FORD MOTOR CREDIT COMPANY,
as Agent.

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EXHIBITS AND SCHEDULES

Exhibits

EXHIBIT A	--	Form of Note
EXHIBIT B	--	Form of Borrowing Notice
EXHIBIT C	--	Form of Guaranty
EXHIBIT D	--	Form of Security Agreement
EXHIBIT E	--	Closing Statement
EXHIBIT F	--	Form of Officer's Certificate
EXHIBIT G	--	Form of Waiver, Guaranty and Disbursement Agreement
EXHIBIT H	--	Form of Pledged Account Agreement

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Schedule 1.1.2	--	Permitted Existing Investments
Schedule 1.1.3	--	Permitted Existing Liens
Schedule 1.1.4	--	Lenders' Commitments
Schedule 1.1.5	--	Dealership Guarantors
Schedule 1.1.6	--	Existing Asbury Obligations
Schedule 1.1.7	--	Pending Acquisitions
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Schedule 9.3	--	Form of Assignment & Acceptance

FIRST AMENDED AND RESTATED CREDIT AGREEMENT

This First Amended and Restated Credit Agreement dated as of June 6, 2003 is entered into among ASBURY AUTOMOTIVE GROUP, INC., a Delaware corporation, ASBURY AUTOMOTIVE GROUP HOLDINGS, INC., a Delaware corporation, jointly and severally, together with any successor permitted hereunder (individually and collectively, the "Borrower"), FORD MOTOR CREDIT COMPANY, a Delaware corporation ("Ford Credit"), DAIMLERCHRYSLER SERVICES NORTH AMERICA LLC, a Michigan limited liability company ("Chrysler Financial"), GENERAL MOTORS ACCEPTANCE CORPORATION, a Delaware corporation ("GMAC"), the other Lenders from time to time party hereto, and Ford Credit, as administrative agent and collateral agent (in such capacity and together with any Successor Agent appointed pursuant to Article VII, the "Agent") for the Secured Parties (as defined below).

This Agreement amends and restates in its entirety that certain Credit Agreement dated January 17, 2001 among Asbury Automotive Group L.L.C., Asbury Automotive Group Holdings, Inc. and Asbury Automotive Group, Inc., Ford Credit, Chrysler Financial, GMAC and Agent, as amended July 29, 2002 and September 25, 2002 (the "Original Credit Agreement").

The parties hereto agree as follows:

ARTICLE I: DEFINITIONS

1.1 Certain Defined Terms. The following terms used in this Agreement shall have the following meanings, applicable both to the singular and the plural forms of the terms defined.

As used in this Agreement:

"Acquisition" means any transaction, or any series of related transactions, consummated on or after the date of the Original Credit Agreement, by which the Borrower or a Transaction Party (i) acquires any ongoing business or all or substantially all of the assets of any automobile dealership and/or related operations (including, without limitation, body shop and service repair centers), whether through purchase of assets, merger or otherwise or (ii) directly or indirectly acquires (in one or a series of transactions) at least a majority of the Voting Interests of any Person.

"Acquisition Advance" is defined in Section 5.2 (K) hereof.

"Acquisition Cost" means the purchase price to be paid by Borrower or any Subsidiary of Borrower for a Permitted Acquisition (including, without limitation, (i) the maximum amount of any deferred portion thereof or contingency payments payable in connection therewith, (ii) reasonable fees and expenses incurred in connection therewith but only to the extent such fees and expenses were not paid to, or for the benefit of, an Affiliate or any Transaction Party, and (iii) that portion of the amount requested by Borrower, as an Acquisition Advance, which must be used by Borrower to ensure that the business being acquired will, on the date of the applicable Acquisition Advance, meet the minimum working capital requirement established by the automotive manufacturer(s) whose approval is a pre-condition to such Permitted Acquisition, it being understood that if said business did not meet such working capital

requirement, said manufacturer would not consent to the Acquisition), but excluding therefrom (a) that portion of the purchase price, of a particular Permitted Acquisition, specifically allocated to real property, (b) that portion of the purchase price, of any particular Permitted Acquisition, paid in Seller Paper, and (c) the value of any Equity Interests of the Borrower issued to the seller in connection with a particular Permitted Acquisition) (computed with any non-cash portion of the acquisition price being valued at the Fair Value thereof as of the date of computation).

"Acquisition Documents" means all documents, instruments and agreements entered into in connection with any Acquisition.

"Acquisition Price" means, the acquisition price to be paid by Borrower or any Subsidiary of Borrower for a Permitted Acquisition (including, without limitation, the maximum amount of any deferred portion thereof or contingency payments payable in connection therewith (and reasonable fees and expenses incurred in connection therewith but only to the extent such fees and expenses were not paid to, or for the benefit of, an Affiliate of any Transaction Party), computed with any non-cash portion of the acquisition price being valued at the Fair Value thereof as of the date of computation).

"Advance" means any Working Capital Advance, Acquisition Advance or any Cash Management Advance made under Section 2.1 hereof or otherwise deemed made under the Loan Documents.

"Adjusted Leverage Ratio" is defined in Section 5.4(c) hereof.

"Affiliate" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person is the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) of greater than five percent (5%) or more of any class of voting securities (or other voting interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of Capital Stock, by contract or otherwise. For purposes of clarity Asbury-Everest is an Affiliate.

"Agent" has the meaning set forth in the recital of parties to this Agreement, together with any successor Agent.

"Agent's Account" means any account maintained in the name of the Agent of which the Agent gives written notice to the Borrower or any Lender, as applicable, that such account is the Agent's Account.

"Agreement" means this Credit Agreement, as it may be amended, restated or otherwise modified and in effect from time to time.

"Agreement Accounting Principles" means generally accepted accounting principles in effect from time to time, applied in a manner consistent with that used in preparing the financial statements referred to in Section 5.1(A) hereof.

"Anniversary Date" means January 17, 2004 and each January 17 of each calendar year thereafter during the term of this Agreement.

"Applicable LIBOR Rate" means as of any Payment Date, the LIBOR Rate plus a percentage margin per annum as determined by reference to (i) the following ratios, and (ii) the corresponding percentages listed below (such percentage is referred to herein as the "Margin").

Adjusted Leverage Ratio	Margin
Level 1 Greater than 4.00:1	4.00%
Level 2 Greater than 3.50:1 but equal to or less than 4.00:1	3.75%
Level 3 Greater than 3.00:1 but equal to or less than 3.50:1	3.50%
Level 4 Greater than 2.50:1 but equal to or less than 3.00:1	3.25%
Level 5 Greater than 1.75:1 but equal to or less than 2.50:1	3.00%
Level 6 Equal to or less than 1.75:1	2.75%

The Applicable LIBOR Rate for each month shall be based on the LIBOR Rate in effect on the first Business Day of such month. All changes in the Applicable LIBOR Rate (due to a change in the LIBOR Rate) shall become effective on the first day of a calendar month and shall be deemed in effect throughout such month. The Applicable LIBOR Rate for each month shall be determined by reference to the Adjusted Leverage Ratio in effect on the first Business Day of such month; provided, however, that (A) no change in the Applicable LIBOR Rate (which is based upon a change in the Adjusted Leverage Ratio) shall be effective until the first Business Day of the first month following the date on which the Agent receives the financial statements required to be delivered pursuant to Section 5.1 (A) (i) and the Officer's Certificate required to be delivered pursuant to Section 5.1 (A) (iv), and (B) the Applicable LIBOR Rate shall be at LIBOR plus 4.25% for so long as the Borrower has not submitted to the Agent the information described in clause (A) of this proviso as and when required under Section 5.1 (A).

"Asbury Everest" means individually and collectively, Asbury-Everest Holdings L.L.C., a Delaware limited liability company, and Asbury Internet Holdings L.L.C., a Delaware limited liability company.

"Asbury Group" means the Borrower and each other Transaction Party.

"Asset Sale" means, with respect to any Person, the sale, lease, conveyance, disposition or other transfer by such Person of any of its assets (including by way of a sale-leaseback transaction and including the sale or other transfer of any of the Equity Interests of any Subsidiary of such Person).

"Assignment and Acceptance" is defined in Section 9.3 (a) hereof.

"Authorized Officer" means, with respect to the Borrower or any of its Subsidiaries, the chief executive officer, president, chief financial officer, chief accounting officer, treasurer or assistant treasurer, acting singly.

"Balance Due" means the then current (as of the Payment Reconciliation Date) outstanding aggregate principal amount of Cash Management Advances under the Agreement and the Notes.

"Benefit Plan" means a defined benefit plan as defined in Section 3(35) of ERISA (other than a Multi-employer Plan) in respect of which the Borrower or any other member of the Controlled Group is, or within the immediately preceding six (6) years was, an "employer" as defined in Section 3(5) of ERISA.

"Borrower" means, jointly and severally, Asbury Automotive Group, Inc., a Delaware corporation and Asbury Automotive Group Holdings, Inc., a Delaware corporation, together with their permitted successors and assigns, including a debtor-in-possession on behalf of the Borrower.

"Borrower's Account" means such account as the Borrower may specify in writing to the Agent.

"Borrower Pledge" means each of (i) that certain Amended and Restated Pledge Agreement, dated as of even date herewith, from the Borrower to the Agent pursuant to which the Borrower pledges the Capital Stock of certain corporate Subsidiaries, the Capital Stock of certain limited liability company Subsidiaries, and the Capital Stock of certain partnership Subsidiaries, as it may be amended, restated or otherwise modified and in effect from time to time, and (ii) any other pledge of Capital Stock delivered by Borrower from time to time to the Agent, in each case delivered to the Agent, for the benefit of the Lenders, to secure the Obligations.

"Borrower Security Agreement" means that certain Second Amended and Restated Security Agreement, dated as of even date herewith from the Borrower to the Agent, for the benefit of the Lenders, pursuant to which the Borrower has pledged all of its assets to secure the Obligations hereunder, as it may be amended, restated or otherwise modified and in effect from time to time.

"Borrowing" means a borrowing consisting of any Advance under Section 2.1.

"Borrowing Spread" is defined in Section 2.1 (C) hereof.

"Borrowing Date" means a date on which an Advance is made hereunder.

"Borrowing Notice" is defined in Section 2.1 (B) hereof.

"Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for business in New York , New York and Dearborn, Michigan.

"Capital Expenditures" of a Person means, for any period, the aggregate of all expenditures (other than in connection with Permitted Acquisitions), whether paid in cash or accrued as liabilities, including Capitalized Lease Obligations, during that period that, in conformity with Agreement Accounting Principles, are required to be included in or reflected by the property, plant, equipment or similar fixed asset accounts reflected in the consolidated balance sheet of such Person.

"Capital Stock" means (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership, partnership interests (whether general or limited), (iv) in the case of a limited liability company, any and all membership interests or other equivalents (however designated) and (v) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Capitalized Lease" of a Person means any lease of property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Capitalized Lease Obligations" of a Person means the amount of the obligations of such Person under Capitalized Leases which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Cash Equivalents" means (i) marketable direct obligations issued or unconditionally guaranteed by the United States government and backed by the full faith and credit of the United States government; (ii) domestic and Eurodollar certificates of deposit and time deposits, bankers' acceptances and floating rate certificates of deposit issued by any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, or its branches or agencies; (iii) shares of money market, mutual or similar funds having assets in excess of \$100,000,000.00 and the investments of which are limited to investment grade securities (i.e., securities rated at least Baa by Moody's Investors Service, Inc. or at least BBB by Standard & Poor's Corporation); (iv) commercial paper of United States and foreign banks and bank holding companies and their subsidiaries and United States and foreign finance, commercial industrial or utility companies which, at the time of acquisition, are rated A-1 (or better) by Standard & Poor's Ratings Group or P-1 (or better) by Moody's Investors Services, Inc.; (v) corporate bonds, mortgage-backed securities and municipal bonds in each case of a domestic issuer rated at the date of acquisition not less than Aaa by Moody's Investor Services, Inc. or AAA by Standard & Poor's Corporation with maturities of no more than two (2) years from the date of acquisition; (vi) repurchase obligations of any Lender or of any commercial bank satisfying the requirements of clause (ii) of this definition, with respect to securities issued or fully guaranteed or insured by the United States government; and (vii) money market funds with respect to which not less than 90% of such funds are invested in the type of investments specified in clauses (i) through (v) above; provided, unless the context otherwise requires, the maturities of such Cash Equivalents shall not exceed 365 days.

"Cash Management Advance" means an Advance specified by Borrower to be a Cash Management Advance.

"Cash Management Availability" means an amount equal to the sum of all Cash Management Payments less the sum of all Cash Management Advances, provided, however, in no event shall the Cash Management Availability exceed the lesser of Seventy Five Million Dollars (\$75,000,000.00) or the aggregate amount of outstanding Advances.

"Cash Management Payment" means a prepayment, in whole or part, designated by Borrower as a Cash Management Payment, not to exceed, at any one time, the lesser of Seventy Five Million Dollars (\$75,000,000.00) or the aggregate amount of outstanding Advances.

"Change of Control" means an event or series of events by which:

(i) during any period of 24 consecutive calendar months, individuals:

(a) who were directors of the Borrower on the first day of such period, or

(b) whose election or nomination for election to the board of directors of the Borrower was recommended or approved by at least a majority of the directors then still in office who were directors of the Borrower on the first day of such period, or whose election or nomination for election was so approved,

shall cease to constitute a majority of the board of directors of the Borrower;

(ii) the Borrower consolidates with or merges into another corporation or conveys, transfers or leases all or substantially all of its property to any Person, or any corporation consolidates with or merges into the Borrower, in either event pursuant to a transaction in which the outstanding Capital Stock of the Borrower is reclassified or changed into or exchanged for (A) cash or Cash Equivalents or (B) securities, and the holders of the Capital Stock in the Borrower immediately prior to such transaction do not, as a result of such transaction, own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the Borrower's Capital Stock or the Capital Stock of its successor entity in such transaction; or

(iii) other than as a result of transactions otherwise permitted by the terms of this Agreement, the Borrower ceases to own, directly or indirectly, 100% of the Voting Interests in a Subsidiary other than a Subsidiary operating under a Restricted Franchise Agreement (as defined herein), and except as set forth on Schedule 1.1.8 hereto.

"Charter Documents" means (i) in the case of a corporation, such entity's articles or certificate of incorporation and by-laws, (ii) in the case of a limited liability company, such entity's articles of organization and limited liability company operating agreement or equivalent (however designated), (iii) in the case of a partnership, such entity's partnership agreement or equivalent (however designated) and (iv) in the case of an association or other business entity not described above, such entity's founding documents (however designated).

"Chrysler Financial" means DaimlerChrysler Services North America LLC, a Michigan limited liability company, and its successors and assigns.

"Code" means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time, or any successor statute.

"Collateral" means all property and interests in property now or hereafter acquired by covered by, or subject to, any Collateral Document.

"Collateral Documents" means all agreements, instruments and documents executed in connection with this Agreement that are intended to create or evidence Liens to secure the Obligations, including, without limitation, the Loan Party Security Agreements, the Loan Party Pledges, the Cross Agreement, the Waiver, Guaranty and Disbursement Agreement, the Pledged Account Agreements, and all other security agreements, mortgages, deeds of trust, loan agreements, notes, guaranties, subordination agreements, pledges, powers of attorney, consents, assignments, contracts, fee letters, notices, leases, financing statements and all other written matter whether heretofore, now, or hereafter executed by or on behalf of the Borrower, any of its Subsidiaries or any other Person and delivered to the Agent, together with all agreements and documents referred to therein or contemplated thereby, as amended, restated or otherwise modified and in effect from time to time.

"Commission" means the United States Securities and Exchange Commission and any Person succeeding to the functions thereof.

"Commitment" means (a) with respect to any Lender (other than Ford Credit) at any time, the amount set forth opposite such Lender's name on Schedule 1.1.4 hereto under the caption "Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Agent pursuant to Section 9.3 and (b) with respect to Ford Credit at any time, \$192,000,000.00 plus the Cash Management Availability, as any such amount may be reduced pursuant to Section 2.3.

"Consolidated Net Worth" means, at a particular date, the amount by which the total consolidated assets of the Borrower and its consolidated Subsidiaries exceeds the total consolidated liabilities of the Borrower and its consolidated Subsidiaries.

"Contaminant" means any waste, pollutant, hazardous substance, toxic substance, hazardous waste, special waste, petroleum or petroleum-derived substance or waste, asbestos, polychlorinated biphenyls ("PCBs"), or any constituent of any such substance or waste, and includes but is not limited to these terms as defined under or regulated by any Environmental, Health or Safety Requirements of Law.

"Contingent Obligation", as applied to any Person, means any direct or indirect obligation of that Person with respect to any Indebtedness of another or other obligation or liability of another, including, without limitation, any such Indebtedness, obligation or liability of another directly or indirectly guaranteed, endorsed (otherwise than for collection or deposit in the ordinary course of business), co-made or discounted or sold with recourse by that Person, or in respect of which that Person is otherwise directly or indirectly liable, including obligations (contingent or otherwise) arising through any contract, agreement or instrument, or any agreement to purchase, repurchase, or otherwise acquire such Indebtedness, obligation or liability or any security therefore, or

to provide funds for the payment or discharge thereof (whether in the form of loans, advances, stock purchases, capital contributions or otherwise), or to maintain solvency, assets, level of income, or other financial condition, or to make payment other than for value received.

"Contractual Obligation" as applied to any Person, means any material provision of any equity or debt securities issued by that Person or any material indenture, mortgage, deed of trust, security agreement, pledge agreement, guaranty, contract, undertaking, agreement or instrument, in each case in writing, to which that Person is a party or by which it or any of its properties is bound, or to which it or any of its properties is subject.

"Controlled Group" means the group consisting of (i) any corporation which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as the Borrower; (ii) a partnership or other trade or business (whether or not incorporated) which is under common control (within the meaning of Section 414(c) of the Code) with the Borrower; and (iii) a member of the same affiliated service group (within the meaning of Section 414(m) of the Code) as the Borrower, any corporation described in clause (i) above or any partnership or trade or business described in clause (ii) above.

"Controlled Subsidiary" of any Person means a Subsidiary of such Person (i) 80% or more of the total Equity Interests or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more wholly-owned Subsidiaries of such Person or (ii) of which such Person possesses, directly or indirectly, the power to direct or cause the direction of the management or policies, whether through the ownership of voting securities, by agreement or otherwise.

"Cross Agreement" means that certain Second Amended and Restated Cross Default Agreement dated as of even date herewith, by and among the Transaction Parties, the Lenders and the Agent, together with any other Cross Default Agreement entered into by and among any of the Transaction Parties or an Asbury Group Affiliate, the Lenders and Agent, as such agreements may be amended, restated or otherwise modified from time to time.

"Current Assets" means, at a particular date, all amounts which would, in conformity with Agreement Accounting Principles, be included under current assets on a balance sheet as of such date, plus LIFO reserve, if applicable.

"Current Liabilities" means, at a particular date, all amounts which would, in conformity with Agreement Accounting Principles, be included under current liabilities on a balance sheet plus the amount of outstanding Working Capital Advances hereunder as of such date.

"Current Ratio" is defined in Section 5.4(A) hereof.

"Customary Permitted Liens" means:

(i) Liens (other than environmental Liens and Liens in favor of the PBGC) with respect to the payment of taxes, assessments or governmental charges, in all cases which are not yet due or (if foreclosure, distraint, sale or other similar proceedings shall not have been commenced) which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with Agreement Accounting Principles;

(ii) statutory Liens of landlords and Liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other similar Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with Agreement Accounting Principles;

(iii) Liens incurred or deposits made, in each case, in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds; provided that (A) all such Liens do not in the aggregate materially detract from the value of the Borrower's or such Subsidiary's assets or property taken as a whole or materially impair the use thereof in the operation of the businesses taken as a whole, and (B) with respect to Liens securing bonds to stay judgments or in connection with appeals, such Liens do not secure at any time an aggregate amount exceeding \$500,000.00;

(iv) Liens arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of real property which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(v) Liens of attachment or judgment with respect to judgments, writs or warrants of attachment, or similar process against the Borrower or any of its Subsidiaries which do not constitute an Event of Default under Section 6.1(h) hereof;

(vi) any interest or title of the lessor in the property subject to any operating lease entered into by the Borrower or any of its Subsidiaries in the ordinary course of business;

(vii) Liens related to precautionary U.C.C. financing statement filings with respect to Capitalized Leases or consignment arrangements otherwise permitted under this Agreement entered into by the Borrower or any of its Subsidiaries in the ordinary course of business, provided, however, that any such Liens may not encumber assets other than those that are the subject of such Capitalized Lease or consignment arrangement, as the case may be; and

(viii) Liens in favor of a banking institution arising by operation of law encumbering deposits (including the right of set-off) held by such banking institutions incurred in the ordinary course of business and that are within the general parameters customary in the banking industry; provided, however, that (A) any such Lien must be subordinated (on terms acceptable to Agent and the Required Lenders) to the Liens evidenced by the Collateral Documents and (B) any such right of set-off must be waived in favor of the Agent.

"Dealership" means any Subsidiary that is an automobile dealership and/or related body shop or service repair center owned, operated or acquired by any Transaction Party.

"Dealership Guarantors" means each Person listed on Schedule 1.1.5 hereof providing a Dealership Guaranty, a Dealership Security Agreement and a Dealership Pledge to the Agent, for the benefit of the Lenders, and each other Person providing a Dealership Guaranty, a Dealership Security Agreement and a Dealership Pledge to Agent, for the benefit of the Lenders, pursuant to Section 5.2 (L) of this Agreement, and their respective successors and assigns.

"Dealership Guaranty" means each Guaranty in the form attached hereto as Exhibit C, provided by a Dealership to the Agent, for the benefit of the Lenders, as the same may be amended, modified, supplemented, reaffirmed and/or restated, and as in effect from time to time.

"Dealership Pledge" means each Pledge Agreement delivered by any Dealership to the Agent, for the benefit of the Lenders, pursuant to which such Person pledges to the Agent, for the benefit of the Lenders, its Capital Stock of certain corporation, limited liability company and/or partnership Subsidiaries, as such Pledge Agreement may be amended, restated or otherwise modified from time to time.

"Dealership Security Agreement" means any Security Agreement in the form attached hereto as Exhibit D, pursuant to which a Dealership grants the Agent, for the benefit of the Lenders, a security interest in all of its assets, as the same may be amended, modified, supplemented and/or restated, and as in effect from time to time.

"Decision Period" is defined in Section 5.2(G) hereof.

"Decision Reserve" is defined in Section 5.2(G) hereof.

"Defaulted Advance" means, with respect to any Lender at any time, the portion of any Advance required to be made by such Lender to the Borrower pursuant to Section 2.1 at or prior to such time that has not been made by such Lender or the Agent for the account of such Lender pursuant to Section 2.1 as of such time, or which otherwise is required to be made by such Lender at or prior to such time that has not been made by such Lender as of such time.

"Defaulted Amount" means, with respect to any Lender, any amount required to be paid by such Lender to the Agent or any other Lender hereunder or under any other Loan Document at or prior to such time that has not been so paid as of such time. In the event that a portion of a Defaulted Amount shall be deemed paid pursuant to Section 2.13, the remaining portion of such Defaulted Amount shall be considered a Defaulted Amount originally required to be paid hereunder or under any other Loan Document on the same date as the Defaulted Amount so deemed paid in part.

"Defaulting Lender" means, at any time, any Lender that, at such time, (a) owes a Defaulted Advance or a Defaulted Amount or (b) shall take any action or be the subject of any action or proceeding of a type described in Section 6.1(f) or Section 6.1(g).

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the Termination Date.

"DOL" means the United States Department of Labor and any Person succeeding to the functions thereof.

"Dollar" and "\$" means dollars in the lawful currency of the United States.

"EBITDA" means, for any period, on a consolidated basis for the Borrower and its Subsidiaries, the sum of the amounts for such period, without duplication, of:

- (i) Net Income,
- plus (ii) Interest Expense, to the extent deducted in computing Net Income,
- plus (iii) charges against income for foreign, federal, state and local taxes, to the extent deducted in computing Net Income,
- plus (iv) depreciation expense, to the extent deducted in computing Net Income,
- plus (v) amortization expense, including, without limitation, amortization of goodwill, other intangible assets and Transaction Costs, to the extent deducted in computing Net Income,
- plus (vi) other non-cash charges classified as long-term deferrals in accordance with Agreement Accounting Principles, to the extent deducted in computing Net Income,
- plus (vii) all extraordinary losses (which have been included in the determination of Net Income),
- minus (viii) all extraordinary gains (which have been included in the determination of Net Income).

EBITDA shall be calculated for any period by including the actual amount for the applicable period ending on such day, including the EBITDA attributable to Permitted Acquisitions occurring during such period on a pro forma basis for the period from the first day of the applicable period through the date of the closing of each Permitted Acquisition, utilizing (a) where available or required pursuant to the terms of this Agreement, historical audited and/or reviewed unaudited financial statements obtained from the seller, broken down by fiscal quarter in the Borrower's reasonable judgment or (b) unaudited financial statements (where no audited or reviewed financial statements are required pursuant to the terms of this Agreement) reviewed internally by the Borrower, broken down in the Borrower's reasonable judgment.

"EBITDAR" means, for any period, on a consolidated basis for the Borrower and its Subsidiaries, the sum of the amounts for such period, without duplication, of (i) EBITDA and (ii) Rentals.

"Effective Date" is defined in Section 1.3 hereof.

"Eligible Assignee" is defined in Section 9.3 hereof.

"Environmental, Health or Safety Requirements of Law" means all Requirements of Law derived from or relating to federal, state and local laws or regulations relating to or addressing pollution or protection of the environment, or protection of worker health or safety, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. ss. 9601 et seq., the Occupational Safety and Health Act of 1970, 29 U.S.C. ss. 651 et seq., and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. ss. 6901 et seq., in each case including any amendments thereto, any successor statutes, and any regulations or guidance promulgated thereunder, and any state or local equivalent thereof.

"Environmental Property Transfer Act" means any applicable Requirement of Law that conditions, restricts, prohibits or requires any notification or disclosure triggered by the closure of any property or the transfer, sale or lease of any property or deed or title for any property for environmental reasons, including, but not limited to, any so-called "Industrial Site Recovery Act" or "Responsible Property Transfer Act."

"Equipment" of a Person means all of such Person's present and future furniture, machinery, service vehicles, supplies and other equipment and any and all accessions, parts and appurtenances attached to any of the foregoing or used in connection therewith, and any substitutions therefore and replacements, products and proceeds thereof.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time including (unless the context otherwise requires) any rules or regulations promulgated thereunder.

"Event of Default" means an event described in Section 6.1 hereof.

"Excluded Tax" is defined in Section 2.9 (A) hereof.

"Existing Asbury Obligations" is defined in Schedule 1.1.6 hereof.

"Extraordinary Receipt" means extraordinary gains (and any nonrecurring unusual gains arising in or outside of the ordinary course of business) not included in extraordinary gains determined in accordance with Agreement Accounting Principles.

"Fair Value" means (a) with respect to the Capital Stock of the Borrower, the closing price for such Capital Stock on the trading date immediately preceding the date of determination; and (b) with respect to other assets, the value of the relevant asset as of the date of acquisition or sale as would be obtained in an arm's-length transaction conducted in good faith between an informed and willing buyer and an informed and willing seller each under no compulsion to buy or sell.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal

Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day for such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

"Fixed Charge Coverage Ratio" is defined in Section 5.4(B) hereof.

"Floor Plan Indebtedness" means any and all loans, advances, debts, liabilities and obligations, owing by any Dealership to any Lender (or any Affiliate or Subsidiary thereof), of any kind or nature, present or future, arising under a Wholesale Line, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guaranty, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired. The term includes, without limitation, all interest, charges, expenses, fees, attorneys' fees and disbursements and paralegals' fees, and any other sum chargeable to the Borrower or a Dealership under any documents, instruments or agreements executed by the Borrower or a Dealership in connection with a Wholesale Line.

"Ford Credit" means Ford Motor Credit Company, a Delaware corporation, and its successors and assigns.

"GMAC" means General Motors Acceptance Corporation, a Delaware corporation, and its successors and assigns.

"Governmental Authority" means any nation or government, any federal, state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Guarantor" means each Dealership Guarantor and Non Dealership Subsidiary Company Guarantor except Asbury Everest.

"Guaranty" means each Dealership Guaranty and Non Dealership Subsidiary Company Guaranty.

"Hedging Obligations" of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefore), under (i) any and all agreements, devices or arrangements designed to protect at least one of the parties thereto from the fluctuations of interest rates, exchange rates or forward rates applicable to such Person's assets, liabilities or exchange transactions, including, but not limited to, dollar-denominated or cross-currency interest rate exchange agreements, forward currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants, and (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any of the foregoing.

"Indebtedness" of any Person means, without duplication, such Person's (a) obligations for borrowed money, (b) obligations representing the deferred purchase price of property or services (other than accounts payable arising in the ordinary course of such Person's business payable on terms customary in the

trade), (c) obligations which are evidenced by notes, acceptances or other similar instruments, (d) Capitalized Lease Obligations, (e) reimbursement obligations with respect to letters of credit (other than commercial letters of credit) issued for the account of such Person, (f) Hedging Obligations, (g) Contingent Obligations in respect of obligations of another Person of the type described in the foregoing clauses (a) through (f). The amount of Indebtedness of any Person at any date shall be without duplication (i) the outstanding balance at such date of all unconditional obligations as described above and the maximum liability of any such Contingent Obligations at such date and (ii) in the case of Indebtedness of others secured by a Lien to which the property or assets owned or held by such Person is subject, the lesser of the fair market value at such date of any asset subject to a Lien securing the Indebtedness of others and the amount of the Indebtedness secured. For the avoidance of doubt, in the case of the Borrower and its Subsidiaries, the term "Indebtedness" includes all Floor Plan Indebtedness.

"Indemnified Matters" is defined in Section 8.7 (B) hereof.

"Indemnified Taxes" is defined in Section 2.9 (A) hereof.

"Indemnitees" is defined in Section 8.7 (B) hereof.

"Interest Expense" means, for any period, the total interest expense of the Borrower and its consolidated Subsidiaries, whether paid or accrued (including the interest component of Capitalized Leases, commitment and letter of credit fees), but excluding (1) interest expense not payable in cash (including amortization of discount) (2) Floor Plan Indebtedness and (3) wholesale financing indebtedness of Asbury Automotive Atlanta L.L.C. d/b/a Nalley Motor Trucks payable to each of Comerica Bank, a Michigan banking corporation, Navistar International Corporation and Navistar Financial Corporation, all as determined in conformity with Agreement Accounting Principles.

"Inventory" of a Person means any and all present and future motor vehicles, tractors, trailers, service parts and accessories and all other property of such Person held for sale or lease in the ordinary course of business of such Person.

"Investment" of a Person means, (i) any purchase or other acquisition by that Person of any Indebtedness, Equity Interests or other securities, or of a beneficial interest in any Indebtedness, Equity Interests or other securities, issued by any other Person, (ii) any purchase by that Person of all or substantially all of the assets of a business conducted by another Person, and (iii) any loan, advance (other than deposits with financial institutions available for withdrawal on demand, prepaid expenses, accounts receivable, advances to officers, directors, sales representatives and employees and similar items made or incurred in the ordinary course of business) or capital contribution by that Person to any other Person, including all Indebtedness to such Person arising from a sale of property by such Person other than in the ordinary course of its business.

"IRS" means the United States Internal Revenue Service and any Person succeeding to the functions thereof.

"Lenders" means, collectively, Ford Credit, Chrysler Financial, GMAC and their respective successors and Eligible Assignees that shall become a party

to this Agreement pursuant to Section 9.3 hereof; in each case for so long as such Lender or Person shall be a party to this Agreement.

"Lender's Commitment" means, with respect to any Lender at any time, the amount set forth opposite such Lender's name on Schedule 1.1.4 hereto under the caption "Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Agent pursuant to Section 9.3 (d) hereof as such lender's "Commitment," as such amount may be reduced pursuant to Section 2.3.

"LIBOR Rate" means, for any given calendar month, the monthly arithmetic average, as determined on the first Business Day of that particular calendar month, of the per annum interest rate announced from time to time as the one month London Interbank Offered Rate quoted each of the four Mondays immediately preceding the date of determination (for the Friday immediately preceding such Monday) under the Money Rates Column of The Wall Street Journal, or, if The Wall Street Journal is unavailable for any reason, as published in such other publications as the Agent may designate. In the event such rate is not quoted on Monday for the previous Friday, the rate quoted on the first business day of the week for the last business day of the previous week shall be utilized.

"Lien" means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, encumbrance or security agreement or preferential arrangements of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

"Loan Documents" means this Agreement, the Notes, the Loan Party Guaranties, the Collateral Documents and all other documents, instruments and agreements executed in connection herewith or contemplated hereby (other than any Wholesale Line), as the same may be amended, restated or otherwise modified and in effect from time to time.

"Loan Party" means the Borrower and each other Person that has executed a Loan Document in favor of the Agent at any time prior to, on or after the Effective Date except Asbury Everest.

"Loan Party Guaranties" means each Non Dealership Subsidiary Company Guaranty and each Dealership Guaranty executed by a Loan Party.

"Loan Party Pledges" means each of (i) the Borrower Pledge, (ii) the Dealership Pledge, (iii) the Non Dealership Subsidiary Company Pledge, and (iv) any other pledge of Capital Stock delivered by a Loan Party from time to time to the Agent, for the benefit of the Lenders.

"Loan Party Security Agreements" means each of (i) the Borrower Security Agreement, (ii) the Dealership Security Agreement, (iii) the Non Dealership Subsidiary Company Security Agreement, and (iv) any other security agreement delivered by a Loan Party from time to time to the Agent, for the benefit of the Lenders.

"MAI Appraisal" means an appraisal of real property performed by a Member, Appraisal Institute appraiser who meets the requirements of American Institute of Real Estate Appraisers.

"Margin Stock" shall have the meaning ascribed to such term in Regulation U.

"Material Adverse Change" means either (i) for so long as the structure of the Asbury Group involves Platforms (as defined herein), any material adverse change in the business, financial condition, operations, performance, properties or prospects of any Platform, or (ii) in the event that the structure of the Asbury Group involves geographic structures other than Platforms, a material adverse change in the business, financial condition, operations, performance, properties or prospects of any aggregation of Transaction Parties which such aggregation, taken as a whole, equals the lesser of (A) the geographic organizational component of the Asbury Group that replaces the Platform structure or (B) ten percent (10%) of the total number of Transaction Parties.

"Material Adverse Effect" means a material adverse effect upon (a) the business, financial condition, operations, performance, properties or prospects of the Borrower and its Subsidiaries, taken as a whole, (b) the ability of any Loan Party to perform its respective obligations under the Loan Documents in any material respect, or (c) the ability of the Agent or any Lender to enforce in any material respect the Obligations or its rights with respect to the Loan Documents.

"Material Subsidiary" means (i) any "Significant Subsidiary" as defined in Regulation S-X issued pursuant to the Securities and Exchange Act of 1933, as amended, or (ii) any Subsidiary of the Borrower that is a Loan Party.

"Maximum Availability" means \$450,000,000.00, as such amount may be reduced pursuant to Section 2.3 hereof.

"Maximum Rate" means the maximum nonusurious interest rate under applicable law.

"Minority Holder" means any holder of an Equity Interest in a Subsidiary, which Equity Interest does not exceed 20% of the Capital Stock of such Subsidiary.

"Multi-employer Plan" means a "Multi-employer Plan" as defined in Section 4001(a)(3) of ERISA which is, or within the immediately preceding six (6) years was, contributed to by either the Borrower or any member of the Controlled Group.

"Net Cash Proceeds" means, with respect to any sale, lease, transfer or other disposition of any asset or the incurrence or issuance of any Indebtedness or the sale or issuance of any Equity Interests (including, without limitation, any capital contribution) by any Person, or any Extraordinary Receipt received by or paid to or for the account of any Person, the aggregate amount of cash received from time to time (whether as initial consideration or through payment or disposition of deferred consideration) by or on behalf of such Person in connection with such transaction after deducting therefrom only (without duplication) (a) reasonable and customary brokerage commissions, underwriting fees and discounts, legal fees, finder's fees and other similar fees, disbursements and commissions, (b) the amount of taxes and other governmental costs and expenses payable in connection with or as a result of such transaction (c) the amount of any Indebtedness secured by a Lien on such asset that, by the terms of the agreement or instrument governing such Indebtedness, is required to be repaid upon such disposition, and (d) reserves for purchase price adjustments and retained fixed liabilities that are payable by Borrower or such Subsidiary in cash to the extent required under Agreement Accounting Principles in

connection with such sale, lease, transfer or disposition (it being understood that immediately upon expiration of the retention period for such reserves, amounts held as reserves must be paid as a mandatory prepayment of the Revolving Credit Obligations pursuant to Section 2.2 (B) hereof); provided, however, that in the case of items (a) and (c) above, to the extent, but only to the extent, that the amounts so deducted are, at the time of receipt of such cash, actually paid either (a) to a Person that is not an Affiliate of such Person, or (b) to Ripplewood Partners L.P. (with the prior written consent of the Required Lenders, which such consent may not be unreasonably withheld), and are properly attributable to such transaction or to the asset that is the subject thereof.

"Net Income" means, for any period, the net earnings (or loss) after taxes of the Borrower and its Subsidiaries on a consolidated basis for such period taken as a single accounting period determined in conformity with Agreement Accounting Principles.

"New Subsidiary" is defined in Section 5.3(F)(ii) hereof.

"Non Dealership Subsidiary Companies" means each Subsidiary of Borrower which is not a Dealership, including but not limited to those Subsidiaries which own any Equity Interests in any other Person in the Asbury Group, in each case together with its successors and assigns.

"Non Dealership Subsidiary Company Guaranty" means each Guaranty in the form attached hereto as Exhibit C, provided by a Non Dealership Subsidiary Company to Agent, for the benefit of the Lenders, as the same may be amended, modified, supplemented, reaffirmed and/or restated, and in effect from time to time.

"Non Dealership Subsidiary Company Pledge" means each Pledge Agreement delivered by any Non Dealership Subsidiary Company to the Agent, for the benefit of the Lenders, pursuant to which such Person pledges their Capital Stock of certain corporation, limited liability company and/or partnership Subsidiaries, as such pledge agreement may be amended, restated or otherwise modified from time to time.

"Non Dealership Subsidiary Company Security Agreement" means any Security Agreement in the form attached hereto as Exhibit D, pursuant to which a Non Dealership Subsidiary Company grants the Agent, for the benefit of the Lenders, a security interest in all of its assets, as the same may be amended, modified, supplemented and/or restated, and in effect from time to time.

"Notes" means collectively, all promissory notes of the Borrower payable to the order of a Lender, in substantially the form of Exhibit A hereto, evidencing the indebtedness of the Borrower to such Lender, including any amendment, restatement, modification, renewal, increase or replacement thereof.

"Obligations" means all Advances, debts, liabilities, obligations, covenants and duties owing by a Loan Party to the Agent or any of the Lenders or any Indemnitee, of any kind or nature, present or future, arising under any Loan Document, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guaranty, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or

contingent, due or to become due, now existing or hereafter arising and however acquired. The term includes, without limitation, all interest, charges, expenses, fees, attorneys' fees and disbursements, paralegals' fees, and any other sum chargeable to any Loan Party under any Loan Document.

"Off Balance Sheet Liabilities" of a Person means (a) any repurchase obligation or liability of such Person or any of its Subsidiaries with respect to accounts or notes receivable sold by such Person or any of its Subsidiaries, (b) any liability under any sale and leaseback transactions which do not create a liability on the consolidated balance sheet of such Person, (c) any liability under any financing lease or so-called "synthetic" lease transaction, or (d) any obligations arising with respect to any other transaction which is the functional equivalent of borrowing but which does not constitute a liability on the consolidated balance sheets of such Person and its Subsidiaries.

"Other Taxes" is defined in Section 2.9(B) hereof.

"Over Borrowing" means any Borrowing which, if funded, would not exceed the Revolving Credit Availability at such time, but which, when allocated among the Lenders in accordance with their respective Ratable Shares, would cause any one or more of the Lenders to exceed its respective Unused Commitment at such time.

"Participants" is defined in Section 9.2(A) hereof.

"Payment Date" means the fifteenth day of each calendar month, provided, however if such day is not a Business Day, then the Payment Date shall be the next succeeding Business Day following such fifteenth day.

"Payment Due Lenders" is defined in Section 2.5 (A) hereof.

"Payment Reconciliation Date" means, in the case of a distribution of principal payments under an Acquisition Advance or Working Capital Advance, the first Business Day after Agent's receipt of such principal payments, and, in the case of any other distribution or collection, the fifteenth day of each month, or if the fifteenth day is not a Business Day, the next Business Day thereafter.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Pending Acquisition" means any Acquisition set forth on Schedule 1.1.7 hereto.

"Permitted Acquisition" is defined in Section 5.3(F)(iii) hereof.

"Permitted Existing Indebtedness" means the Indebtedness of the Borrower and its Subsidiaries identified as such on Schedule 1.1.1 to this Agreement.

"Permitted Existing Investments" means the Investments of the Borrower and its Subsidiaries identified as such on Schedule 1.1.2 to this Agreement.

"Permitted Existing Liens" means the Liens on assets of the Borrower and its Subsidiaries identified as such on Schedule 1.1.3 to this Agreement.

"Permitted Refinancing Indebtedness" means any replacement, renewal, refinancing or extension of any Indebtedness permitted by this Agreement that (i) does not exceed the aggregate principal amount (plus associated fees and expenses) of the Indebtedness being replaced, renewed, refinanced or extended, except to the extent permitted by Section 5.3 (A) (xi), (ii) does not rank at the time of such replacement, renewal, refinancing or extension senior to the Indebtedness being replaced, renewed, refinanced or extended, and (iii) does not contain terms (including, without limitation, terms relating to security, amortization, interest rate, premiums, fees, covenants, event of default and remedies) materially less favorable to the Borrower or to the Lenders than those applicable to the Indebtedness being replaced, renewed, refinanced or extended.

"Permitted Subordinated Indebtedness" means Indebtedness issued by the Borrower (whether in a Rule 144A or private placement offering, an SEC registered public offering or otherwise) that is consented to by the Agent and the Required Lenders in writing (which such consent may not be unreasonably withheld) and that is subordinated to the Obligations and the Wholesale Lines on terms consented to by the Agent and the Required Lenders in writing (which such consent may not be unreasonably withheld).

"Person" means any individual, corporation, firm, enterprise, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company or other entity of any kind, or any government or political subdivision or any agency, department or instrumentality thereof.

"Plan" means an employee benefit plan defined in Section 3(3) of ERISA in respect of which the Borrower or any member of the Controlled Group is, or within the immediately preceding six (6) years was, an "employer" as defined in Section 3(5) of ERISA.

"Platform" means each of (i) collectively, Asbury Automotive Arkansas L.L.C., a Delaware limited liability company, and each entity it owns, directly or indirectly, (ii) collectively, Asbury Automotive Atlanta L.L.C., a Delaware liability company, and each entity it owns, directly or indirectly, (iii) collectively, Asbury Automotive Jacksonville, L.P., a Delaware limited partnership, and each entity it owns, directly or indirectly, (iv) collectively, Asbury Automotive North Carolina L.L.C., a Delaware limited liability company, Asbury Automotive North Carolina Real Estate Holdings L.L.C., a Delaware limited liability company, and Camco Finance, L.L.C., a Delaware limited liability company, and each entity any of the foregoing owns, directly or indirectly, (v) collectively, Asbury Automotive St. Louis L.L.C., a Delaware limited liability company, Asbury Automotive St. Louis Gen. L.L.C., a Delaware limited liability company, and Asbury Automotive St. Louis LR L.L.C., a Delaware limited liability company, and each entity any of the foregoing owns, directly or indirectly, (vi) collectively, Asbury Automotive Tampa L.P., a Delaware limited partnership, Asbury Tampa Management L.L.C., a Delaware limited liability company, Asbury Automotive Tampa GP, L.L.C., a Delaware limited liability company, and each entity any of the foregoing owns, directly or indirectly, (vii) collectively, Asbury Automotive Texas L.L.C., a Delaware limited liability company, and each entity it owns, directly or indirectly, (viii) Asbury Automotive Oregon Dealership Holdings L.L.C., a Delaware limited liability company, and each entity it owns, directly or indirectly, (ix) Asbury Automotive Mississippi L.L.C., a Delaware limited liability company, and each entity it owns, directly or indirectly, (x) Asbury Automotive San Diego L.L.C., a Delaware limited liability company, and each entity it owns, directly or indirectly (xi) Asbury Automotive Fresno L.L.C., a Delaware limited liability company, and each entity it owns, directly or indirectly, and (xii) those entities acquired in connection with any Permitted Acquisition of a group of Dealerships, operating under

multiple franchise agreements with multiple automobile manufacturers operating in a specific geographic region.

"Pledged Account Agreements" means, collectively, any Pledged Account Agreement in the form attached hereto as Exhibit H, pursuant to which a Transaction Party grants the Agent, for the benefit of the Lenders, a security interest in all of its depository accounts, as the same may be amended, modified, supplemented and/or restated, and as in effect from time to time.

"Property" is defined in Section 3.3 hereof.

"Ratable Share" means with respect to any Lender at any time, a percentage represented by a fraction the numerator of which is the amount of such Lender's Commitment at such time and the denominator of which is the sum of all Commitments at such time, in either case as reduced pursuant to the terms hereof. Notwithstanding the foregoing for purposes of determining the denominator, Ford Credit's Commitment shall be \$192,000,000.00 (or such lesser amount as may be required as a result of the reduction in the Aggregate Commitments pursuant to Section 2.3 hereof) for purposes of calculating such Lender's Ratable Share.

"Reallocated Borrowing" means, as to any Lender at the time of a request for an Over Borrowing, such Lender's Ratable Share of the given Over Borrowing minus such Lender's Unused Commitment at such time.

"Reallocating Lender" is defined in Section 2.1 (C) hereof.

"Receivable(s)" of a Person means all of such Person's presently existing and hereafter arising or acquired accounts, contract rights, chattel paper, instruments, notes, letters of credit, documents, documents of title, investment property, deposit accounts, other bank accounts, general intangibles, tax refunds and other obligations of other Persons of any kind, now or hereafter existing, including, but not limited to, those arising out of or in connection with the sale or lease of goods, the rendering of services or otherwise, and all rights now or hereafter existing in and to all security agreements, leases, and other contracts securing or otherwise relating to any such accounts, contract rights, chattel paper, instruments, notes, letters of credit, documents, documents of title, investment property, deposit accounts, other bank accounts, general intangibles, tax refunds or of other Persons.

"Register" is defined in Section 9.3 (d) hereof.

"Regulation T" means Regulation T of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by and to brokers and dealers of securities for the purpose of purchasing or carrying margin stock (as defined therein).

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit for the purpose of purchasing or carrying Margin Stock applicable to member banks of the Federal Reserve System.

"Regulation X" means Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by foreign lenders for the purpose of purchasing or carrying margin stock (as defined therein).

"REIT" means a real estate investment trust, a Person that becomes a real estate investment trust or any of such Person's affiliates or subsidiaries.

"REIT Transaction" is defined in Section 5.3(I) hereof.

"Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including the movement of Contaminants through or in the air, soil, surface water or groundwater.

"Rentals" of a Person means the aggregate fixed amounts payable by such Person under any lease of real or personal property but does not include any amounts payable under Capitalized Leases of such Person.

"Reportable Event" means a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Plan, excluding, however, such events as to which the PBGC by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days after such event occurs, provided, however, that a failure to meet the minimum funding standards of Section 412 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Code.

"Required Lenders" means, at any time, the Lenders owed or holding at least 65% of the sum of (a) the aggregate principal amount of the Advances outstanding at such time, and (b) the Unused Commitments at such time (such sum is referred to as the "Credit"); provided, however, that if at any given time no one Lender is owed or holds 25% or more of the Credit, "Required Lender" at such time will mean the Lenders owed or holding at least 51% of the Credit; provided, further, however, that if any Lender shall be a Defaulting Lender at any such time, there shall be excluded from the determination of Required Lenders at such time (X) the aggregate principal amount of the Advances owing to such Lender (in its capacity as a Lender) and outstanding at such time, and (Y) the Unused Commitment of such Lender at such time. Notwithstanding the foregoing, the sum of Ford Credit's Commitment and Unused Commitment shall not exceed \$192,000,000.00 (or such lesser amount as may be required as a result of a reduction in the Aggregate Commitments pursuant to Section 2.3 hereof) for purposes of calculating the foregoing percentage, after giving effect to Section 2.1.

"Requirements of Law" means, as to any Person, the charter and by-laws or other organizational or governing documents of such Person, and any law, rule or regulation, or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject including, without limitation, the Securities Act of 1933, the Securities Exchange Act of 1934, Regulations T, U and X, ERISA, the Fair Labor Standards Act, the Worker Adjustment and Retraining Notification Act, Americans with Disabilities Act of 1990, and any certificate of occupancy, zoning ordinance,

building, environmental or land use requirement or permit or environmental, labor, employment, occupational safety or health law, rule or regulation.

"Responsible Officer" means any officer of any Transaction Party.

"Restricted Franchise Agreement" is defined in Section 5.3(F)(iii)(b) hereof.

"Restricted Payment" means (i) any dividend or other distribution, direct or indirect, on account of any Equity Interests of the Borrower now or hereafter outstanding, except a dividend payable solely in the Borrower's Capital Stock (other than Disqualified Stock) or in options, warrants or other rights to purchase such Capital Stock, (ii) any redemption, retirement, purchase or other acquisition for value, direct or indirect, of any Equity Interests of the Borrower or any of its Subsidiaries now or hereafter outstanding, other than in exchange for, or out of the proceeds of, the substantially concurrent sale (other than to a Transaction Party) of other Equity Interests of the Borrower (other than Disqualified Stock), and (iii) any payment of a claim for the rescission of the purchase or sale of, or for material damages arising from the purchase or sale of any Equity Interests of the Borrower or any of the Borrower's Subsidiaries, or of a claim for reimbursement, indemnification or contribution arising out of or related to any such claim for damages or rescission.

"Revolving Credit Availability" means, at any particular time, the difference between the Maximum Availability at such time and the Revolving Credit Obligations at such time.

"Revolving Credit Obligations" means, at any particular time, the sum of the outstanding principal amount of all Advances at such time.

"Secretary's Certificate" with respect to any Person, means any certificate, delivered by a secretary, assistant secretary, managing member, general partner or governor of such Person which certifies (i) the names and true signatures of the incumbent officers or managers of such Person authorized to sign each Transaction Document to which it is a party and the other documents to be executed thereunder, (ii) a true and correct copy of such Person's Certificate of Incorporation, or similar charter document and all amendments thereto, (iii) a true and correct copy of the by-laws or similar governing document of such entity and all amendments thereto, and (iv) a true and correct copy of the resolutions of such Person's board of directors or members approving and authorizing the execution, delivery and performance by such entity of each Transaction Document to which it is a party and the other documents to be executed thereunder.

"Secured Parties" means the Agent, for itself and the other Lenders.

"Seller Paper" means purchase price obligations of any Loan Party to a seller of Equity Interests or assets in connection with a Permitted Acquisition, provided that (i) the incurrence of such obligations must have been consented to by the Agent and the Required Lenders, which consent may not be unreasonably withheld, (ii) such obligations are subordinated in right of payment to the prior payment in full of the Obligations and the Wholesale Lines, and (iii) such obligations are subordinate to the Obligations and the Wholesale Lines in any distributions made in any bankruptcy, insolvency or reorganization proceedings; with respect to each of (ii) and (iii) on terms acceptable to the Agent and the Required Lenders and otherwise in form reasonably acceptable to the Required Lenders.

"Single Employer Plan" means a Plan maintained by the Borrower or any member of the Controlled Group for employees of the Borrower or any member of the Controlled Group.

"Solvent" means, with respect to any Person on a particular date, that on such date (a) the present fair saleable value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person, after giving effect to the expected value of rights of indemnity, contribution and subrogation (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small amount of capital. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability, after giving effect to the expected value of rights of indemnity, contribution and subrogation.

"Subsidiary" of a Person means (i) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Successor Agent" is defined in Section 7.6 hereof.

"Termination Date" means the earlier of (a) January 16, 2006 or such other "Termination Date" specified in an Extension Notice and agreed to by the Lenders and (b) the date of termination of the Commitment pursuant to either of Section 2.3 or Section 6.2 hereof.

"Termination Event" means (i) a Reportable Event with respect to any Benefit Plan; (ii) the withdrawal of the Borrower or any member of the Controlled Group from a Benefit Plan during a plan year in which the Borrower or such Controlled Group member was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or the cessation of operations which results in the termination of employment of twenty percent (20%) of Benefit Plan participants who are employees of the Borrower or any member of the Controlled Group; (iii) the imposition of an obligation on the Borrower or any member of the Controlled Group under Section 4041 of ERISA to provide affected parties written notice of intent to terminate a Benefit Plan in a distress termination described in Section 4041(c) of ERISA; (iv) the institution by the PBGC of proceedings to terminate a Benefit Plan; (v) any event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Benefit Plan; or (vi) the partial or complete withdrawal of the Borrower or any member of the Controlled Group from a Multi-employer Plan.

"Total Adjusted Debt" means, for any period, on a consolidated basis for the Borrower and its Subsidiaries, the amount of Total Debt less (i) any Floor Plan Indebtedness and (ii) Permitted Subordinated Indebtedness.

"Total Debt" means, for any period, on a consolidated basis for the Borrower and its Subsidiaries, the sum of Indebtedness of the Borrower and its Subsidiaries, other than Hedging Obligations and Contingent Obligations.

"Transaction Costs" means the fees, costs and expenses payable by the Borrower in connection with the execution, delivery and performance of the Transaction Documents.

"Transaction Parties" means each of the Loan Parties and any Subsidiary of the Borrower that is not yet a Loan Party.

"Transaction Documents" means the Loan Documents and the Acquisition Documents.

"United States Person" means any Person that is resident in or organized under the laws of the United States or any political subdivision thereof, as each of these is determined for United States Federal tax purposes.

"Unmatured Default" means an event which, but for the lapse of time or the giving of notice, or both, would constitute an Event of Default.

"Unused Commitment" means, with respect to any Lender, such Lender's Commitment at such time minus the aggregate principal amount of Advances made by such Lender and outstanding at such time.

"Voting Interests" means shares of Capital Stock in any Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors, or persons performing similar functions of such Person, even if the right to vote has been suspended by the happening of such contingency.

"Waiver, Guaranty and Disbursement Agreement" means each Waiver, Guaranty and Disbursement Agreement in the form attached hereto as Exhibit G, delivered by any Loan Party to the Agent, for the benefit of the Lenders, as the same may be amended, restated, or otherwise modified from time to time.

"Wholesale Line" means any automotive floor plan wholesale credit line made by Ford Credit, Chrysler Financial, GMAC or any Lender or any Affiliate or subsidiary thereof to a dealership.

"Working Capital Advance" is defined in Section 5.2 (K) hereof.

Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given them in accordance with generally accepted accounting principles in existence as of the date hereof.

1.2 References. The existence throughout the Agreement of references to the Borrower's Subsidiaries is for a matter of convenience only. Any references to Subsidiaries of the Borrower set forth herein shall (i) with respect to representations and warranties which deal with historical matters be deemed to

include each of the Subsidiaries existing on the date the particular representation and warranty is deemed made; and (ii) shall not in any way be construed as consent by a Lender to the establishment, maintenance or acquisition of any Subsidiary, except as may otherwise be permitted hereunder.

1.3 Effectiveness of this Agreement. This Agreement shall become effective on June 6, 2003 ("Effective Date").

ARTICLE II: THE LOAN FACILITIES

2.1 Making Advances; Repayment of Advances.

(A) Upon satisfaction of the conditions precedent set forth in Sections 3.1 and 3.2, from and including the Effective Date of this Agreement and prior to the Termination Date, each Lender severally agrees, on the terms and conditions hereinafter set forth, to make Advances to the Borrower from time to time on any Business Day during the period from the Effective Date until the Termination Date in an amount for each such Advance not to exceed such Lender's Unused Commitment at such time; provided, however, at no time shall the Revolving Credit Obligations exceed the Commitment at such time. Each Borrowing shall be in an aggregate amount no less than \$500,000.00 and in multiples of \$10,000.00 if in excess thereof. Within the limits of each Lender's Unused Commitments in effect from time to time, and subject to the terms of this Agreement, the Borrower may borrow under this Section 2.1, prepay pursuant to Section 2.2 and reborrow under this Section 2.1.

(B) Borrowing Notice. Each Borrowing shall be made on notice, given not later than 11:00 A.M. (Eastern Standard Time) on (x) the third Business Day prior to the date of the proposed Borrowing in the case of an Acquisition Advance or a Working Capital Advance and (y) one Business Day prior to the date of the proposed Borrowing in the case of a Cash Management Advance, by the Borrower to the Agent. Each such notice of a Borrowing (a "Borrowing Notice") must be by telephone, confirmed immediately in writing, telex or telecopier, in substantially the form of Exhibit B hereto, specifying therein the requested (i) date of such Borrowing, (ii) aggregate amount of such Borrowing, (iii) use of proceeds of such Borrowing, and (iv) account or accounts into which the Advances comprising such Borrowing should be funded. Each Borrowing Notice shall be irrevocable and binding on the Borrower. The Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Borrowing Notice for such Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Borrowing when such Advance, as a result of such failure, is not made on such date. Not later than 2:00 p.m. (Eastern Standard Time) on each Borrowing Date, the Agent (on behalf of each Lender) shall make available the Advance (if Agent has received funds from the Lenders (x) in the case of an Acquisition Advance or a Working Capital Advance under Section 2.1B(1) and (y) in the case of a Cash Management Advance under Section 2.1(B)(2), in funds immediately available to the Borrower at such account or accounts as shall have been notified to the Agent. Each Advance shall bear interest from and including the date of the making of such Advance to (but not including) the date of repayment thereof at the Applicable LIBOR Rate, changing when and as the underlying LIBOR Rate changes, which interest shall be payable in accordance with Section 2.7(B).

(1) Acquisition Advances and Working Capital Advances. In the case of a Borrowing to fund an Acquisition Advance or a Working Capital Advance,

Agent shall give notice to each Lender on the same Business Day it receives a Borrowing Notice by telex or telecopier and each Lender shall, before 11:00 A.M. (Eastern Standard Time) on the date of such Borrowing, make available to the Agent, at the Agent's Account, in same day funds, such Lender's Ratable Share of such Borrowing in accordance with the respective Commitments not to exceed such Lender's Unused Commitment at any time. After giving effect to all Advances under Section 2.1, Ford Credit's Commitment shall not exceed \$192,000,000.00 at any time. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Agent will make such funds available to the Borrower by crediting the Borrower's Account. Borrower agrees that it will provide Agent with all documents, as required by Section 5.2(L), prior to submitting to Agent a Borrowing Notice for an Acquisition Advance.

(2) Cash Management Advances. In the case of a Borrowing to fund a Cash Management Advance, subject to there being Cash Management Availability, Agent will make such Advance available to the Borrower on the date of Borrowing by crediting the Borrower's Account upon fulfillment of the applicable conditions set forth in Article III; provided, however, in no event shall a Cash Management Advance be made more than one time in a calendar week.

(C) Reallocation. (1) Notwithstanding the provisions of Sections 2.1 and 2.5 to the contrary, should Borrower submit a Borrowing Notice which, if honored, would result in an Over Borrowing, any Lender being asked to exceed its Unused Commitment at such time (any such Lender is referred to herein as a "Reallocating Lender") shall be required to make available to the Agent only that portion of such Reallocating Lender's Ratable Share of the Over Borrowing equal to such Reallocating Lender's Unused Commitment at such time; any amounts not made available to the Agent by any such Reallocating Lender (because such amounts would exceed such Lender's Unused Commitment at such time) will be reallocated and made available to the Agent by the Lenders which are not Reallocating Lenders (the reallocation of such amounts is referred to herein as the "Borrowing Spread"). Any such Reallocated Borrowing shall be reallocated as follows: (a) if more than one Lender is not a Reallocating Lender then each of such Lenders shall make equal portions of the Reallocated Borrowing available to the Agent, not in excess of each such Lender's Unused Commitment at such time, and (b) if only one Lender is not a Reallocating Lender then such Lender shall make the full amount of the Reallocated Borrowing available to the Agent, not in excess of its Unused Commitment at such time. If after the first Borrowing Spread, the full amount of the Over Borrowing has not been reallocated, any such amount shall be reallocated in another Borrowing Spread in the same manner as described in the immediately preceding sentence; this process will continue through as many Borrowing Spreads as are required to reallocate the full amount of the Over Borrowing.

(2) In addition, Agent may make demand upon other Lenders under Section 2.5 (B) on any Business Day on which the aggregate Revolving Credit Obligations owing to Agent on such Business Day (after giving effect to any Advances to be made by Agent on such Business Day or the immediately following Business Day) exceed \$192,000,000.00, subject to the limitations set forth in Section 2.5 (B). Each Lender shall remit such payments to Agent on the first Business Day after receipt of such demand by Agent.

(D) Unless the Agent shall have received notice from a Lender prior to the date of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with this Section 2.1 and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a

corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay or pay to the Agent forthwith on demand such corresponding amount and to pay interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid or paid to the Agent, at (i) in the case of the Borrower, the Applicable LIBOR Rate, and (ii) in the case of such Lender (x) for the first three days after demand, at the Federal Funds Rate from time to time in effect, and (y) thereafter the Applicable LIBOR Rate. If such Lender shall pay to the Agent such corresponding amount, such amount so paid shall constitute such Lender's Advance as part of such Borrowing for all purposes.

(E) The failure of any Lender to make the Advance to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation hereunder to make its Advance on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Borrowing.

2.2 Optional Payments; Mandatory Prepayments

(A) Optional Payments. Except as otherwise provided herein, the Borrower may from time to time repay or prepay, without penalty or premium, all or any part of outstanding Advances; provided, however, that the Borrower may not so prepay Advances unless it shall have provided written notice to Agent not less than (x) in the case of prepayment of an Acquisition Advance or Working Capital Advance three (3) Business Days prior to the date of such prepayment and (y) in the case of a Cash Management Payment one (1) Business Day prior to the date of such prepayment stating, in each case, the proposed date, the type of Advance and the aggregate principal amount of the prepayment. In the case of Cash Management Advances, Borrower may make no more than one Cash Management Payment and receive no more than one Cash Management Advance in a calendar week. The amount of any partial prepayment (including, without limitation, Cash Management Payments) must be no less than \$500,000.00, and in multiples of \$100,000.00 if in excess thereof. If Borrower specifies that a prepayment is a Cash Management Payment, such prepayment shall be applied to reduce the amount of Cash Management Advances outstanding. Cash Management Payments shall be applied to outstanding Working Capital Advances only after the outstanding amount of Cash Management Advances has been reduced to zero. Unless Borrower specifies that a prepayment is a Cash Management Payment, any prepayments shall be applied first to reduce Working Capital Advances hereunder. Prepayments (including, without limitation, Cash Management Payments) shall be applied to outstanding Acquisition Advances only after the outstanding amount of Working Capital Advances has been reduced to zero.

(B) Mandatory Prepayments. If at any time and for any reason the Revolving Credit Obligations are greater than the Commitment, the Borrower shall immediately make a mandatory prepayment of the Obligations in an amount equal to such excess. Amounts equal to (i) Net Cash Proceeds of an Asset Sale shall be mandatorily applied against the Revolving Credit Obligations and (ii) a Decision Reserve in connection with or following restoration, rebuilding or replacement of insured property shall be mandatorily applied against the Revolving Credit Obligations in the amounts and in the manner set forth in Section 5.2(G) hereof. The Borrower must also make mandatory prepayments against the Revolving Credit Obligations of the following amounts: (i) eighty percent (80%) of the Net Cash Proceeds received by Borrower as a direct result of any offering of equity

securities of Borrower and (ii) one hundred percent (100%) of the Net Cash Proceeds received by Borrower as a direct result of Permitted Subordinated Indebtedness. Any Mandatory Prepayments shall be applied first to reduce outstanding Working Capital Advances. Prepayments shall be applied to outstanding Acquisition Advances only after the outstanding amount of Working Capital Advances has been reduced to zero.

(C) Allocation of Prepayments. The Agent will allocate the amount of all prepayments among the Lenders in accordance with each Lender's respective Ratable Share.

2.3 Changes in the Commitment. Termination of Commitment. The Borrower may permanently reduce the Commitment in whole, or in part, in an aggregate minimum amount of \$50,000,000.00 and integral multiples of \$10,000,000.00 in excess of that amount (unless the Commitment is reduced in whole); any reductions in the Commitment will be made ratably among the Lenders in accordance with each Lender's Commitment. Any such reduction may be made only upon at least three (3) Business Day's written notice to the Agent, which notice shall specify the amount of any such reduction, and, in the event that the Commitment is terminated in whole, upon payment of a termination fee (payable to the Agent for the account of each Lender) equal to the amount by which the Commitment is reduced multiplied by:

(a) two percent (2.0%), if Borrower terminates the Commitment on or before the first Anniversary Date ; or (b) one percent (1.0%), if Borrower terminates the Commitment after the first Anniversary Date but on or before the second Anniversary Date.

Notwithstanding the foregoing, the amount of the Commitment may not be reduced below the aggregate principal amount of the outstanding Revolving Credit Obligations. All accrued commitment fees and termination fees shall be payable on the effective date of any complete termination of the obligations of the Lenders to make Advances hereunder. Lenders will share in any termination fee paid under this Section 2.3 in proportion with each such Lender's Commitment. On the first Business Day following the Agent's receipt of a termination fee hereunder, the Agent will remit to each Lender its portion of the termination fee received by the Agent hereunder.

2.4 Default Rate: Late Payment Fee. After the occurrence and during the continuation of an Event of Default, at the option of the Required Lenders, the interest rate(s) applicable to the Advances shall be equal to the Applicable LIBOR Rate plus two percent (2.0%) per annum. To the extent not in excess of the Maximum Rate and in accordance with applicable law, any amount not paid by the Borrower when due shall accrue interest at an additional two percent (2.0%) per annum above the rate applicable thereto until such amounts have been paid in full and shall be payable on demand by the Agent, at the direction of the Required Lenders, and in no event later than the next succeeding Payment Date.

2.5 Method of Payment. (A) All payments of principal, interest, and fees hereunder shall be made, without setoff, deduction or counterclaim, in immediately available funds to the Agent at the Agent's address specified pursuant to Article XI, at any other address specified in writing by the Agent to the Borrower, or via wire transfer pursuant to wire transfer instructions provided by the Agent from time to time, by 12:00 noon (Eastern Standard Time) on the date when due. The Agent will promptly thereafter cause like funds to be distributed on the Payment Reconciliation Date (1) if such payment by the Borrower is in respect of principal, interest, commitment fees or any other

Obligation then payable hereunder and under the Notes to more than one Lender, to such Lender for its account ratably in accordance with its share of the amounts of such respective Obligations then payable to such Lenders (with respect to each Lender, such Lender's share of the amount payable hereunder and under the Notes is referred to herein as the "Payment Due Lenders") and (2) if such payment by the Borrower is in respect of any Obligation then payable hereunder to one Lender, to such Lender for its account, in each case to be applied in accordance with the terms of this Agreement; provided, however that the Administration Fee due to the Agent (pursuant to Section 2.11 hereof) for the month immediately preceding such date will be netted out of such amounts and be maintained in or remitted to the Agent's Account by and for the benefit of the Agent. For purposes of this Section 2.5, as between the Lenders, the Payments Due Lenders owing to each Lender shall be determined based upon funds advanced by such Lender to Agent from time to time and such Payment Due Lenders shall not be increased or decreased based upon either Cash Management Advances or Cash Management Payments by Borrower unless and until such Cash Management Advances and Cash Management Payments have been reconciled between the Lenders and Agent. Notwithstanding the foregoing, if Borrower makes a prepayment which would cause the amount of outstanding Obligations due to Agent, in its capacity as Lender, to be less than zero, Agent shall, as soon as practicable after receipt of such prepayment, allocate the amount of such prepayment to Lenders in accordance with each Lender's Ratable Share.

(B) No later than 1:00 p.m. (Eastern Standard Time) on the Payment Reconciliation Date, each Lender will purchase or sell, as the case may be to the extent necessary to maintain its Ratable Share, and Agent shall purchase or sell and assign to each Lender (including, without limitation, Ford Credit as a Lender) its Ratable Share of the Balance Due not theretofore sold by Agent to, or otherwise held by such Lender, by making available to Agent, in same day funds, an amount equal to the portion of the Balance Due to be purchased by such Lender, provided, however, that the aggregate principal amount of all Advances purchased by any Lender may not at any time exceed the amount of such Lender's Commitment. Upon any such assignment by Agent to any other Lender of a portion of an Advance pursuant to this Section 2.5, Agent represents and warrants to such other Lender that Agent is the legal and beneficial owner of such interest being assigned by it, but makes no other representation or warranty and assumes no responsibility with respect to such Advance, the Loan Documents, the Borrower or its Subsidiaries. If and to the extent that any Lender shall not have so made the amount of such Advance available, such Lender shall become a Defaulting Lender. If such Lender shall have made such amount available to Agent, such amount so paid in respect of principal shall constitute an Advance made by such Lender on such Business Day for purposes of this Agreement, and the aggregate outstanding principal amount of the Advances made by Agent shall be reduced by such amount on such Business Day. Agent will provide notice to each Lender on or before 1 p.m. (Eastern Standard Time) on the date that is two Business Days prior to any Payment Reconciliation Date specifying the amounts due to Agent hereunder.

(C) If Agent fails to remit to any Lender its portion of the Payment Due Lenders or any amount of principal, commitment fees or any other Obligation as required under Section 2.5, the Agent agrees to pay to each such Lender interest on such Lender's portion of all such amounts (x) for the first three days after the first Business Day following the Agent's failure to remit, at the Federal Funds Rate from time to time in effect, and (y) thereafter at the Applicable LIBOR Rate. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 9.3, from and after the effective date of such Assignment and Acceptance, the Agent shall make all payments hereunder and under the Notes in

respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(D) Unless the Agent shall have received notice from the Borrower prior to the date on which any payment is due to any Lender hereunder that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may (but shall not be obligated to), in reliance upon such assumption, cause to be distributed to each such Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent, each such Lender shall repay to the Agent forthwith on demand such amount distributed to such Lender together with interest thereon, (x) for the first three days after such amount is distributed to such Lender until the date such Lender repays such amount to the Agent, at the Federal Funds Rate from time to time in effect, and (y) thereafter until the date such Lender repays such amount to the Agent, at the Applicable LIBOR Rate.

2.6 Advances, Telephonic Notices. The Lenders are authorized to record the principal amount of each Advance and each repayment with respect to its Advances on the schedules attached to the Notes; provided, however, that the failure to so record shall not affect the Borrower's obligations under the Notes; and provided further that notwithstanding the face amount of any Note, the aggregate principal amount of all Advances outstanding at any time to a Lender under a Note shall not exceed the aggregate principal amount of all Advances outstanding to such Lender. The Borrower authorizes the Lenders to extend Advances and the Agent to transfer funds based on telephonic notices made by any Authorized Officer the Agent reasonably and in good faith believes to be acting on behalf of the Borrower. The Borrower agrees to deliver promptly to the Agent a written confirmation, signed by an Authorized Officer, if such confirmation is requested by the Agent, of each telephonic notice. If the written confirmation differs in any material respect from the action taken by the Agent, (i) the telephonic notice shall govern absent manifest error and (ii) the Agent shall promptly notify the Authorized Officer who provided such confirmation of such difference.

2.7 Promise to Pay; Interest and Commitment Fees; Interest Payment Dates; Interest and Fee Basis.

(A) Promise to Pay. The Borrower shall repay to the Agent, for the ratable account of the Lenders, on the Termination Date, the aggregate principal amount of the Advances then outstanding. The Borrower unconditionally promises to pay when due the principal amount of each Advance and all other Obligations incurred by it, and to pay all unpaid interest accrued thereon and other amounts due hereunder, in accordance with the terms of this Agreement, the Notes and the other Loan Documents.

(B) Interest Payment Date.

(i) Interest Payable on Advances. Interest accrued on each Advance, owing to each Lender shall be payable to the Agent on each Payment Date, commencing with the first such date to occur after the date hereof and on the Termination Date (whether by acceleration or otherwise). Borrower will make interest payments to the Agent on each Payment Date via wire transfer (pursuant

to wire transfer instructions provided to Borrower by the Agent from time to time).

(ii) Interest on other Obligations. Interest accrued on the principal balance of all other Obligations shall be payable in arrears (i) on the last Business Day of each calendar month, commencing on the first such day following the incurrence of such Obligation, (ii) upon repayment of all Obligations in full or in part, and (iii) if not theretofore paid in full, at the time such other Obligation becomes due and payable (whether by acceleration or otherwise).

(C) Commitment Fees; Accounting for Commitment Fees.

(i) Commitment Fees. The Borrower shall pay to the Agent, for the account of the Lenders, from and after the date hereof, and from the effective date specified in the Assignment and Acceptance pursuant to which it became a Lender, in the case of each other Lender, until the date on which the Commitment shall be terminated in whole, a commitment fee equal to thirty five hundredths of one percent (0.35%) per annum, on the Unused Commitments in effect from time to time, provided, however, that any commitment fee accrued with respect to any of the Commitments of a Defaulting Lender during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by the Borrower so long as such Lender shall be a Defaulting Lender except to the extent that such commitment fee shall otherwise have been due and payable by the Borrower prior to such time; and provided, further that no commitment fee shall accrue on any of the Commitments of a Defaulting Lender so long as such Lender shall be a Defaulting Lender. All such commitment fees payable under this clause (C) shall be payable annually in arrears (via wire transfer, pursuant to wire transfer instructions provided to Borrower by the Agent in writing from time to time) on each Anniversary Date occurring after the Effective Date (provided, however, that if any such Anniversary Date is not a Business Day, the commitment fee must be paid on the next succeeding Business Day) and, in addition, on the date on which the Commitment shall be terminated in whole.

(ii) Accounting for Commitment Fees. On the first Business Day after the Agent's receipt of a payment of the commitment fee provided for in the preceding section, the Agent will remit to each Lender such Lender's share of the commitment fee received by Agent, based on each such Lender's Unused Commitment (via wire transfer, pursuant to wire transfer instructions provided to the Agent by Lender in writing from time to time).

(D) Interest and Fee Basis. The Agent will calculate interest and fees for actual days elapsed on the basis of a 365 day year. Interest shall be payable for the day an Obligation is incurred but not for the day of any payment on the amount paid if payment is received prior to 12:00 noon (Eastern Standard Time) at the place of payment. If any payment of principal or interest on an Advance or any payment of any other Obligations shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest in connection with such payment. Absent manifest error, each determination by the Agent of an interest rate, fee or commission hereunder shall be conclusive and binding for all purposes.

2.8 Termination Date. This Agreement shall be effective until the Termination Date. The Borrower shall have the right to submit a notice (an "Extension Notice") requesting an extension of the Termination Date for

additional one-year periods. The Borrower shall deliver the Extension Notice to the Agent on or before the date that is at least 45 and not more than 90 days prior to the first Anniversary Date (and each subsequent Anniversary Date thereafter in which such option is available). The Agent shall, on or before December 31 of the year in which Agent receives an Extension Notice, and acting in accordance with instructions received from all Lenders, notify the Borrower in writing whether the then applicable Termination Date is extended for one year; provided, however, failure to give such notice shall mean that no such extension shall have been granted; and provided further, nothing herein shall obligate the Lenders to extend the initial Termination Date or any other Termination Date and any determination whether or not to so extend the Termination Date shall be made by each Lender in its sole and absolute discretion. Notwithstanding the termination of this Agreement on the Termination Date, until all of the Obligations (other than contingent indemnity obligations, but including all Floor Plan Indebtedness owed to any Lender or any of its Subsidiaries or Affiliates) shall have been fully and indefeasibly paid and satisfied and all financing arrangements between the Borrower and each Lender in connection with this Agreement shall have been terminated (other than with respect to Hedging Obligations), all of the rights and remedies under this Agreement and the other Loan Documents shall survive and each Lender shall be entitled to retain its security interest in and to all existing and future Collateral.

2.9 Taxes. (A) Any and all payments by the Borrower hereunder shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings or any liabilities with respect thereto including, but not limited to, those arising after the date hereof as a result of the adoption of or any change in any law, treaty, rule, regulation, guideline or determination of a Governmental Authority or any change in the interpretation or application thereof by a Governmental Authority, but excluding (a) such taxes (including income taxes, franchise taxes and branch profit taxes) as are imposed on or measured by any Lender's income by (i) the United States of America (or any political subdivision thereof) or (ii) any Governmental Authority of the jurisdiction under the laws of which any Lender is organized or in which its principal office is located or having jurisdiction over any Lender by virtue of any Lender's location(s) or of any Lender conducting business in such jurisdiction (other than solely as a result of the transaction evidenced by this Agreement) and (b) in the case of a Lender that is not a United States Person (a "Non-U.S. Lender"), any withholding tax imposed by the United States of America that (i) is in effect and would apply to amounts payable to such Non-U.S. Lender at the time such Non-U.S. Lender becomes a party to this Agreement (or designates a new lending office) or (ii) is attributable to such Non-U.S. Lender's failure to comply with Section 2.9 (D) or (E) (either of (a) or (b) is referred to as an "Excluded Tax" and all such items other than Excluded Taxes, "Indemnified Taxes."). If the Borrower shall be required by law to deduct any Indemnified Taxes from or in respect of any sum payable hereunder or under the other Loan Documents to any Lender, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.9(A)) any Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions, and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(B) In addition, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges, or similar levies which arise from any payment made hereunder or from the execution,

delivery or registration of, or otherwise with respect to, this Agreement, the other Loan Documents, the Commitment or the Advances (hereinafter referred to as "Other Taxes").

(C) The Borrower indemnifies each Lender for the full amount of Indemnified Taxes and Other Taxes (including, without limitation, any Indemnified Taxes or Other Taxes imposed by any Governmental Authority on amounts payable under this Section 2.9) paid by any Lender and any liability (including penalties, interest, and expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within thirty (30) days after the date a Lender makes written demand therefor. A certificate as to any additional amount payable to a Lender under this Section 2.9 submitted to the Borrower by such Lender shall show in reasonable detail the amount payable and the calculations used to determine such amount and shall, absent manifest error, be final, conclusive and binding upon each of the parties hereto. With respect to any deduction or withholding for or on account of any Indemnified Taxes or payment of any Other Taxes and to confirm that all such Indemnified Taxes or Other Taxes have been paid to the appropriate Governmental Authorities, the Borrower shall promptly (and in any event not later than thirty (30) days after receipt) furnish to such Lender such certificates, receipts or other documents reasonably satisfactory to the Lenders as evidencing payment thereof.

(D) Any Non-U.S. Lender that is entitled to an exemption from or reduction of withholding tax under the laws of the United States (or any other jurisdiction in which the Borrower is located), or any treaty to which the United States (or any such other jurisdiction) is a party, with respect to payments under this Agreement shall deliver to the Borrower, within 30 days after receipt of a written request by Borrower, such properly completed and executed documentation as will permit such payments to be made without withholding or at a reduced rate, provided that such Non-U.S. Lender is lawfully able to do so.

(E) Each Lender organized under the laws of a jurisdiction outside the United States shall, on or prior to the date of its execution and delivery of this Agreement or on or prior to the date of the Assignment and Acceptance pursuant to which it becomes a Lender, and from time to time thereafter as reasonably requested in writing by the Borrower (but only so long thereafter as such Lender remains lawfully able to do so), provide each of the Agent and the Borrower with either two original Internal Revenue Service Forms W-8BEN, W-8IMY or W-8ECI, as appropriate, or any successor or other form prescribed by the Internal Revenue Service or in the case of a Lender that has certified in writing to the Agent that it is not (i) a "bank" (as defined in Section 881 (c) (3) (A) of the Code), (ii) a 10 percent shareholder (within the meaning of Section 871 (h) (3) (B) of the Code) or (iii) a controlled foreign corporation related to the Borrower (within the meaning of Section 864 (d) (4) of the Code), an Internal Revenue Service Form W-8BEN or Form W-8IMY as appropriate, or any successor or other form prescribed by the Internal Revenue Service, certifying that such Lender is exempt from or entitled to a reduced rate of United States withholding tax on payments pursuant to this Agreement or any other Loan Document or, in the case of a Lender that is not a "bank" as described above, certifying that such Lender is a foreign corporation, partnership, estate or trust. If the forms provided by a Lender at the time such Lender first becomes a party to this Agreement indicate a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be considered Excluded Taxes; provided, however, that if at the date of the Assignment and Acceptance pursuant to which a Lender becomes a party to this Agreement, the Lender assignor was entitled to payments under this Section 2.9 (A) in respect of United States withholding tax with respect to interest paid at such date, then,

to such extent, the term Indemnified Taxes shall include United States withholding tax, if any, applicable with respect to the Lender assignor on such date.

(F) For any period with respect to which a Non-United States Lender has failed to provide the Borrower or the Agent with the appropriate form, certificate or other document described in subsection (E) above, the Borrower shall take such steps (at no cost to it) as such Lender shall reasonably request to assist such Lender to recover such Taxes.

(G) Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower, the Agent and each Lender contained in this Section 2.9 shall survive the payment in full of principal and interest hereunder and the termination of this Agreement.

2.10. Mitigation Obligations; Replacement of Lenders. (A) If the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.9 in respect of United States withholding tax, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.9 in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(B) If any Lender requests compensation under Section 2.9 in respect of United States withholding tax, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.9 in respect of United States withholding tax, or if any Lender defaults in its obligation to fund Loans hereunder, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse, all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) such assignment will result in a reduction in payments required to be made pursuant to Section 2.9.

2.11 Loan Account. Each Lender may maintain, in accordance with its respective usual practices, an account or accounts (a "Loan Account") evidencing the Obligations of the Borrower owing to such Lender from time to time, including the amount of principal, interest and fees payable and paid to such Lender from time to time hereunder and under the Notes. The entries made in any Loan Account maintained by the Lenders shall be conclusive and binding for all purposes, absent manifest error, unless the Borrower objects to information contained in such Loan Account within thirty (30) days of the Borrower's receipt of such information. Any Lender's failure to maintain such an account will not affect the Borrower's obligations under the Notes.

2.12 Loan Administration Fee. On each Payment Reconciliation Date, each Lender will pay the Agent a fee in consideration for the Agent's performance of the administrative functions more particularly described herein (the "Administration Fee"). With respect to each Lender, such fee will be in an amount equal to one tenth of one percent (0.1%) per annum on the outstanding aggregate principal balance of all Advances(made by such Lender) for the month immediately preceding such Payment Reconciliation Date. Each Lender agrees to pay the Agent the Administration Fee, on each Payment Reconciliation Date, by allowing the Agent to net the Administration Fee out of the Payment Due Lenders.

2.13 Defaulting Lenders. (A) In the event that, at any time, (i) any Lender shall be a Defaulting Lender, (ii) such Defaulting Lender shall owe a Defaulted Amount or a Defaulted Advance to the Agent or any of the other Lenders and (iii) the Borrower shall make any payment hereunder or under any other Loan Document to the Agent for the account of such Defaulting Lender, then the Agent may, on its behalf or on behalf of the other Lenders and to the fullest extent permitted by applicable law, apply at such time the amount so paid by the Borrower to or for the account of such Defaulting Lender to the payment of each such Defaulted Amount or Defaulted Advance to the extent required to pay such Defaulted Amount or Defaulted Advance. In the event that the Agent shall so apply any such amount to the payment of any such Defaulted Amount or Defaulted Advance on any date, the amount so applied by the Agent shall constitute for all purposes of this Agreement and the other Loan Documents payment, to such extent, of such Defaulted Amount or Defaulted Advance on such date. Any such amount so applied by the Agent shall be retained by the Agent or distributed by the Agent to the Lenders, ratably in accordance with the respective portions of such Defaulted Amounts or Defaulted Advances payable at such time to the Agent and the Lenders and, if the amount of such payment made by the Borrower shall at such time be insufficient to pay all Defaulted Amounts and Defaulted Advances owing at such time to the Agent, and the Lenders, in the following order of priority:

(i) first, to the Agent for any Defaulted Amounts or Defaulted Advances then owing to it, in its capacity as Agent; and

(ii) second, to the Lenders (including Agent in its capacity as a Lender) for any Defaulted Amounts and Defaulted Advances then owing to the Lenders, ratably in accordance with such respective Defaulted Amounts and Defaulted Advances then owing to the Lenders.

Any portion of such amount paid by the Borrower for the account of such Defaulting Lender remaining, after giving effect to the amount applied by the Agent pursuant to this subsection (a), shall be applied by the Agent as specified in subsection (b) of this Section 2.13.

(B) In the event that, at any one time, (i) any Lender shall be a Defaulting Lender, (ii) such Defaulting Lender shall not owe a Defaulted Advance or a Defaulted Amount and (iii) the Borrower, any Agent or any other Lender shall be required to pay or distribute any amount hereunder or under any other Loan Document to or for the account of such Defaulting Lender, then the Borrower or such Agent or such other Lender shall pay such amount to the Agent to be held by the Agent, to the fullest extent permitted by applicable law, in escrow or the Agent shall, to the fullest extent permitted by applicable law, hold in escrow such amount otherwise held by it. Any funds held by the Agent in escrow under this subsection (b) shall be deposited by the Agent in an account with an escrow agent (which is a bank or financial institution which acts as escrow agent in the ordinary course of its business and is reasonably acceptable to the

Agent and the Required Lenders), in the name and under the control of the Agent, but subject to the provisions of this subsection (B). The terms applicable to such escrow account, including the rate of interest payable with respect to the credit balance of such account from time to time, shall be such escrow agent's standard terms applicable to escrow accounts maintained with it. Any interest credited to such account from time to time shall be held by the Agent in escrow under, and applied by the Agent from time to time in accordance with the provisions of, this subsection (B). The Agent shall, to the fullest extent permitted by applicable law, apply all funds so held in escrow from time to time to the extent necessary to make any Advances required to be made by such Defaulting Lender and to pay any amount payable by such Defaulting Lender hereunder and under the other Loan Documents to the Agent or any other Lender, as and when such Advances or amounts are required to be made or paid and, if the amount so held in escrow shall at any time be insufficient to make and pay all such Advances and amounts required to be made or paid at such time, in the following order of priority:

(i) first, to the Agent for any amounts then due and payable by such Defaulting Lender to it hereunder, in its capacity as such; and

(ii) second, to the Lenders (including Agent in its capacity as a Lender) for any amount then due and payable by such Defaulting Lender to the Lenders hereunder, ratably in accordance with such respective amounts then due and payable to the Lenders.

In the event that any Lender that is a Defaulting Lender shall, at any time, cease to be a Defaulting Lender, any funds held by the Agent in escrow at such time with respect to such Lender shall be distributed by the Agent to such Lender and applied by such Lender to the Obligations owing to such Lender at such time under this Agreement and the other Loan Documents ratably in accordance with the respective amounts of such Obligations outstanding at such time.

(C) The rights and remedies against a Defaulting Lender under this Section 2.13 are in addition to other rights and remedies that the Borrower may have against such Defaulting Lender with respect to any Defaulted Advance and that any Agent or any Lender may have against such Defaulting Lender with respect to any Defaulted Amount.

2.14 Evidence of Debt. (A) The Register maintained by the Agent pursuant to Section 9.3 shall record (i) the date and amount of each Advance made hereunder, (ii) the terms of each Assignment and Acceptance delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iv) the amount of any sum received by the Agent from the Borrower hereunder and each Lender's share thereof.

(B) Entries made in good faith by the Agent in the Register pursuant to subsection (A) above, shall be prima facie evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; provided, however, that the failure of the Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register shall not limit or otherwise affect the obligations of the Borrower under this Agreement.

2.15. Sharing of Payments. If any Lender shall obtain at any time any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise, other than as a result of an assignment pursuant to Section 9.3) (a) on account of Obligations due and payable to such Lender hereunder and under the Notes at such time in excess of its Ratable Share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of the Obligations due and payable to all Lenders hereunder and under the Notes at such time) of payments on account of the Obligations due and payable to all Lenders hereunder and under the Notes at such time obtained by all the Lenders at such time or (b) on account of Obligations owing (but not due and payable) to such Lender hereunder and under the Notes at such time in excess of its Ratable Share (according to the proportion of (i) the amount of such Obligations owing to such Lender at such time to (ii) the aggregate amount of the Obligations owing (but not due and payable) to all Lenders hereunder and under the Notes at such time) of payments on account of the Obligations owing (but not due and payable) to all Lenders hereunder and under the Notes at such time obtained by all of the Lenders at such time, such Lender shall forthwith purchase from the other Lenders such interests or participating interests in the Obligations due and payable or owing to them, as the case may be, as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each other Lenders shall be rescinded and such other Lenders shall repay to the purchasing Lender the purchase price to the extent of each Lender's Ratable Share (according to the proportion of (i) the purchase price paid to each Lender to (ii) the aggregate purchase price paid to all Lenders) of such recovery together with an amount equal to each Lender's Ratable Share (according to the proportion of (i) the amount of such other Lender's required repayment to (ii) the total amount so recovered from the purchasing Lenders) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing an interest or participating interest from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such interest or participating interest, as the case may be, as fully as if such Lender were the direct creditor of the Borrower in the amount of such interest or participating interest, as the case may be.

ARTICLE III: CONDITIONS

3.1 Conditions of Effectiveness. All of the following conditions shall have been satisfied or waived by the Agent prior to the Effective Date:

(A) the Lenders shall have completed a due diligence investigation of the Transaction Parties in scope, and with results satisfactory to the Lenders, and nothing shall have come to the attention of the Lenders during the course of such due diligence investigation to lead them to believe (i) that any information provided by the Transaction Parties to any Lender was or has become misleading, incorrect or incomplete in any material respect, (ii) that, as of the Effective Date, the Transaction Parties would not have good and marketable title to all of the material assets reflected in the information provided by them to any Lender and (iii) that the financing contemplated hereby will have a Material Adverse Effect; without limiting the generality of the foregoing, the Lenders shall have been given such access to the management, records, books of account, contracts and properties of the Transaction Parties as they shall have requested;

(B) all due diligence materials requested by the Lenders from the Borrower shall have been delivered to the Lenders and such due diligence materials shall be in form and substance satisfactory to the Lenders;

(C) the Borrower has furnished to the Agent each of the following, all in form and substance satisfactory to the Agent:

(i) this Agreement, duly executed by the Borrower;

(ii) the Notes duly executed by the Borrower in favor of each Lender;

(iii) the Cross Agreement duly executed by Borrower, each Guarantor and Asbury Everest;

(iv) a Dealership Guaranty, Non Dealership Subsidiary Company Guaranty and/or a Reaffirmation of Guaranty, duly executed by each Dealership and Non Dealership Subsidiary Company, respectively, and a Non Dealership Subsidiary Company Guaranty and/or a Reaffirmation of Guaranty duly executed by Asbury Everest, in each case, to the Agent;

(v) the Borrower Security Agreement, a Dealership Security Agreement and a Non Dealership Subsidiary Company Security Agreement executed by Borrower, each Dealership, each Non Dealership Subsidiary Company and Asbury Everest to the Agent, and a Pledged Account Agreement executed by each Transaction Party and Asbury Everest, together with:

(A) acknowledgment copies of proper financing statements (to be duly filed by the Agent on or before the Effective Date), under the Uniform Commercial Code of all jurisdictions that the Agent may deem necessary or desirable in order to perfect and protect the first priority liens and security interests created under the Collateral Documents, covering the Collateral described in the Collateral Documents,

(B) completed requests for information, dated on or before the Effective Date, listing the financing statements referred to in clause (A) above and all other effective financing statements filed in the jurisdictions referred to in clause (A) above that name the relevant Loan Party as debtor, together with copies of such other financing statements,

(C) evidence of the completion of all other recordings and filings of or with respect to each relevant Loan Party and Asbury Everest that the Agent may deem necessary or desirable in order to perfect and protect the Liens created thereby,

(D) evidence of the insurance required by the terms of the Loan Documents,

(E) evidence that all other action that the Agent may deem necessary or desirable in order to perfect and protect the first priority liens and security interests created under the Collateral Documents has been taken (including, without

limitation, receipt of duly executed payoff letters, UCC-3 termination statements and landlords' and bailees' waiver and consent agreements).

(vi) the Borrower Pledge, the Dealership Pledge and the Non Dealership Subsidiary Company Pledge, executed by each of Borrower, each Dealership, each Non Dealership Subsidiary Company and Asbury Everest, respectively, to the Agent (for the benefit of the Lenders) together, with (A) stock certificates evidencing the pledged Equity Interests referred to therein and undated stock powers executed in blank, and (B) acknowledgment copies of Uniform Commercial Code financing statements covering "Investment Property";

(vii) to the extent the Borrower, any Dealership or Non Dealership Subsidiary Company has any Indebtedness other than Permitted Existing Indebtedness and Liens other than Permitted Existing Liens, pay-out letters, releases and UCC-3 Termination Statements, where applicable, from all third-party creditors releasing all Liens securing any such Indebtedness;

(viii) a certificate, in form and substance satisfactory to the Lender, signed by the chief financial officer of the Borrower stating that as of the Effective Date, no Event of Default or Unmatured Default has occurred and is continuing, and the representations and warranties of the Borrower are true and correct with full force and effect as if made on the Effective Date;

(ix) to the extent not included in the foregoing, the documents, instruments and agreements set forth on the closing list attached as Exhibit E hereto;

(x) such consents, waivers or other documents as any Lender or its counsel may have reasonably requested;

(xi) the loss payable endorsements referenced in Section 5.2 (G) shall have been delivered to the Agent;

(xii) the Agent shall be satisfied with the corporate and legal structure and capitalization of each Transaction Party, including the terms and conditions of the Charter Documents of each such Person and of each agreement or instrument relating to such structure or capitalization;

(xiii) there shall exist no action, suit, investigation, litigation or proceeding affecting any Transaction Party pending or threatened before any Governmental Authority or arbitrator that (i) could be reasonably likely to have a Material Adverse Effect other than the matters described on Schedule 3.1 hereto (the "Disclosed Litigation") or (ii) purports to affect the legality, validity or enforceability of any Loan Document or the consummation of the transactions contemplated thereby;

(xiv) all material governmental and third party consents and approvals necessary in connection with the Loan Documents shall have been obtained (without the imposition of any conditions that are not acceptable to the Required Lenders) and shall remain in effect; all applicable waiting periods in connection with the Loan Documents or the consummation of the transactions contemplated thereby shall have

expired without any action being taken by any competent authority, and no law or regulation shall be applicable in the reasonable judgment of the Agent, in each case that restrains, prevents or imposes materially adverse conditions upon the Loan Documents or the consummation of the transactions contemplated thereby or the rights of the Transaction Parties freely to transfer or otherwise dispose of, or to create any Lien on, any properties now owned or hereafter acquired by any of them;

(xv) Borrower shall have paid all reasonable accrued fees of the Agent and the Lenders and all reasonable accrued expenses of the Agent and the Lenders (including the reasonable accrued fees and expenses of counsel to the Agent and each Lender); and

(xvi) the Agent shall be satisfied with the amount, parties, terms and conditions and prospects for performance of all Acquisition Documents then in existence with respect to any Pending Acquisition by the Borrower or any of its Subsidiaries which the Borrower reasonably expects, as of the date hereof, to consummate after the day of the Effective Date; and the Agent shall be satisfied with all aspects of such Pending Acquisitions.

3.2 Conditions Precedent to Each Advance. No Lender shall be required to make any Advance, unless on the applicable Borrowing Date:

(i) There exists no Event of Default or Unmatured Default; and

(ii) The representations and warranties contained in Article IV are true and correct as of such Borrowing Date (unless such representation and warranty expressly relates to an earlier date).

Each Borrowing Notice with respect to each such Advance shall constitute a representation and warranty by the Borrower that the conditions contained in Sections 3.2(i) and (ii) have been satisfied.

3.3 Second Mortgages. Borrower shall deliver, or cause Guarantor to deliver, no later than the date hereof, in form and substance reasonably acceptable to Lenders:

(a) A first or, if already subject to a first deed of trust or mortgage, a second deed of trust or mortgage on all real property owned by Borrower or any Guarantor (the "Property"); and

(b) A first or, if already subject to a first security interest, a second security interest in all fixtures now owned or hereafter acquired by Borrower and or Guarantor and used in the operation of the Property and the proceeds thereof; and

(c) A first or, if already subject to a first collateral assignment, a second collateral assignment to Agent of (i) the lease agreement to be dated on or before the date of the deed of trust or mortgage from Borrower/Guarantors covering the property named in subparagraph (a), and (ii) the rentals due

under such lease, which lease shall be subordinate to the rights of Agent under its deed of trust or mortgage on such property named in subparagraph (a) and, if applicable, may also be subordinated to the obligations secured by any first collateral assignment of such lease(s), in the case of clauses (a), (b), and (c) above.

To the extent permitted under the applicable state law, Lenders expressly agree that, to the extent the amount of the mortgage or property valuation affects the amount of documentary tax due in connection with mortgages on property located in Florida, Georgia and Virginia, the property valuation shall be equal to one hundred twenty-five percent of the sum of: the most recent appraised value plus the value of any improvements less the amount of the current outstanding balance under any prior liens. In exchange for such agreement, Borrower and Guarantor hereby waive any requirement that Lenders marshal assets on property located in Virginia, Florida and Georgia. Notwithstanding the foregoing, and subject to Section 5.3 hereof, Borrower and Guarantor agree to amend the mortgage from time to time, at the request of Lenders, as the property valuation increases over time, due to the decrease in the outstanding balance under a prior lien, the removal of a prior lien, an increase in appraised value of the property or any other circumstance.

Notwithstanding the foregoing or anything else in this Agreement to the contrary, neither Borrower nor any Guarantor will be obligated to deliver any deed of trust, mortgage, security interest or collateral assignment described herein to Agent if doing so would violate or conflict with, or create a default or right of termination or acceleration under, any agreement (including but not limited to any existing deed of trust or mortgage relating to any Property) binding on Borrower or any Guarantor or any of their assets, or result in the creation or imposition of any lien on such assets (other than the liens expressly contemplated hereby); provided that the Borrower and any Guarantor shall use their best efforts to secure permission of the first secured party to permit such delivery.

Each Lender hereby consents to the liens to be granted pursuant to this Section 3.3 and, notwithstanding anything to the contrary contained in any other agreement or document entered into by Borrower or any Guarantor with or for the benefit of such Lender, hereby waives any default or event of default and any right of termination or acceleration under any such other agreement or document caused solely as a result of Borrower's or any Guarantor's granting the liens and complying with its other obligations hereunder, as contemplated by this Section 3.3; provided however, that any second security interest granted to Agent shall, at all times, remain subject to and subordinate to the first priority security interest of any Lender in any such property.

All reasonable out-of-pocket, actual, cash expenses incurred by Lenders in connection with the mortgages and the transactions contemplated hereby, including, without limitation, reasonable fees and disbursements of special counsel, title search reports, intangible taxes, documentary stamp charges (calculated as set forth above) and recording fees, shall be paid by Borrower on demand by Lenders, whether or not the mortgages shall be executed or recorded. Borrower or Guarantor shall not be obligated to pay the cost of any new appraisals on any property if Borrower or any Guarantor provides Lenders with the most recent appraisal of such property which is in form and substance reasonably acceptable to the Agent. In addition, Lenders agree that neither Borrower nor any Guarantor is obligated to provide Lenders with either a survey or title insurance in connection with such mortgages.

The Borrower shall deliver, and cause each Guarantor to deliver, as soon as practical, but no later than 45 days after the acquisition of Property by a Borrower or Guarantor, mortgages and applicable collateral assignments on such

future acquisitions as set forth above in each case, in form and substance reasonably acceptable to the Agent.

ARTICLE IV: REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants as of the Effective Date and on the date of each Advance as follows to the Lenders:

4.1 Organization; Corporate Powers. Each Transaction Party (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) is duly qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing could not reasonably be expected to have a Material Adverse Effect and (iii) has all requisite corporate, company or partnership power and authority to own, operate and encumber its property and to conduct its business as presently conducted and as proposed to be conducted.

4.2 Authority.

(A) The execution, delivery, performance and filing, as the case may be, of each of the Transaction Documents which must be executed or filed by any Transaction Party or which have been executed or filed as required by this Agreement and to which each Transaction Party is party, and the consummation of the transactions contemplated thereby, have been duly approved by the respective boards of directors or managers, or by the partners, as applicable, and, if necessary, the shareholders, members or partners, as applicable, of each Transaction Party, and such approvals have not been rescinded. No other corporate, company or partnership action or proceedings on the part of any Transaction Party is necessary to consummate such transactions contemplated by the Transaction Documents.

(B) Each of the Transaction Documents to which each Transaction Party is a party has been duly executed, delivered or filed, as the case may be, by such party and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, is in full force and effect and no material term or condition thereof has been amended, modified or waived without the prior written consent of the Required Lenders, and to the Borrower's knowledge, each of the Transaction Parties has, and, all other parties thereto have, performed and complied with all the material terms, provisions, agreements and conditions set forth therein and required to be performed or complied with by such parties on or before the date hereof, and no Event of Default, Unmatured Default or breach of any material covenant by any such Transaction Party exists thereunder.

4.3 No Conflict; Governmental Consents. The execution, delivery and performance of each of the Transaction Documents to which each Transaction Party is a party do not and will not (i) conflict with the Charter Documents of any of the Transaction Parties, (ii) to the Borrower's knowledge, constitute a tortious interference with any Contractual Obligation of any Person or conflict with, result in a breach of or constitute (with or without notice or lapse of time or both) a default under any Requirement of Law (including, without limitation, any Environmental Property Transfer Act) or Contractual Obligation of any Person, or require termination of any Contractual Obligation, (iii) result in or require the creation or imposition of any Lien whatsoever upon any of the property or assets of any Transaction Party, other than Liens permitted by the Loan

Documents, or (iv) require any approval of the shareholders, members or partners of any Transaction Party except such as have been obtained. The execution, delivery and performance of each of the Transaction Documents to which each Transaction Party is a party do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by any Governmental Authority, including under any Environmental Property Transfer Act, except (i) filings, consents or notices which have been made, obtained or given, or which, if not made, obtained or given, individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect and (ii) filings necessary to create or perfect security interests in the Collateral.

4.4 Financial Statements. All balance sheets, statements of profit and loss and other financial data that have been given to each Lender and the Agent by or on behalf of the Transaction Parties (the "Financial Information") are complete and correct in all material respects, fairly present the financial condition of the Transaction Parties as of such dates, and the results of each of their operations for the periods specified in the Financial Information, and have been prepared in accordance with Agreement Accounting Principles consistently followed throughout the periods covered thereby. Except as specifically disclosed (as to creditor, debtor, amount and security) by the Financial Information and as set forth on Schedule 1.1.1 hereto, the Transaction Parties do not have outstanding any loan or Indebtedness, direct or contingent, to any party, other than the Indebtedness due and owing to Lenders, and none of their assets is subject to any security interest, lien or other encumbrance in favor of anyone other than Agent (except for the Permitted Existing Liens). Since March 31, 2003 there has been no change in the assets, liabilities or financial condition of any Transaction Party from that set forth in the Financial Information other than changes in the ordinary course of affairs, none of which changes has had or could reasonably be expected to have a Material Adverse Effect.

4.5 No Material Adverse Effect. Since the date hereof, there has occurred no event or circumstance which has had or could reasonably be expected to have a Material Adverse Effect.

4.6 Taxes.

(A) Tax Examinations. All material deficiencies which have been asserted against the Transaction Parties as a result of any federal, state, local or foreign tax examination for each taxable year in respect of which an examination has been conducted have been fully paid or finally settled or are being contested in good faith, and as of the date hereof no issue has been raised by any taxing authority in any such examination which, by application of similar principles, reasonably can be expected to result in assertion by such taxing authority of a material deficiency for any other year not so examined which has not been reserved for in the consolidated financial statements of the applicable Transaction Party to the extent, if any, required by Agreement Accounting Principles.

(B) Payment of Taxes. All tax returns and reports of each Transaction Party required to be filed have been timely filed, and all taxes, assessments, fees and other governmental charges thereupon and upon their respective property, assets, income and franchises which are shown in such returns or reports to be due and payable by such Transaction Party have been paid except those items which are being contested in good faith and have been reserved for in accordance with Agreement Accounting Principles or for which the failure to file could not be reasonably expected to result in the payment of amounts by the

Transaction Parties in the aggregate in excess of \$250,000.00. The Borrower has no knowledge of any proposed tax assessment against any Transaction Party that will have or could reasonably be expected to have a Material Adverse Effect.

4.7 Litigation; Loss Contingencies and Violations. There is no action, suit, proceeding, arbitration or (to the Borrower's knowledge after diligent inquiry) investigation before or by any Governmental Authority or private arbitrator pending or, to the Borrower's knowledge after diligent inquiry, threatened against any Transaction Party or any property of any of them (i) challenging the validity or the enforceability of any material provision of the Transaction Documents or (ii) which could reasonably be expected to have a Material Adverse Effect. There is no material loss contingency within the meaning of Agreement Accounting Principles which has not been reflected in the consolidated financial statements of the Transaction Parties prepared and delivered pursuant to Section 5.1 for the fiscal period during which such material loss contingency was incurred. No Transaction Party is (A) in violation of any applicable Requirements of Law which violation could reasonably be expected to have a Material Adverse Effect, or (B) subject to or in default with respect to any final judgment, writ, injunction, restraining order or order of any nature, decree, rule or regulation of any court or Governmental Authority which could reasonably be expected to have a Material Adverse Effect.

4.8 Subsidiaries. Schedule 4.8 to this Agreement, as of the Effective Date, the date of any supplement thereto or the date of a Borrowing Notice, as the case may be, (i) contains a description as of the such date of the corporate structure of, each Transaction Party and any other Person in which a Transaction Party holds an Equity Interest; and (ii) accurately sets forth as of such date (A) the correct legal name, the jurisdiction of incorporation or formation and the jurisdictions in which each of the Transaction Parties is qualified to transact business as a foreign corporation or other foreign entity and (B) a summary of the direct and indirect partnership, joint venture, or other Equity Interests, if any, of each Transaction Party in any Person that is not a corporation. Promptly after (a) the formation or acquisition of any New Subsidiary permitted under Section 5.3(F)(ii), (b) a change in the Equity Interest of any Transaction Party, or (c) a change under Section 5.3 (H) the Borrower shall provide a supplement to Schedule 4.8 to this Agreement. None of the issued and outstanding Capital Stock of any Transaction Party is subject to any redemption or repurchase agreement. The outstanding Capital Stock of the Borrower and each Transaction Party is duly authorized, validly issued, fully paid and nonassessable. The Borrower has no Subsidiaries other than (i) the Subsidiaries set forth on Schedule 4.8 and (ii) any Subsidiaries acquired in connection with a Permitted Acquisition, in connection with which the Borrower shall have provided all of the documents, instruments and agreements as required by this Agreement.

4.9 ERISA. No Benefit Plan has incurred any material accumulated funding deficiency (as defined in Sections 302(a)(2) of ERISA and 412(a) of the Code) whether or not waived. Neither the Borrower nor any member of the Controlled Group has incurred any material liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. Schedule B to the most recent annual report filed with the IRS with respect to each Benefit Plan and, if so requested, furnished to the Agent, is complete and accurate. Since the date of each such Schedule B, there has been no material adverse change in the funding status or financial condition of the Benefit Plan relating to such Schedule B. Neither the Borrower nor any member of the Controlled Group has (i) failed to

make a required contribution or payment to a Multiemployer Plan or (ii) made a complete or partial withdrawal under Sections 4203 or 4205 of ERISA from a Multiemployer Plan, in either event which could result in any material liability. Neither the Borrower nor any member of the Controlled Group has failed to make a required installment or any other required payment under Section 412 of the Code, in either case involving any material amount, on or before the due date for such installment or other payment. Neither the Borrower nor any member of the Controlled Group is required to provide security to a Benefit Plan under Section 401(a)(29) of the Code due to a Plan amendment that results in an increase in current liability for the plan year. No Transaction Party maintains or contributes to any employee welfare benefit plan within the meaning of Section 3(1) of ERISA which provides benefits to employees after termination of employment other than as required by Section 601 of ERISA or as set forth on Schedule 4.9 hereto. Each Plan which is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service to the effect that it is so qualified and that each trust related to such Plan is exempt from federal income tax under Section 501 (a) of the Code, and, to the best knowledge of the Borrower or any Subsidiary, there is no event or condition, including any amendment to any such Plan, that would cause the loss of such qualification or exemption. Each Transaction Party is in compliance in all material respects with the responsibilities, obligations and duties imposed on them by ERISA and the Code with respect to all Plans. No Transaction Party nor any fiduciary of any Plan has engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the Code which could reasonably be expected to subject the Borrower or any Dealership Guarantor to material liability. Neither the Borrower nor any member of the Controlled Group has taken or failed to take any action which would constitute or result in a Termination Event, which action or inaction could reasonably be expected to subject the Borrower to material liability. Neither the Borrower nor any Subsidiary is subject to any liability under Sections 4063, 4064, 4069, 4204 or 4212(c) of ERISA and no other member of the Controlled Group is subject to any liability under Sections 4063, 4064, 4069, 4204 or 4212(c) of ERISA which could reasonably be expected to subject the Borrower or any Dealership Guarantor to material liability. No Transaction Party has, by reason of the transactions contemplated hereby, any obligation to make any payment to any employee pursuant to any Plan or existing contract or arrangement. For purposes of this Section 4.9 "material" means any noncompliance or basis for liability which could reasonably be likely to subject any Transaction Party to liability individually or in the aggregate for all such matters in excess of \$250,000.00.

4.10 Accuracy of Information. The information, exhibits and reports furnished by or on behalf of the Transaction Parties to the Lenders in connection with the negotiation of, or compliance with, the Transaction Documents, the representations and warranties of the Transaction Parties contained in the Transaction Documents, and all certificates and documents delivered to the Lenders pursuant to the terms thereof, taken as a whole, do not contain as of the date furnished any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein, taken as a whole, in light of the circumstances under which they were made, not misleading.

4.11 Securities Activities. No Transaction Party is engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock.

4.12 Material Agreements. No Transaction Party is a party to any Contractual Obligation or subject to any charter or other corporate restriction which individually or in the aggregate will have or could reasonably be expected to have a Material Adverse Effect. No Transaction Party has received notice or has knowledge that (i) it is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Contractual Obligation applicable to it, or (ii) any condition exists which,

with the giving of notice or the lapse of time or both, would constitute a default with respect to any such Contractual Obligation, in each case, except where such default or defaults, if any, individually or in the aggregate will not have or could not reasonably be expected to have a Material Adverse Effect.

4.13 Compliance with Laws; Compliance with Franchise Agreements. The Transaction Parties are in compliance with all Requirements of Law applicable to them and their respective businesses, in each case where the failure to so comply individually or in the aggregate could reasonably be expected to have a Material Adverse Effect. The execution, delivery and performance by each Transaction Party of any Loan Document to which it is a party does not conflict with the franchise agreement to which it is a party.

4.14 Assets and Properties. Each Transaction Party has good and marketable title to all of its assets and properties (tangible and intangible, real or personal) owned by it or a valid leasehold interest in all of its leased assets (except insofar as marketability may be limited by any laws or regulations of any Governmental Authority affecting such assets), except where the failure to have any such title or leasehold interest, as the case may be, will not have or could not reasonably be expected to have a Material Adverse Effect, and all such assets and property are free and clear of all Liens, except Liens permitted under Section 5.3(C). Substantially all of the assets and properties owned by, leased to or used by each such Transaction Party are in adequate operating condition and repair, ordinary wear and tear excepted. Neither this Agreement nor any other Transaction Document, nor any transaction contemplated under any such agreement, will affect any right, title or interest of any Transaction Party in and to any of its assets in a manner that will have or could reasonably be expected to have a Material Adverse Effect.

4.15 Statutory Indebtedness Restrictions. No Transaction Party is subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, the Interstate Commerce Act, or the Investment Company Act of 1940, or any other federal, state or local statute, ordinance or regulation which limits its ability to incur indebtedness or its ability to consummate the transactions contemplated hereby.

4.16 Insurance. The insurance policies and programs of each Transaction Party reflect coverage that is reasonably consistent with prudent industry practice.

4.17 Labor Matters. As of the date hereof, to the knowledge of each Transaction Party, there are no material labor disputes to which any Transaction Party may become a party, including, without limitation, any strikes, lockouts or other disputes relating to such Persons' plants and other facilities.

4.18 Environmental Matters. (a) (i) The operations of each Transaction Party comply in all material respects with Environmental, Health or Safety Requirements of Law;

(ii) each Transaction Party has all material permits, licenses or other authorizations required under Environmental, Health or Safety Requirements of Law and are in material compliance with such permits;

(iii) neither any Transaction Party, nor any of their respective present property or operations, or, to the best of the knowledge of the Transaction Parties, any of their respective past property or operations, are subject to or the subject of, any

investigation known to any of the Transaction Parties, any judicial or administrative proceeding, order, judgment, decree, settlement or other agreement respecting: (A) any material violation of Environmental, Health or Safety Requirements of Law; (B) any material remedial action; or (C) any material claims or liabilities arising from the Release or threatened Release of a Contaminant into the environment;

(iv) there is not now, nor to the best knowledge of any Transaction Party has there ever been on or in the property of any Transaction Party any landfill, waste pile, underground storage tanks, aboveground storage tanks, surface impoundment or hazardous waste storage facility of any kind, any polychlorinated biphenyls (PCBs) used in hydraulic oils, electric transformers or other equipment, or any asbestos containing material that in the case of any of the foregoing could be reasonably expected to result in any material claims or liabilities; and

(v) no Transaction Party has any material Contingent Obligation in connection with any Release or threatened Release of a Contaminant into the environment.

(b) For purposes of this Section 4.18 "material" means any noncompliance or basis for liability which could reasonably be likely to subject any Transaction Party to liability individually or in the aggregate in excess of \$500,000.00.

4.19 Benefits. Each Transaction Party will benefit from the financing arrangement established by this Agreement. Each Lender has stated and the Borrower acknowledges that, but for the agreement by each Transaction Party to execute and deliver their respective Loan Documents, no Lender would have made available the credit facilities established hereby on the terms set forth herein.

4.20 Solvency. Before and after giving effect to the execution, delivery and performance of the Transaction Documents and at the time of each Advance, each Transaction Party is Solvent.

ARTICLE V: COVENANTS

The Borrower covenants and agrees that so long as any Commitment is outstanding and thereafter until payment in full of all of the Obligations (other than contingent indemnity obligations, unless each Lender shall otherwise give its prior written consent (or, in those instances as more particularly described in Section 7.1 hereof, the Agent shall otherwise give its prior written consent):

5.1 Reporting. The Borrower shall:

(A) Financial Reporting. Furnish to the Agent (with sufficient copies for each Lender), or with respect to subsection (iii) below, to each Lender in the manner more particularly set forth therein:

(i) Quarterly Reports. As soon as practicable, and in any event within fifty (50) days after the end of each fiscal quarter in each fiscal year, the consolidated and consolidating balance sheet of the Borrower and its Subsidiaries as at the end of such period

and the related consolidated and consolidating statements of income and the related consolidated statements of cash flows of the Borrower and its Subsidiaries for such fiscal quarter and for the period from the beginning of the then current fiscal year to the end of such fiscal quarter, certified by the chief financial officer of the Borrower or on behalf of the Borrower as fairly presenting the consolidated and consolidating financial position of the Borrower and its Subsidiaries, as at the dates indicated and the results of their operations and cash flows for the periods indicated in accordance with Agreement Accounting Principles, subject to normal year end adjustments.

(ii) Annual Reports. As soon as practicable, and in any event within ninety (90) days after the end of each fiscal year, (a) the consolidated and consolidating balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year and the related consolidated and consolidating statements of income and the related consolidated statements of cash flows of the Borrower and its Subsidiaries for such fiscal year, and in comparative form the corresponding figures for the previous fiscal year and (b) an audit report on the items listed in clause (a) hereof (other than the consolidating statements) of independent certified public accountants of recognized national standing, which audit report shall be unqualified and shall state that such financial statements fairly present the consolidated financial position of the Borrower and its Subsidiaries as of the dates indicated and the results of their operations and cash flows for the periods indicated in conformity with Agreement Accounting Principles and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards. The deliveries made pursuant to this clause (ii) shall be accompanied by any management letter prepared by the above-referenced accountants.

(iii) Monthly Statements. As soon as practicable after a Lender's request, and in any event within five (5) Business Days after such request, with respect to any Dealership with which such Lender has outstanding a Wholesale Line, certified copies of direct (factory) statements provided by such Dealership to a manufacturer.

(iv) Asbury Everest. Notwithstanding anything herein to the contrary, with respect to Asbury Everest, as soon as practicable, and in any event within ninety (90) days after the end of each fiscal year (A) the consolidated and consolidating balance sheet of Asbury Everest as at the end of such fiscal year and the related consolidated and consolidating statements of income of Asbury Everest for such fiscal year, and in comparative form the corresponding figures for the previous fiscal year, as prepared by Asbury Everest and certified by the chief financial officer of Asbury Everest or on behalf of Asbury Everest as fairly presenting the consolidated financial position of Asbury Everest as of the dates indicated and the results of their operations for the periods indicated in conformity with Agreement Accounting Principles and (B) the annual tax return(s) for Asbury Everest covering such fiscal year. Agent may request, in writing, that Asbury Everest deliver, within thirty (30) days of such request, the consolidated and consolidating balance sheet of Asbury Everest as at the end of the fiscal quarter preceding Agent's request and the related consolidated and consolidating statements of income of Asbury Everest for such fiscal quarter, certified by the chief financial officer of Asbury Everest or on behalf of Asbury Everest as fairly presenting the consolidated and consolidating financial position of Asbury Everest, as at the dates indicated and the results of their operations and cash flows for the periods indicated in accordance with Agreement Accounting Principles. Notwithstanding the foregoing, Borrower shall not permit Asbury Everest to sell or otherwise dispose of any assets without the

prior written consent of the Lenders. Borrower shall also provide Agent with notice, at least ten days prior, of the acquisition of any assets by Asbury Everest.

(v) Officer's Certificate. Together with each delivery of any financial statement pursuant to clauses (i) and (ii) of this Section 5.1(A), an Officer's Certificate of the Borrower, or Asbury Everest, as applicable, substantially in the form of Exhibit F attached hereto and made a part hereof, stating that no Event of Default or Unmatured Default exists, or if any Event of Default or Unmatured Default exists, stating the nature and status thereof and setting forth (X) such financial statements and information as shall be reasonably acceptable to the Agent and (Y) upon the request of Agent, a written valuation of the Collateral.

(B) Notice of Event of Default. Promptly upon any of the chief executive officer, chief operating officer, chief accounting officer, treasurer or controller of the Borrower or any of its Subsidiaries obtaining knowledge (i) of any condition or event which constitutes an Event of Default or Unmatured Default, or (ii) that any Person has given any written notice to the Borrower or any Transaction Party or taken any other action with respect to an Event of Default or event or condition of the type referred to in Section 6.1(e), deliver to the Agent a notice specifying (a) the nature and period of existence of any such Event of Default or Unmatured Default (if the aggregate amount of the Indebtedness which is the subject of the Unmatured Default exceeds \$25,000.00), condition or event, (b) the notice given or action taken by such Person in connection therewith, and (c) what action the Borrower has taken, is taking and proposes to take with respect thereto.

(C) Lawsuits. (i) Promptly upon the Borrower obtaining knowledge of the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration against or affecting any Transaction Party or any property of any Transaction Party, which action, suit, proceeding, governmental investigation or arbitration exposes, or in the case of multiple actions, suits, proceedings, governmental investigations or arbitrations arising out of the same general allegations or circumstances which expose, in the Borrower's reasonable judgment, the Transaction Party to liability in an amount aggregating \$500,000.00 or more, give written notice thereof to the Agent and provide such other information as may be reasonably available to enable each Lender and its respective counsel to evaluate such matters; and (ii) in addition to the requirements set forth in clause (i) of this Section 5.1(C), upon request of the Agent, promptly give written notice of the status of any action, suit, proceeding, governmental investigation or arbitration covered by a report delivered pursuant to clause (i) above or disclosed in any filing with the Commission and provide such other information as may be reasonably available to it that would not violate any attorney-client privilege by disclosure to each Lender and the Agent to enable each Lender or the Agent and its counsel to evaluate such matters.

(D) ERISA Notices. Deliver or cause to be delivered to the Agent, at the Borrower's expense, the following information and notices as soon as reasonably possible, and in any event:

(i) (a) within ten (10) Business Days after the Borrower obtains knowledge that a Termination Event has occurred, a written statement of the chief financial officer of the Borrower describing such Termination Event and the action, if any, which the Borrower has taken, is taking or proposes to take with respect thereto, and when known, any action taken or threatened by the IRS, DOL or PBGC with

respect thereto and (b) within ten (10) Business Days after any member of the Controlled Group obtains knowledge that a Termination Event has occurred which could reasonably be expected to subject the Borrower or any member of the Controlled Group to liability individually or in the aggregate in excess of \$2,500,000.00, a written statement of the chief financial officer of the Borrower describing such Termination Event and the action, if any, which the member of the Controlled Group has taken, is taking or proposes to take with respect thereto, and when known, any action taken or threatened by the IRS, DOL or PBGC with respect thereto;

(ii) within ten (10) Business Days after the Borrower or any of its Subsidiaries obtains knowledge that a prohibited transaction (defined in Sections 406 of ERISA and Section 4975 of the Code) has occurred, a statement of the chief financial officer of the Borrower describing such transaction and the action which the Borrower or such Subsidiary has taken, is taking or proposes to take with respect thereto;

(iii) within ten (10) Business Days after the Borrower or any of its Subsidiaries receives notice of any unfavorable determination letter from the IRS regarding the qualification of a Plan under Section 401(a) of the Code, copies of each such letter;

(iv) within ten (10) Business Days after the filing thereof with the IRS, a copy of each funding waiver request filed with respect to any Benefit Plan and all communications received by the Borrower or a member of the Controlled Group with respect to such request;

(v) within ten (10) Business Days after receipt by the Borrower or any member of the Controlled Group of the PBGC's intention to terminate a Benefit Plan or to have a trustee appointed to administer a Benefit Plan, copies of each such notice;

(vi) within ten (10) Business Days after receipt by the Borrower or any member of the Controlled Group of a notice from a Multi-employer Plan regarding the imposition of withdrawal liability, copies of each such notice;

(vii) within ten (10) Business Days after the Borrower or any member of the Controlled Group fails to make a required installment or any other required payment under Section 412 of the Code on or before the due date for such installment or payment, a notification of such failure; and

(viii) within ten (10) Business Days after the Borrower or any member of the Controlled Group knows or has reason to know that (a) a Multi-employer Plan has been terminated, (b) the administrator or plan sponsor of a Multi-employer Plan intends to terminate a Multi-employer Plan, or (c) the PBGC has instituted or will institute proceedings under Section 4042 of ERISA to terminate a Multi-employer Plan.

For purposes of this Section 5.1(D), the Borrower, any of its Subsidiaries and any member of the Controlled Group shall be deemed to know all facts known by the Administrator of any Plan of which the Borrower or any member of the Controlled Group or such Subsidiary is the plan sponsor.

(E) Labor Matters. Notify the Agent in writing, promptly upon the Borrower's learning thereof, of (i) any material labor dispute to which the Borrower or any of its Subsidiaries may become a party, including, without limitation, any strikes, lockouts or other disputes relating to such Persons' plants and other facilities and (ii) any material liability incurred under the Worker Adjustment and Retraining Notification Act with respect to the closing of any plant or other facility of the Borrower or any of its Subsidiaries.

(F) Other Indebtedness. Deliver, or cause to be delivered, to the Agent (i) a copy of each notice or communication regarding actual defaults (including any accompanying officer's certificate) delivered by or on behalf of any Transaction Party to the holders of funded Indebtedness pursuant to the terms of the agreements governing such Indebtedness, such delivery to be made at the same time and by the same means as such notice or other communication is delivered to such holders, and (ii) a copy of each notice or other communication regarding actual defaults received by any Transaction Party from the holders of funded Indebtedness pursuant to the terms of such Indebtedness, such delivery to be made promptly after such notice or other communication is received by any Transaction Party.

(G) Other Reports. After an incurrence of Permitted Subordinated Indebtedness, deliver or cause to be delivered to the Agent copies of all financial statements, reports and notices, if any, sent or made available generally by the Borrower to its securities holders or filed with the Commission by the Borrower, all press releases made available generally by the Borrower or any other Transaction Party to the public concerning material developments in the business of the Borrower or any other Transaction Party and all notifications received from the Commission by the any Transaction Party pursuant to the Securities Exchange Act of 1934 and the rules promulgated thereunder (other than customary comment letters received in connection with registration statements or other routine communications between the Commission and the Borrower).

(H) Environmental Notices. Deliver, or cause to be delivered, as soon as possible and in any event within ten (10) days after receipt by any Transaction Party, a copy of (i) any notice or claim to the effect that such Transaction Party is or may be liable to any Person as a result of the Release by such Transaction Party, or any other Person of any Contaminant into the environment, and (ii) any notice alleging any violation of any Environmental, Health or Safety Requirements of Law by such Transaction Party if, in either case, such notice or claim relates to an event which could reasonably be expected to subject such Transaction Party to liability individually or in the aggregate in excess of \$500,000.00.

(I) Other Information. Promptly upon receiving a request therefore from the Agent, prepare and deliver to the Agent such other information with respect to any Transaction Party, or the Collateral, including, without limitation, schedules identifying and describing the Collateral and any dispositions thereof, as from time to time may be reasonably requested by the Agent.

(J) Real Estate. (i) Prior to the Effective Date of this Agreement, Borrower shall have delivered to Agent, or cause to have been delivered to Agent, a summary, in form and substance acceptable to Lenders, of the most recent MAI appraisal for each piece of property which is the subject of Sections 3.3 and/or 5.3 (A)(xiv) and a report of the following information: (1) the physical address of such property, (2) the appraised value of such property (as set forth in the most current MAI Appraisal performed at the request of a Transaction Party), (3) the date of the most current MAI Appraisal of such property, performed at the request of a Transaction Party, and name of the appraiser who prepared the MAI Appraisal, (4) the reasonable cost of

improvements made to such property after the date of the most current MAI Appraisal performed at the request of a Transaction Party, (5) principal amount of Indebtedness secured by such property, (6) the name of the lender holding the first lien on such property and (7) a title report, showing all liens and judgments, on each piece of property.

(ii) On each Anniversary Date (or if any such day is not a Business Day, on the next succeeding Business Day), deliver to Agent, or cause to be delivered to Agent, a supplement to the report referenced in clause (i) of this Section 5.1 (J), which must identify any changes to information previously reported, and report the following information with respect to any piece of real property which had not been the subject of a previous report and which is the subject of Sections 3.3 and/or 5.3 (A) (xiv) of this Agreement: (1) the physical address of such property, (2) the appraised value of such property (as set forth in the most current MAI Appraisal performed at the request of a Transaction Party), (3) the date of the most current MAI Appraisal of such property, performed at the request of a Transaction Party, and name of the appraiser who prepared the MAI Appraisal, (4) the reasonable cost of improvements made to such property after the date of the most recent MAI Appraisal performed at the request of a Transaction Party, (5) principal amount of Indebtedness secured by such property, and (6) the name of the lender holding the first lien on such property. In addition, on each piece of real property which had not been subject of a previous report and which is the subject of Sections 3.3 and/or 5.3(A)(xiv) of this Agreement, Borrower will deliver the following to Agent (1) a summary, in form and substance acceptable to Lenders, of the most recent MAI appraisal for any new property and (2) a title report, showing all liens and judgments, on each new parcel of property.

(K) Meetings. The Borrower shall cause its chief executive officer and chief financial officer to attend all meetings scheduled by the Agent pursuant to Section 7.1 (d) of this Agreement.

5.2 Affirmative Covenants.

(A) Existence, Etc. Except for mergers permitted pursuant to Section 5.3(H) , the Borrower shall, and shall cause each of its Subsidiaries to, at all times maintain its corporate, company or partnership existence, as applicable, and preserve and keep, or cause to be preserved and kept, in full force and effect its rights and franchises material to its businesses. It is understood and agreed that any Subsidiary of the Borrower may be dissolved in the ordinary course of business so long as the Borrower gives prior notice to the Agent of such dissolution and the assets and obligations of such dissolved Subsidiary are transferred to another Loan Party.

(B) Powers; Conduct of Business. The Borrower shall, and shall cause each of its Subsidiaries to, qualify and remain qualified to do business in each jurisdiction in which the nature of its business requires it to be so qualified and where the failure to be so qualified will have or could reasonably be expected to have a Material Adverse Effect. The Borrower will, and will cause each Subsidiary to, carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted.

(C) Compliance with Laws, etc The Borrower shall, and shall cause its Subsidiaries to, (a) comply with all Requirements of Law and all restrictive covenants affecting such Person or the business, properties, assets or operations of such Person, and (b) obtain as needed all permits necessary for

its operations and maintain such permits in good standing, unless failure to comply or obtain could not reasonably be expected to have a Material Adverse Effect.

(D) Payment of Taxes and Claims. The Borrower shall pay, and cause each of its Subsidiaries to pay, (i) all taxes, assessments and other governmental charges required to be paid by it or its Subsidiaries, as the case may be, and (ii) all claims (including, without limitation, claims for labor, services, materials and supplies) for sums which have become due and payable and which by law have or may become a Lien (other than a Lien permitted by Section 5.3(C)) upon any of the Borrower's or such Subsidiary's property or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, however, that no such taxes, assessments and governmental charges referred to in clause (i) above or claims referred to in clause (ii) above (and interest, penalties or fines relating thereto) need be paid if being contested in good faith by appropriate proceedings diligently instituted and conducted and if such reserve or other appropriate provision, if any, as shall be required in conformity with Agreement Accounting Principles shall have been made therefore.

(E) Insurance. The Borrower shall maintain for itself and its Subsidiaries, or shall cause each of its Subsidiaries to maintain in full force and effect, insurance policies and programs reflecting coverage that is reasonably consistent with prudent industry practice (it being understood that, to the extent consistent with prudent business practice of Persons carrying on a similar business in a similar location, with the prior written consent of the Required Lenders (which such consent will not be unreasonably withheld) a program of self-insurance for first or other loss layers may be utilized).

(F) Inspection of Property; Books and Records; Discussions. The Borrower shall permit and cause each of the Borrower's Subsidiaries to permit, any authorized representative(s) designated by the Agent or any Lender to visit and inspect any of the properties of the Borrower or any of its Subsidiaries, to examine, audit, check and make copies of their respective financial and accounting records, books, journals, orders, receipts and any correspondence and other data relating to their respective businesses or the transactions contemplated hereby or by the Acquisitions (including, without limitation, in connection with environmental compliance, hazard or liability), and to discuss their affairs, finances and accounts with their officers and independent certified public accountants (it being understood that (i) the right of inspection is subject to the confidentiality limitation set forth in Section 9.4 hereof, (ii) the Agent and the Lenders may speak with the Borrower's certified public accountants so long as a representative of the Borrower is present, but not otherwise, and (iii) Borrower will make a representative present for such a discussion at the reasonable request of the Agent or any Lender), all upon reasonable notice and at such reasonable times during normal business hours, as often as may be reasonably requested; provided, that while no Event of Default exists, all of the foregoing shall be at the joint expense of the Lenders. The Borrower shall keep and maintain, and cause each of the Borrower's Subsidiaries to keep and maintain, in all material respects, proper books of record and account in which entries in conformity with Agreement Accounting Principles shall be made of all dealings and transactions in relation to their respective businesses and activities, including, without limitation, transactions and other dealings with respect to the Collateral. If an Event of Default has occurred and is continuing, the Borrower, upon the request of the Agent or any Lender, shall turn over any such records to the Agent, such Lender, or their respective representatives.

(G) Insurance and Condemnation Proceeds. Subject to the rights of Lenders under any Floor Plan Indebtedness to receive and/or apply any insurance proceeds for any loss with respect to the Collateral, the Borrower shall direct

(and, if applicable, shall cause its Subsidiaries to direct) all insurers under policies of property damage, boiler and machinery and business interruption insurance and payors of any condemnation claim or award relating to the Collateral to pay all proceeds payable under such policies or with respect to such claim or award directly to the Agent (for the benefit of the Lenders); provided, however, in the event that such proceeds or award are less than \$500,000.00 ("Excluded Proceeds"), unless an Event of Default shall have occurred and be continuing, the Agent shall remit such Excluded Proceeds to the Borrower or Subsidiary, as applicable. Each such policy shall contain a long-form loss-payable endorsement naming the Agent (for the benefit of the Lenders) as loss payee, which endorsement shall be in form and substance acceptable to the Agent and shall provide for all losses with respect to the Collateral to be paid on behalf of Agent and the applicable Transaction Party as their respective interests may appear and each policy for property damage insurance shall provide for all losses to be paid directly to the Agent. Each such policy shall in addition (i) name the applicable Transaction Party and the Agent (for the benefit of the Lenders) as insured parties thereunder (without any representation or warranty by or obligation upon the Agent) as their interests may appear, (ii) contain the agreement by the insurer that any loss thereunder shall be payable to the Agent (for the benefit of the Lenders) notwithstanding any action, inaction or breach of representation or warranty by the Transaction Party, (iii) provide that there shall be no recourse against the Agent or the Lenders for payment of premiums or other amounts with respect thereto and (iv) provide that at least ten days' prior written notice of cancellation or of lapse shall be given to Agent by the insurer. Each Transaction Party shall, if so requested by the Agent, deliver to the Agent original or duplicate policies of such insurance and, as often as the Agent may reasonably request, a report of a reputable insurance broker with respect to such insurance. Further each Transaction Party shall, at the request of the Agent, duly execute and deliver instruments of assignment of such insurance policies to comply with the requirements of Section 5.2 (N) and cause the insurers to acknowledge notice of such assignment. The Agent shall, upon receipt of such proceeds (other than Excluded Proceeds) and at the Borrower's direction, either apply the same to the principal amount of the Advances outstanding at the time of such receipt and create a corresponding reserve against the Commitment in an amount equal to such application (the "Decision Reserve") or hold them as cash Collateral for the Obligations in an interest bearing account. For up to 150 days from the date of any loss (the "Decision Period"), the Borrower may notify Agent that it intends to restore, rebuild or replace the property subject to any insurance payment or condemnation award and shall, as soon as practicable thereafter, provide Agent detailed information, including a construction schedule and cost estimates. Should an Event of Default occur at any time during the Decision Period, should the Borrower notify the Agent that it has decided not to rebuild or replace such property during the Decision Period, or should the Borrower fail to notify the Agent of the Borrower's decision during the Decision Period, then the amounts held as cash collateral pursuant to this Section 5.2(G) or as the Decision Reserve shall be applied as a mandatory prepayment of the Advances pursuant to Section 2.2(B). Proceeds held as cash collateral pursuant to this Section 5.2(G) or constituting the Decision Reserve shall be disbursed as payments for restoration, rebuilding or replacement of such property become due; provided, however, should an Event of Default occur after the Borrower has notified the Agent that it intends to rebuild or replace the property, the Decision Reserve or amounts held as cash collateral shall be applied as a mandatory prepayment of the Advances pursuant to Section 2.2(B). In the event the Decision Reserve is to be applied as a mandatory prepayment to the Advances, the Borrower shall be deemed to have requested Advances in an amount equal to the Decision Reserve, and such Advances shall be made regardless of any failure of the Borrower to meet the conditions precedent set forth in Article III. Upon completion of the restoration, rebuilding or replacement of such property, the unused proceeds shall constitute net cash proceeds of an Asset

Sale and shall be applied as a mandatory prepayment of the Advances pursuant to Section 2.2(B).

(H) ERISA Compliance. The Borrower shall, and shall cause each of the Borrower's Subsidiaries to, establish, maintain and operate all Plans, if any, to comply in all material respects with the provisions of ERISA, the Code, all other applicable laws, and the regulations and interpretations thereunder and the respective requirements of the governing documents for such Plans, except where the failure to comply could not reasonably be expected to subject the Borrower and its Subsidiaries to liability individually or in the aggregate in excess of \$250,000.00.

(I) Maintenance of Property. The Borrower shall cause all property used or useful in the conduct of its business or the business of any Subsidiary to be maintained and kept in good condition, repair and working order and, and supplied with all necessary equipment and shall cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section 5.2(I) shall prevent the Borrower from discontinuing the operation or maintenance of any of such property if such discontinuance is, in the judgment of the Borrower, desirable in the conduct of its business or the business of any Subsidiary and not disadvantageous in any material respect to any Lender. Each Transaction Party shall promptly furnish to the Agent a statement respecting any material loss or damage to its respective collective Equipment, taken as a whole.

(J) Environmental Compliance. The Borrower and its Subsidiaries shall comply with all Environmental, Health or Safety Requirements of Law, except where noncompliance could not reasonably be expected to subject the Borrower and its Subsidiaries to liability individually or in the aggregate in excess of \$500,000.00. Neither the Borrower nor any of its Subsidiaries shall be the subject of any proceeding or investigation pertaining to (i) the Release by the Borrower or any of its Subsidiaries of any Contaminant into the environment or (ii) the liability of the Borrower or any of its Subsidiaries arising from the Release by any other Person of any Contaminant into the environment, which, in either case, subjects or is reasonably likely to subject the Borrower and its Subsidiaries individually or in the aggregate to liability in excess of the amount set forth above.

(K) Use of Proceeds. Except as otherwise provided in Section 2.1 hereof, the Borrower shall use the proceeds of Advances to (i) fund cash management needs (each such Advance is referred to as a "Cash Management Advance"), provided however, that at no time may the aggregate amount of Cash Management Advances outstanding exceed Seventy Five Million Dollars; (ii) fund the Acquisition Costs of Permitted Acquisitions (together with the initial advance made January 17, 2001, each such Advance is referred to herein as an "Acquisition Advance") and (iii) provide funds for working capital needs and other general corporate purposes of the Borrower and the Guarantors (each such Advance is referred to as a "Working Capital Advance"), provided, however, that at no time may the aggregate amount of Working Capital Advances outstanding exceed Fifty Million Dollars. The proceeds of Advances hereunder may not be used to make any mandatory prepayment under Section 2.2(B). The Borrower will not, nor will it permit any Subsidiary to, use any of the proceeds of the Loans to purchase or carry any "Margin Stock" or to make any Acquisition, other than any Permitted Acquisition pursuant to Section 5.3(F).

(L) Addition of Guarantors. The Borrower shall cause each present and future Non Dealership Subsidiary Company and each Dealership which has not heretofore provided a Non Dealership Subsidiary Company Guaranty or a Dealership Guaranty to the Agent, to deliver to the Agent, for the benefit of the Lenders, a Secretary's Certificate, a Guaranty, in the form of Exhibit C, together with Pledged Account Agreements and such other appropriate Collateral Documents, so as to grant a Lien on all of its bank accounts, property and assets, together with UCC-1 Financing Statements, an acknowledgment to be bound by the Cross Agreement, together with appropriate corporate resolutions, opinions and other documentation in form and substance reasonably satisfactory to the Agent. Each Non Dealership Subsidiary Company and each Dealership shall provide such Secretary's Certificate, Non Dealership Subsidiary Company Guaranty or Dealership Guaranty, Pledged Account Agreement and other Collateral Documents prior to or simultaneously with its Acquisition.

(M) Material Adverse Change. Promptly upon the occurrence of any Material Adverse Change, Borrower will give the Agent written notice of such Material Adverse Change, describing the nature of such Material Adverse Change and the entities affected by such Material Adverse Change, and present Agent with an action plan Borrower intends to implement to address such Material Adverse Change.

(N) Further Assurances. Borrower, the Agent and the Lenders agree to, promptly upon request by the Agent or the Borrower, as applicable, (i) correct, and cause each of its Subsidiaries promptly to correct, any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, conveyances, pledge agreements, mortgages, deeds of trust, trust deeds, assignments, financing statements and continuations thereof, termination statements, notices of assignment, transfers, certificates, assurances and other instruments as the Agent may reasonably require from time to time in order to (1) carry out more effectively the purposes of the Loan Documents, (2) to the fullest extent permitted by applicable law, subject any Loan Party's properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (3) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (4) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Lenders the rights granted or now or hereafter intended to be granted to the Lenders under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Lender is or is to be a party, and cause each of its Subsidiaries to do so.

(O) Franchise Agreements. The Borrower shall use its reasonable best efforts to obtain waivers under existing and future franchise agreements on terms and conditions acceptable to the Lenders sufficient to permit the Liens contemplated hereunder. To the extent any franchise agreement materially limits the Liens contemplated hereunder or under any Collateral Document (other than the Liens contemplated by the Borrower Pledges, Dealership Pledges and/or Non Dealership Subsidiary Company Pledges), the Borrower shall notify the Agent of such restriction or limitation and to the extent such franchise agreement relates to an Acquisition to be effected by the Borrower, prior to such Acquisition becoming a Permitted Acquisition, the Required Lenders shall have provided their written approval of such franchise agreement.

(P) Pledge of Capital Stock. The Borrower shall, and shall cause each of the Non Dealership Subsidiary Companies to, pledge to and grant to the Agent, for the benefit of the Lenders, a first perfected and first priority Lien in all of its Equity Interests in each Dealership and/or other Non Dealership Subsidiary Company, as the case may be; provided, however, such Equity Interest will be required to be pledged only to the extent not prohibited by the manufacturer under the applicable franchise agreement. In the event that a manufacturer refuses to consent to the pledge by the Borrower or a Non Dealership Subsidiary Company of the Borrower's or Non Dealership Subsidiary Companies' Capital Stock in a Dealership or other Non Dealership Subsidiary Company, the Borrower and/or Non Dealership Subsidiary Company must execute a Waiver, Guaranty and Disbursement Agreement.

5.3 Negative Covenants.

(A) Indebtedness. Neither the Borrower nor any of its Subsidiaries shall directly or indirectly create, incur, assume or otherwise become or remain directly or indirectly liable with respect to any Indebtedness, except:

(i) the Obligations;

(ii) Permitted Existing Indebtedness and Permitted Refinancing Indebtedness;

(iii) Indebtedness in respect of obligations secured by Customary Permitted Liens;

(iv) Indebtedness constituting Contingent Obligations in respect of Indebtedness otherwise permitted hereunder;

(v) Indebtedness arising from intercompany loans from the Borrower to any Guarantor or from any Subsidiary to the Borrower or any Guarantor; provided that in each case such Indebtedness is subordinated upon terms satisfactory to the Required Lenders to the obligations of the Borrower and its Subsidiaries with respect to the Obligations;

(vi) Indebtedness with respect to surety, appeal and performance bonds obtained by the Borrower or any of its Subsidiaries in the ordinary course of business;

(vii) Indebtedness not in excess of \$25,000,000.00, in the aggregate outstanding at any time, in connection with the Liens set forth in Section 5.3(C)(v);

(viii) contingent obligations of the Guarantors incurred in connection with sales in the ordinary course of business of vehicle chattel paper;

(ix) Floor Plan Indebtedness incurred by a Loan Party;

(x) Indebtedness incurred from time to time in connection with Capital Expenditures, provided, however, that the aggregate of such Indebtedness incurred during any twelve month period (with the first such twelve month period beginning on the Effective Date, and each subsequent twelve month period beginning on each succeeding anniversary

day of the Effective Date), may not exceed \$20,000,000.00, and provided, further, that if during any given twelve month period such Indebtedness is less than \$20,000,000.00 (the difference between \$20,000,000.00 and the actual amount of such Indebtedness incurred during a given twelve month period not in excess of \$5,000,000.00 being referred to herein as the "Carry-Over Amount"), such Carry-Over Amount may be carried either forward or back into any twelve month period during the term of this Agreement and added to the amount of Indebtedness that may be or may have been (as the case may be) incurred during such twelve month period in connection with Capital Expenditures;

(xi) other Indebtedness in an aggregate principal amount outstanding at any time not in excess of \$7,500,000.00;

(xii) Indebtedness incurred hereunder in connection with a Permitted Acquisition;

(xiii) Hedging Obligations permitted under Section 5.3 (P);

(xiv) Indebtedness incurred from time to time and secured only by the Liens described in Section 5.3 (C) (vi), provided, however, that with respect to any such given Indebtedness, (1) the aggregate principal amount of such Indebtedness may not exceed 100% of the value of the real property, fixtures and improvements collateralizing such Indebtedness (for purposes of this Section 5.3 (A) (xiv), the value of the real property will be determined by adding the appraised value of the real property as reported in the most current MAI Appraisal performed at the request of a Transaction Party and the Dollar amount reported in Section 5.1 (J) hereof as the cost of improvements made to such real property after the date of such MAI Appraisal) , and (2) no Transaction Party may guaranty such Indebtedness;

(xv) Permitted Subordinated Indebtedness; and

(xvi) obligations in respect of Seller Paper, provided, however, that (i) the aggregate amount of Indebtedness outstanding in respect of Seller Paper at any given time may not exceed \$25,000,000.00, and (ii) obligations in respect of Seller Paper incurred in connection with any given Permitted Acquisition may not exceed 20% of the Acquisition Price of such Permitted Acquisition.

(B) Sales of Assets. Neither the Borrower nor any of its Subsidiaries shall sell, assign, transfer, lease, convey or otherwise dispose of any property (including the Capital Stock of any Subsidiary), whether now owned or hereafter acquired, or any income or profits therefrom, or enter into any agreement to do so, except:

(i) sales of Inventory in the ordinary course of business;

(ii) the disposition in the ordinary course of business of (A) vehicle chattel paper or sales contracts (provided that to the extent such chattel paper and/or sales contracts are proceeds of motor vehicles financed under the Floor Plan Indebtedness, the portion of the Floor Plan Indebtedness related to such motor vehicles shall be retired in full) and (B) equipment or other personal property that is obsolete, excess, condemned, worn out or no longer useful in the Borrower's or its Subsidiaries' business;

(iii) sales, assignments, transfers, leases, conveyances or other dispositions of other assets if (A) such transaction (1) is for all cash consideration, (2) is for not less than Fair Value, and (3) when combined with all such other transactions (each such transaction being valued at book value) during the immediately preceding twelve-month period, represents the disposition of not greater than \$5,000,000.00, and (B) the Net Cash Proceeds of any such sale, assignment, transfer, lease conveyance or other disposition of assets are either (1) applied in their entirety to reduce the Revolving Credit Obligations, or (2) reinvested, substantially in whole with the prior written consent of Agent and the Required Lenders (which may not be unreasonably withheld), in long-term assets necessary or useful in the operation of the Asbury Group's business;

(iv) dispositions permitted by Sections 5.3 (G) and 5.3 (H);

(v) the sale of equipment to the extent such equipment is exchanged for credit against the purchase price of materially similar replacement equipment, or the proceeds of such sale are reasonably promptly applied to the purchase price of such replacement equipment;

(vi) dispositions of assets by any Transaction Party to any other Transaction Party that is also a Loan Party;

(vii) sales of real property or the right to acquire real property in connection with any REIT Transaction (as defined in Section 5.3 (I) (ii)) hereof), provided that the Net Cash Proceeds of any such sale are applied as a mandatory prepayment of the Obligations under Section 2.2 (B) hereof: and

(viii) the sale of accounts receivable to Compass Bank, an Alabama bank d/b/a Commercial Billing Services ("Commercial Billing"), provided, however, that the aggregate amount of the purchase price of such sales, when combined with the aggregate amount of the purchase price of all other sales of accounts receivable to Commercial Billing during the immediately preceding twelve-month period, is not greater than \$25,000,000.00, and further, provided, however, that any such sales may be made only pursuant to an agreement in materially the same form and substance as the Merchant Agreement dated May 11, 1999 between Crown Fordham LLC and Commercial Billing.

(C) Liens. Neither the Borrower nor any of its Subsidiaries shall directly or indirectly create, incur, assume or permit to exist any Lien on or with respect to any of their respective property or assets, except:

(i) Permitted Existing Liens;

(ii) Customary Permitted Liens;

(iii) Liens securing the Obligations;

(iv) Liens securing Floor Plan Indebtedness;

(v) Liens (other than on the stock, real property and fixtures of any Subsidiaries) securing other obligations not exceeding \$25,000,000.00 in the aggregate at any time outstanding;

(vi) Liens (encumbering only real property, fixtures, and improvements whether such real property, fixtures and improvements are now owned, under construction or hereafter acquired), which the applicable Transaction Party reasonably purported to grant as first priority Liens, securing the Indebtedness described in Section 5.3 (A) (xiv);

(vii) Liens securing Capital Expenditures permitted under Section 5.3 (A) (x), provided any such Liens are limited in scope to cover only that property which is the subject of the particular Capital Expenditure; and

(viii) Liens securing Permitted Refinancing Indebtedness permitted under Section 5.3 (A) (ii).

In addition, neither the Borrower nor any of its Subsidiaries shall become a party to any agreement, note, indenture or other instrument, or take any other action, which would prohibit the creation of a Lien on any of its properties or other assets in favor of the Agent (for the benefit of the Lenders), as collateral for the Obligations; provided that any agreement, note, indenture or other instrument in connection with Liens permitted pursuant to clause (i) above may prohibit the creation of a Lien in favor of the Agent (for the benefit of the Lenders) on the items of property subject to such Lien.

(D) Investments. Except to the extent permitted pursuant to paragraph (G) below, neither the Borrower nor any of its Subsidiaries shall directly or indirectly make or own any Investment except:

(i) Investments in Cash Equivalents;

(ii) Permitted Existing Investments in an amount not greater than the amount thereof on the date hereof;

(iii) Investments in trade receivables or received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;

(iv) Investments from the Borrower to any Subsidiary or from any Subsidiary to the Borrower or any other Subsidiary permitted by Section 5.3(A)(v);

(v) Investments in any Guarantor;

(vi) Investments constituting Permitted Acquisitions; and

(vii) Investments of any type in addition to those referred to elsewhere in this Section 5.3(D) in an amount not to exceed \$10,000,000.00 in the aggregate at any time outstanding;

provided, however, that the Investments described in clauses (vi) through (vii) above shall not be permitted if either an Event of Default or Unmatured Default shall have occurred and be continuing on the date thereof or would result therefrom.

(E) Restricted Payments. Neither the Borrower nor any of its Subsidiaries shall declare or make any Restricted Payments, except:

(i) where the consideration therefore consists solely of Equity Interests (but excluding Disqualified Stock) of the Borrower or its Subsidiaries provided no Change of Control would occur as a result thereof;

(ii) Restricted Payments by a Subsidiary to the Borrower or to the Non Dealership Subsidiary Company that is a parent of such Subsidiary;

(iii) annual management fees to Borrower or its Affiliates in an aggregate amount not in excess of \$1,000,000.00 in any fiscal year;

(iv) so long as no Event of Default or Unmatured Default has occurred and is continuing, Borrower may redeem or repurchase any Equity Interests of the Borrower and/or options to purchase Equity Interest of the Borrower held by the directors, executive officers, members of management or employees of the Borrower or any of its subsidiaries upon the death or termination of such directors, executive, officer, member or management or employee.

(F) Conduct of Business; Subsidiaries; Acquisitions. (i) Neither the Borrower nor any of its Subsidiaries shall engage in any business other than the businesses engaged in by the Borrower and such Subsidiaries on the date hereof and any business or activities which are substantially similar, related or incidental thereto.

(ii) The Borrower may create, acquire and/or capitalize any Subsidiary (a "New Subsidiary") after the date hereof pursuant to any transaction that is permitted by or not otherwise prohibited by this Agreement; provided that upon the creation or acquisition of each New Subsidiary, the requirements set forth in Section 5.2(L) hereof shall have been satisfied and all New Subsidiaries that are Material Subsidiaries shall be Controlled Subsidiaries. Only those Subsidiaries (i) listed on Schedule 5.3 (F) hereto, or (ii) operating under a Restricted Franchise Agreement may have any Equity Interests issued to a Minority Holder, and, in the case of those entities operating under a Restricted Franchise Agreement, only to the extent required by such Restricted Franchise Agreement.

(iii) The Borrower shall not make any Acquisitions, other than Acquisitions meeting the following requirements (each such Acquisition constituting a "Permitted Acquisition"):

(a) no Event of Default or Unmatured Default shall have occurred and be continuing or would result from such Acquisition or the incurrence of any Indebtedness in connection therewith;

(b) in the case of an Acquisition of Equity Interests of an entity, such Acquisition shall be of one hundred percent (100%) of the Equity Interests of such entity or if so restricted by such entity's franchise agreement (a "Restricted Franchise Agreement"), such Acquisition shall be of at least eighty percent (80%) of the Equity

Interests of such entity, provided, however, that the Borrower shall use reasonable efforts to cause such Equity Interests of Minority Holders to be pledged directly to the Agent, for the benefit of the Lenders, simultaneously with such Acquisition;

(c) the business or businesses being acquired shall be substantially similar, related or incidental to the businesses or activities engaged in by the Borrower and its Subsidiaries on the date hereof;

(d) within thirty (30) days prior to the anticipated closing date of a contemplated Acquisition, the Borrower shall deliver to the Agent a certificate from one of the Authorized Officers, demonstrating to the reasonable satisfaction of the Agent that after giving effect to such Acquisition and the incurrence of any Indebtedness hereunder and in connection herewith, on a pro forma basis (both historically and on a projected basis), as if the Acquisition and such incurrence of Indebtedness had occurred on the first day of the twelve-month period ending on the last day of the Borrower's most recently completed fiscal quarter, the Borrower would have been in compliance with all of the covenants contained in this Agreement, including, without limitation, the financial covenants set forth in Section 5.4;

(e) after giving effect to such Acquisition, the representations and warranties set forth in Article IV hereof shall be true and correct in all material respects on and as of the date of such Acquisition with the same effect as though made on and as of such date;

(f) the Borrower shall have obtained (and shall have based the calculations set forth above on) historical audited financial statements for the target and/or reviewed unaudited financial statements (in each case to the extent available) for the target for a period of not less than (A) two (2) years for Acquisitions in excess of \$30,000,000.00 and (B) one (1) year for Acquisitions in excess of \$2,000,000.00, together with tax returns for the one year prior to such year, in each case obtained from the seller or provided by independent certified public accountants retained for the purposes of such Acquisition, broken down by fiscal quarter in the Borrower's reasonable judgment, copies of which shall be provided to the Agent;

(g) the Borrower shall have obtained either (i) a new franchise agreement between the Dealership and the manufacturer on substantially the same terms as the franchise agreement entered into between the manufacturer and the entity to be acquired in such Permitted Acquisition or (ii) any consent required from a manufacturer for the continued enforceability and validity of such franchise agreement after the completion of a Permitted Acquisition shall have been obtained; and

(h) all material consents from applicable Governmental Authorities, and all other material consents necessary to permit, the Acquisitions shall have been obtained.

(G) Transactions with Shareholders and Affiliates. Neither the Borrower nor any Subsidiary shall directly or indirectly enter into or permit to exist any transaction (including, without limitation, the purchase, sale, lease or exchange of any property or the rendering of any service) with any holder or holders of any of the Equity Interests of the Borrower, or with any Affiliate of the Borrower which is not a Guarantor, on terms that are less favorable to the Borrower or any of its Subsidiaries, as applicable, than those that might be

obtained in an arm's length transaction at the time from Persons who are not such a holder or Affiliate, except that employment agreements from time to time with senior management of Borrower and its Subsidiaries for services rendered shall be permitted, and (ii) the Shareholders Agreement dated March 1, 2002, among Asbury Automotive Group, Inc., Asbury Automotive Group L.L.C., a Delaware limited Liability company, and other stockholders listed on signature pages thereto, and any amendments thereto shall be permitted.

(H) Restriction on Fundamental Changes. Neither the Borrower nor any of its Subsidiaries shall enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, all or substantially all of the Borrower's or any such Subsidiary's business or property, whether now or hereafter acquired, except (i) transactions permitted under Sections 5.3(B) or 5.3(G), (ii) the merger of a Transaction Party (other than the Borrower) and a Person acquired in connection with a Permitted Acquisition; (iii) the merger of a wholly-owned Transaction Party with and into the Borrower; (iv) the merger of a Transaction Party (other than the Borrower) with another Transaction Party; and (v) the conveyance, lease, sale, transfer or other disposition of any or all of the assets of a Subsidiary (upon voluntary liquidation or otherwise) to the Borrower or any Guarantor; provided, however, (x) with respect to any such permitted mergers involving any Guarantor, the surviving corporation in the merger shall also be or become a Guarantor; and (y) after the consummation of any such transaction, the Borrower shall be in compliance with the provisions of Sections 5.2(L) and 5.3(E).

(I) Sales and Leasebacks

(i) Except for REIT Transactions, neither the Borrower nor any of its Subsidiaries shall become liable, directly, by assumption or by Contingent Obligation, with respect to any lease, whether an operating lease or a Capitalized Lease, of any property (whether real or personal or mixed) (i) which it or one of its Subsidiaries sold or transferred or is to sell or transfer to any other Person, or (ii) which it or one of its Subsidiaries intends to use for substantially the same purposes as any other property which has been or is to be sold or transferred by it or one of its Subsidiaries to any other Person in connection with such lease.

(ii) The Borrower and Subsidiaries may engage in transactions involving (a)(1) the sale of real property and any fixtures and improvements thereon owned by Borrower or Subsidiary to the REIT or (2) the assignment or other transfer by the Borrower or Subsidiary to the REIT of the right to acquire real property and any fixtures and improvements thereon and (b) the lease from the REIT by the Borrower or Subsidiary of such real property and any improvements and fixtures thereon from the REIT ((a) and (b) individually and collectively "REIT Transaction"). No consent from the Lenders, shall, notwithstanding any provisions to the contrary, be required for (I) any REIT Transaction by the Borrower or any Subsidiary or (II) the execution and delivery by Borrower or any Subsidiary or both of a guaranty of the lease payment obligation of Borrower or any Subsidiary in any REIT Transaction. The lease payment obligations under any such guaranty shall be in addition to any Indebtedness permitted hereunder.

(J) Margin Regulations. Neither the Borrower nor any of its Subsidiaries, shall use all or any portion of the proceeds of any credit extended under this Agreement to purchase or carry Margin Stock.

(K) ERISA. The Borrower shall not

(i) engage, or permit any of its Subsidiaries to engage, in any prohibited transaction described in Sections 406 of ERISA or 4975 of the Code for which a statutory or class exemption is not available or a private exemption has not been previously obtained from the DOL;

(ii) permit to exist any accumulated funding deficiency (as defined in Sections 302 of ERISA and 412 of the Code), with respect to any Benefit Plan, whether or not waived;

(iii) fail, or permit any Controlled Group member to fail, to pay timely required contributions or annual installments due with respect to any waived funding deficiency to any Benefit Plan;

(iv) terminate, or permit any Controlled Group member to terminate, any Benefit Plan which would result in any liability of the Borrower or any Controlled Group member under Title IV of ERISA;

(v) fail to make any contribution or payment to any Multiemployer Plan which the Borrower or any Controlled Group member may be required to make under any agreement relating to such Multiemployer Plan, or any law pertaining thereto;

(vi) fail, or permit any Controlled Group member to fail, to pay any required installment or any other payment required under Section 412 of the Code on or before the due date for such installment or other payment; or

(vii) amend, or permit any Controlled Group member to amend, a Plan resulting in an increase in current liability for the plan year such that the Borrower or any Controlled Group member is required to provide security to such Plan under Section 401(a)(29) of the Code,

except where such transactions, events, circumstances, or failures will not have or is not reasonably likely to subject the Borrower and its Subsidiaries to liability individually or in the aggregate in excess of \$250,000.00.

(L) Issuance of Equity Interests. None of the Borrower's Subsidiaries shall issue any Equity Interests other than to the Borrower or if required by the applicable manufacturer in connection with a Restricted Franchise Agreement or the state motor vehicle dealer licensing authority, to Minority Holders whose Equity Interests (i) do not exceed 20% of the Equity Interests of such Subsidiary and (ii) have been pledged to the Lenders; provided, however, that no such issuance of Equity Interests shall be permitted hereunder unless the Subsidiary to which such issuance pertains operates only under a Restricted Franchise Agreement.

(M) Corporate Documents; Franchise Agreements. Neither the Borrower nor any of its Subsidiaries shall amend, modify or otherwise change any of the terms or provisions in any of their respective constituent documents as in effect on the date hereof in any manner adverse in any material respect to the interests of any Lender without the prior written consent of such Lender. The Borrower shall not permit any Dealership to amend, modify or otherwise change any of the terms or provisions of such Dealership's franchise agreement in any manner

adverse in any material respect to the interests of any Lender without the prior written consent of such Lender. It is understood and agreed that should any manufacturer require the Borrower or any of its Subsidiaries to amend, modify or otherwise change any of the foregoing documents, except to the extent that any such amendment, modification or change may result in a Material Adverse Effect, it shall not result in a breach of this Section 5.3 (M).

(N) Fiscal Year. Except as may be required by law, neither the Borrower nor any of its consolidated Subsidiaries shall change its fiscal year for accounting or tax purposes from a period consisting of the 12-month period ending on December 31 of each calendar year.

(O) Subsidiary Covenants. The Borrower will not, and will not permit any Subsidiary to, create or otherwise cause to become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary to pay dividends or make any other distribution on its stock, or make any other Restricted Payment, pay any Indebtedness or other Obligation owed to the Borrower or any other Subsidiary, make loans or advances or other Investments in the Borrower or any other Subsidiary, or sell, transfer or otherwise convey any of its property to the Borrower or any other Subsidiary.

(P) Hedging Obligations. The Borrower shall not and shall not permit any of its Subsidiaries to enter into any Hedging Obligations, other than interest rate, foreign currency or commodity exchange, swap, collar, cap or similar agreements entered into by the Borrower or a Subsidiary pursuant to which the Borrower or such Subsidiary has hedged its actual interest rate, foreign currency or commodity exposure.

5.4 Financial Covenants. The Borrower shall comply with the following:

(A) Current Ratio. The Borrower shall not permit the ratio (the "Current Ratio") of Current Assets of the Asbury Group on a consolidated basis to Current Liabilities of the Asbury Group on a consolidated basis to be less than 1.20 : 1. In each case, the Current Ratio shall be determined as of the last day of each fiscal quarter.

(B) Fixed Charge Coverage Ratio. The Borrower shall maintain a ratio ("Fixed Charge Coverage Ratio") of (i) EBITDAR less Capital Expenditures (to the extent no Indebtedness was incurred to finance such Capital Expenditures), to (ii) the sum of (a) Interest Expense plus (b) scheduled amortization of the principal portion of all Indebtedness for money borrowed plus (c) Rentals plus (d) taxes paid in cash during such period of the Borrower and its consolidated Subsidiaries of at least 1.20 : 1 for each fiscal quarter ending from and after the Effective Date. In each case the Fixed Charge Coverage Ratio shall be determined as of the last day of each fiscal quarter for the four-quarter period ending on such day.

(C) Total Adjusted Debt to EBITDA Ratio. The Borrower shall not permit the ratio (the "Adjusted Leverage Ratio") of (i) Total Adjusted Debt of the Borrower and its consolidated Subsidiaries to (ii) EBITDA of the Borrower and its consolidated Subsidiaries, to be greater than 4.40 : 1. The Adjusted Leverage Ratio shall be calculated, in each case, determined as of the last day of each fiscal quarter based upon (a) for Total Adjusted Debt, Total Adjusted Debt as of the last day of each such fiscal quarter; and (b) for EBITDA, EBITDA for the twelve-month period ending on such day calculated as set forth in the definition thereof.

All financial covenants set forth in this Section 5.4 shall be calculated by the Agent based on the calculations set forth in and the financial statements attached to Officer's Certificates delivered hereunder and shall be

binding on the Borrower for all purposes of this Agreement absent manifest error.

ARTICLE VI: EVENTS OF DEFAULTS

6.1 Events of Defaults. Each of the following occurrences shall constitute an Event of Default under this Agreement:

(a) Failure to Make Payments When Due. The Borrower or any Loan Party shall (i) fail to pay when due any of the Obligations consisting of principal with respect to the Advances or (ii) fail to pay within ten (10) days of the date when due any of the other Obligations under the Loan Documents.

(b) Breach of Certain Covenants. The Borrower shall fail duly and punctually to perform or observe any agreement, covenant or obligation binding on the Borrower under Sections 5.2(F), 5.2(K), 5.3 or 5.4.

(c) Breach of Representation or Warranty. Any representation or warranty made or deemed made by any Loan Party in any Loan Documents or in any written statement or certificate at any time given by any such Person pursuant to any Loan Document shall be false or misleading in any material respect on the date as of which made (or deemed made).

(d) Other Defaults. The Borrower shall default in the performance of or compliance with any term contained in this Agreement (other than as covered by paragraphs (a), (b) or (c) of this Section 6.1), or any Loan Party shall default in the performance of or compliance with any term contained in any of the other Loan Documents, and, in either case, such default shall continue for thirty (30) days after the occurrence thereof.

(e) Default as to Other Indebtedness. Any Loan Party shall fail to make any payment when due, after giving effect to any applicable grace periods, (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) with respect to any Indebtedness (other than Indebtedness constituting the deferred portion of the purchase price of an asset which is subject to a good faith dispute, which, together with all such other outstanding disputed Indebtedness, is not in excess of \$500,000.00 and which is being contested by any Loan Party, and provided that the Loan Party has set aside adequate reserves covering such disputed Indebtedness) the aggregate outstanding principal amount of which Indebtedness is in excess of \$500,000.00; or any breach, default or event of default shall occur, or any other condition shall exist under any instrument, agreement or indenture pertaining to any such Indebtedness, if the effect thereof is to cause an acceleration, mandatory redemption, a requirement that the Loan Party offer to purchase such Indebtedness or other required repurchase of such Indebtedness, or permit the holder(s) of such Indebtedness to accelerate the maturity of any such Indebtedness or require a redemption or other repurchase of such Indebtedness; or any such Indebtedness shall be otherwise declared to be due and payable (by acceleration or otherwise) or required to be prepaid, redeemed or otherwise repurchased by any Loan Party (other than by a regularly scheduled required prepayment) prior to the stated maturity thereof.

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc.

(i) An involuntary case shall be commenced against any Transaction Party and the petition shall not be dismissed, stayed, bonded or discharged within sixty (60) days after commencement of the

case; or a court having jurisdiction in the premises shall enter a decree or order for relief in respect of any Transaction Party in an involuntary case, under any applicable bankruptcy, insolvency or other similar law now or hereinafter in effect; or any other similar relief shall be granted under any applicable federal, state, local or foreign law.

(ii) (A) A decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over any Transaction Party or over all or a substantial part of the property of any Transaction Party shall be entered; (B) or an interim receiver, trustee or other custodian of any Transaction Party or of all or a substantial part of the property of any Transaction Party shall be appointed or (C) a warrant of attachment, execution or similar process against any substantial part of the property of any Transaction Party shall be issued and any such event described in subsection (A), (B), or (C) of this paragraph shall not be stayed, dismissed, bonded or discharged within sixty (60) days after entry, appointment or issuance.

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. Any Transaction Party shall (i) commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, (ii) consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, (iii) consent to the appointment of or taking possession by a receiver, trustee or other similar custodian for the benefit of creditors for all or a substantial part of its property, (iv) make any assignment for the benefit of creditors or (v) take any corporate action to authorize any of the foregoing.

(h) Judgments and Attachments. Any money judgment(s) (other than a money judgment covered by insurance as to which the insurance company has not disclaimed coverage or if it has reserved the right to disclaim coverage, such letter reserving the right to disclaim coverage is outstanding twelve months after such money judgment was rendered), writ or warrant of attachment, or similar process against any Transaction Party or any of their respective assets involving in any single case or in the aggregate an amount in excess of \$500,000.00 is or are entered and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days or in any event later than fifteen (15) days prior to the date of any proposed sale thereunder.

(i) Dissolution. Any order, judgment or decree shall be entered against any Transaction Party decreeing its involuntary dissolution or split up and such order shall remain undischarged and unstayed for a period in excess of sixty (60) days; or any Transaction Party shall otherwise dissolve or cease to exist except as specifically permitted by this Agreement or with the consent of the Required Lenders.

(j) Loan Documents; Failure of. At any time, for any reason, (i) any provision of any Loan Document ceases to be valid and binding on or enforceable against any Loan Party or any Loan Party seeks to repudiate its obligations thereunder or the Liens intended to be created thereby are, or any Transaction Party seeks to render such Liens, invalid or unperfected, or (ii) any Lien on Collateral in favor of the Agent (for the benefit of the Lenders) contemplated by the Loan Documents shall, at any time, for any reason, be invalidated or otherwise cease to be perfected or in full force and effect or such Lien shall not have the priority contemplated by this Agreement or the Loan Documents and such failure shall continue for three (3) days after the occurrence thereof.

(k) Termination Event. Any Termination Event occurs which is reasonably likely to subject the Borrower or any of its Subsidiaries to liability individually or in the aggregate in excess of \$250,000.00, and such Termination Event shall continue for three (3) days after the occurrence thereof, provided however, if such Termination Event is a Reportable Event, then prior to such Termination Event causing an Event of Default under this Section 6.1(k), such Termination Event shall continue for ten (10) days after the occurrence thereof.

(l) Waiver of Minimum Funding Standard. If the plan administrator of any Plan applies under Section 412(d) of the Code for a waiver of the minimum funding standards of Section 412(a) of the Code and the Lenders believe the substantial business hardship upon which the application for the waiver is based could reasonably be expected to subject either the Borrower or any Controlled Group member to liability individually or in the aggregate in excess of \$250,000.00.

(m) Change of Control. A Change of Control shall occur.

(n) Material Adverse Effect. In the reasonable determination of the Required Lenders, a Material Adverse Effect shall occur.

An Event of Default shall be deemed "continuing" until cured or until waived in writing.

6.2. Remedies Upon Default. (A) Termination of Commitments; Acceleration. If any Event of Default described in Section 6.1(f) or 6.1(g) occurs, the obligations of any Lender to make Advances hereunder shall automatically terminate and the Obligations shall immediately become due and payable without any election or action on the part of any Lender. If any other Event of Default occurs, the Agent may, with the consent of the Required Lenders, and shall at the request of the Required Lenders (i) declare the obligations of the Lenders to make Advances hereunder to be terminated, whereupon the same shall be terminated and (ii) declare the Obligations to be due and payable whereupon, after written notice to the Borrower, the Obligations shall become immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which the Borrower expressly waives.

(B) Preservation of Rights. No delay or omission of any Lender or the Agent to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Event of Default or an acquiescence therein, and the making of an Advance notwithstanding the existence of an Event of Default or the inability of the Borrower to satisfy the conditions precedent to such Advance shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Required Lenders, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to any Lender until the Obligations have been paid in full.

ARTICLE VII: THE AGENT

7.1 Authorization and Action. (a) Each Lender hereby appoints and authorizes the Agent to take such action as Agent on its own behalf and to exercise such powers and discretion under this Agreement and the other Loan

Documents as are delegated to the Agent by the terms hereof and thereof, together with such powers and discretion as are reasonably incidental thereto. As to any matters not expressly provided for by the Loan Documents (including, without limitation, enforcement or collection of the Notes), the Agent shall be required to exercise only such discretion or take only such action as is: (a) in accordance with the manner in which the Agent acts or refrains from acting (and shall be fully protected in so acting or refraining from acting, except with respect to Agent's gross negligence or willful misconduct) in connection with matters in which it is the sole lender, and (b) jointly agreed upon by the Agent and the Lenders, or the Required Lenders, as the case may be, in writing (such agreement will be binding upon each Lender and all holders of the Notes); provided, however, that the Agent shall not be required to take any action that exposes it to personal liability or that is contrary to this Agreement or applicable law.

(b) For so long as Ford Credit is acting as the Agent hereunder, each Lender agrees that Ford Credit may unilaterally grant requests for and waivers of, the following matters only, provided, however, that Ford Credit must notify each Lender prior to issuing such consents or waivers to Borrower:

(1) any Event of Default (as set forth in Article VI hereof) which by its nature can be cured, and which based upon the representation of Borrower (which Ford Credit believes in good faith) will be cured, within ninety (90) days from the date upon which Ford Credit will have learned of the occurrence of such Event of Default. With respect to any Event of Default which, by its nature, cannot be cured within ninety (90) days from the date upon which Ford Credit will have learned of the occurrence of such Event of Default, Ford Credit may not respond unilaterally to any request made by Borrower. If any such Event of Default is not cured within such ninety (90) day period, Ford Credit may not take any further action unilaterally;

(2) noncompliance with any covenant or obligation binding on the Borrower, provided Borrower has represented to Ford Credit (and Ford Credit in good faith believes) that the condition causing such noncompliance will last for no more than ninety (90) days. If any such condition causing noncompliance lasts more than ninety (90) days, Ford Credit may not take any further action unilaterally.

Nothing contained in this Section 7.1 (b) may be construed to obligate either Ford Credit or a Lender to grant any such consents or forbear from exercising any of its rights with respect to any Event of Default or non-compliance which may occur from time to time. The rights and powers set forth in this Section 7.1 (b) apply only to Ford Credit acting as Agent and are not intended to benefit any Successor Agent.

(c) The Agent will provide to each Lender the following:

(1) copies of all reports, certificates and notices furnished by Borrower to the Agent pursuant to the Loan Documents (to the extent such reports and parties were not furnished directly to any Lender), within 5 Business Days after the Agent's receipt thereof;

(2) reports of all calculations made by the Agent pursuant to Section 5.4 hereof, within 5 Business Days after the Agent will have made such calculations; and

(3) copies of all documents delivered to the Agent by Borrower pursuant to Sections 5.2 (L), 5.2 (O) and 5.3 (F) hereof, within 5 Business Days after the Agent's receipt thereof.

(d) The Agent will make reasonable efforts to schedule informational meetings with the Borrower. Any such meeting will be attended by a representative of Agent (deemed appropriate by Agent in its discretion) and the chief executive officer and chief financial officer of Borrower, and which may be attended by the Lenders. The Agent will schedule such meetings (1) no more frequently than twice per year (unless there is an Unmatured Default or an Event of Default, in which case such meetings may be called more frequently), (2) with prior written notice to Borrower and the Lenders, which such notice will be given by March 1 of each year for any meeting called before the end of the second calendar quarter of such year, and by September 1 of each year for any meeting called before the end of the fourth calendar quarter of such year, and (3) to be conducted at a reasonable time and at a reasonable location.

7.2 Agent's Reliance, Etc. Neither the Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with the Loan Documents, except for its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Agent: (a) may treat the payee of the Note as the holder thereof until it receives written notice of the assignment thereof signed by such payee and including the agreement of the assignee to be bound thereby as it would have been if it had been an original party to this Agreement, in form satisfactory to the Agent, as provided for in Section 9.3; (b) may consult with legal counsel (including counsel for any Lender), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (c) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with the Loan Documents; (d) shall not, other than as specifically set forth in the Loan Documents, have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of any Loan Document on the part of any party to any of the Loan Documents or to inspect the property of any party to any of the Loan Documents; (e) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, any Loan Document or any other instrument or document furnished pursuant thereto; and (f) shall incur no liability under or in respect of any Loan Document by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, telecopy or telex) reasonably believed by it to be genuine and signed or sent by the proper party or parties.

7.3 Agent and Affiliates. With respect to its Commitments, the Advances made by it and the Notes issued to it, the Agent shall have the same rights and powers under the Loan Documents as any other Lender and may exercise the same as though it were not an agent.

7.4 Lender Credit Decision. Each Lender acknowledges that (i) it has, independently and without reliance upon the Agent and based on the financial statements referred to in Section 4.4 and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Loan Documents, (ii) it will, independently and without reliance upon the Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit

decisions in taking or not taking action under this Agreement, and (iii) there is no fiduciary relationship between the Agent and the Lenders.

7.5 Indemnification. (a) Each Lender agrees to indemnify the Agent and its directors, officers, agents and employees (to the extent not promptly reimbursed by the Borrower) from and against each Lender's Ratable Share (determined as provided below) of any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of the Loan Documents or any action taken or omitted by the Agent under the Loan Documents (collectively, the "Indemnified Costs"); provided, however, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or willful misconduct as found in a final, non-appealable judgment by a court of competent jurisdiction. Without limiting the foregoing, each Lender agrees to reimburse Agent promptly upon demand for its Ratable Share of any costs and expenses (including, without limitation, fees and expenses of counsel) payable by the Borrower under Section 8.7 (A) , to the extent that the Agent is not promptly reimbursed for such costs and expenses by the Borrower. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 7.5 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person.

(b) For purposes of this Section 7.5, each Lender's Ratable Share of any amount shall be determined, at any time, according to the aggregate principal amount of the Advances outstanding at such time and owing to the respective Lender plus such Lender's Unused Commitment. Without prejudice to the survival of any other agreement of any Lender hereunder, the agreement and obligations of the Lenders contained in this Section 7.5 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the other Loan Documents.

7.6 Successor Agents. The Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower, which resignation will become effective at such times as more specifically set forth in this Section 7.6. Upon any such resignation, the Required Lenders shall have the right to appoint a successor agent, provided, however, that any such appointment of a successor agent must have been consented to in writing by Borrower, which consent shall not be unreasonably withheld or delayed, unless an Event of Default shall have occurred and be continuing, in which case no consent of Borrower shall be required. If no successor agent shall have been so appointed by the Lenders, and shall have accepted such appointment, within 30 days after the Agent's giving of notice of resignation, then the Agent may, on behalf of the Lenders, appoint a successor agent (from among the Lenders), which shall be a commercial bank or finance company organized under the laws of the United States or of any State thereof and having a combined capital and surplus of at least \$250,000,000 (any successor agent appointed under this Section 7.6 is referred to herein as a "Successor Agent"). Upon the acceptance of any appointment as the Agent hereunder by a Successor Agent, such Successor Agent shall succeed to and become vested with such rights, powers, discretion, privileges and duties of the Agent in its capacity as agent, and Agent shall be discharged from such duties and obligations as the Agent under the Loan Documents. If within 45 days after written notice is given of the retiring the Agent's resignation under this Section 7.6 no Successor Agent shall have been appointed and shall have accepted such appointment, then on such 45th day (a) the Agent's resignation shall become effective, (b) Agent shall thereupon be discharged from such agency duties and obligations under the Loan Documents and

as identified in its notice of resignation and (c) the Lenders shall thereafter perform all duties of the Agent under the Loan Documents until such time, if any, as the Lenders appoint a Successor Agent as provided above. After the Agent's resignation hereunder as agent shall have become effective, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was acting in its capacity as agent under this Agreement.

ARTICLE VIII: GENERAL PROVISIONS

8.1 Amendments. Other than as specifically set forth in Section 7.1 of this Agreement, no amendment or waiver of any provision of this Agreement or the Notes or any other Loan Document, nor consent to any departure, therefrom by any Transaction Party thereto shall in any event be effective unless the same shall be in writing and signed (or, in the case of the Collateral Documents, consented to) by the Required Lenders and each Transaction Party party to the relevant Loan Document or Asbury Everest, as the case may be, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (a) no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders (other than any Lender that is, at such time, a Defaulting Lender), do any of the following at any time: (i) waive any of the conditions specified in Section 3.1, (ii) change the Ratable Share of any Lender, the number of Lenders or the percentage of (x) the Commitments or (y) the aggregate unpaid principal amount of the Advances that, in each case, shall be required for the Lenders or any of them to take any action hereunder, (iii) amend the terms of any Guarantor's Guaranty in a manner that -reduces or limits the payment obligations of any Guarantor or otherwise limits such Guarantor's liability with respect to payment of the Obligations owing to the Agent and the Lenders, (iv) release a material portion of the Collateral in any transaction or series of related transactions except to the extent permitted under the Loan Documents, (v) amend this Section 8.1, (vi) increase the Commitments of the Lenders other than in accordance with terms of the Loan Documents, (vii) reduce the principal of, or interest on, the Notes or any fees or other amounts scheduled to be payable hereunder, (viii) postpone any date scheduled for any payment of principal of, or interest on, the Notes or any date fixed for payment of fees or other amounts payable hereunder, and (b) no amendment, waiver or consent shall, unless in writing and signed by the Agent, affect the rights or duties of the Agent under this Agreement or the other Loan Documents.

8.2 Survival of Representations. All representations and warranties of the Borrower contained in the Loan Documents shall survive delivery of the Notes and the making of the Advances herein contemplated.

8.3 Governmental Regulation. Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to the Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

8.4 Performance of Obligations. The Borrower agrees that the Agent may, at the direction of the Required Lenders, but shall have no obligation to (i) at any time, pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against any Collateral, unless such claims are being contested in good faith by the Borrower and the Borrower has set aside adequate reserves covering such tax, lien, security interest or other encumbrance and no Event of Default has occurred and is outstanding and (ii) after the occurrence and during the continuance of an Event of Default,

make any payment or perform any act required of any Loan Party under any Loan Document or take any other action which the Required Lenders, in their reasonable discretion, deem necessary or desirable to protect or preserve the Collateral, including, without limitation, any action to (y) effect any repairs or obtain any insurance called for by the terms of any of the Loan Documents and to pay all or any part of the premiums therefore and the costs thereof and (z) pay any rents payable by any Loan Party which are more than 30 days past due, or as to which the landlord has given notice of termination, under any lease. The Agent shall use its reasonable efforts to give the Borrower notice of any action taken under this Section 8.4 prior to the taking of such action or promptly thereafter provided the failure to give such notice shall not affect the Borrower's obligations in respect thereof. The Borrower agrees to pay the Agent (for the benefit of the Lenders), upon demand, the principal amount of all funds advanced by each Lender under this Section 8.4, together with interest thereon at the rate from time to time applicable to Advances from the date of such advance until the outstanding principal balance thereof is paid in full. All outstanding principal of, and interest on, advances made under this Section 8.4 shall constitute Obligations for purposes hereof.

8.5 Headings. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

8.6 Entire Agreement. The Loan Documents embody the entire agreement and understanding among the Loan Parties and Asbury Everest and the Lenders with respect to matters covered by the Loan Documents, and the Loan Documents delivered on the Effective Date supersede all such prior agreements and understandings among the Borrower and Lenders relating to the subject matter thereof.

8.7 Expenses; Indemnification.

(A) Expenses. The Borrower shall reimburse the Agent and each Lender for any reasonable costs, internal charges and out-of-pocket expenses (including reasonable attorneys' and paralegals' fees and time charges of attorneys and paralegals for the Agent or any Lender, which attorneys and paralegals may be employees of the Agent or any Lender) paid or incurred by the Agent or any Lender in connection with the preparation, negotiation, execution, delivery, review, amendment, modification, and administration of the Loan Documents. The Borrower also agrees to reimburse the Agent and each Lender for any reasonable costs, and out-of-pocket expenses (including attorneys' and paralegals' fees and time charges of attorneys and paralegals for the Agent and each Lender, which attorneys and paralegals may be employees of the Agent or any Lender) paid or incurred by the Agent or any Lender in connection with the collection of the Obligations and enforcement of the Loan Documents. In addition to expenses set forth above, the Borrower agrees to reimburse the Agent and each Lender, promptly after the Agent's or any Lender's request therefor, for each audit or other business analysis performed by it in connection with this Agreement or the other Loan Documents at a time when an Unmatured Default or Event of Default exists in an amount equal to the Agent's or a Lender's then reasonable and customary charges for each person employed to perform such audit or analysis, plus all costs and expenses (including without limitation, travel expenses) incurred by the Agent or a Lender in the performance of such audit or analysis. The Agent or the Lender shall provide the Borrower with a detailed statement of all reimbursements requested under this Section 8.7(A).

(B) Indemnity. The Borrower further agrees to defend, protect, indemnify, and hold harmless the Agent, each Lender and each of its respective Affiliates, and each of the Agent's, Lender's, or Affiliate's respective officers, directors, employees, attorneys and agents (including, without limitation, those retained in connection with the satisfaction or attempted satisfaction of any of the conditions set forth in Article III) (collectively, the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses of any kind or nature whatsoever (including, without limitation, the fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees in any manner relating to or arising out of:

(i) this Agreement, the other Loan Documents or any of the Transaction Documents, or any act, event or transaction related or attendant thereto, the making of the Advances, hereunder, the management of such Advances, the use or intended use of the proceeds of the Advances hereunder, or any of the other transactions contemplated by the Transaction Documents;

(ii) any liabilities, obligations, responsibilities, losses, damages, personal injury, death, punitive damages, economic damages, consequential damages, treble damages, intentional, willful or wanton injury, damage or threat to the environment, natural resources or public health or welfare, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation, feasibility or remedial action studies), fines, penalties and monetary sanctions, interest, direct or indirect, known or unknown, absolute or contingent, past, present or future relating to violation of any Environmental, Health or Safety Requirements of Law arising from or in connection with the past, present or future operations of the Borrower, its Subsidiaries, its Affiliates, or any of their respective predecessors in interest, or, the past, present or future environmental, health or safety condition of any respective property of the Borrower, its Subsidiaries or its Affiliates, the presence of asbestos-containing materials at any respective property of the Borrower, its Subsidiaries or its Affiliates or the Release or threatened Release of any Contaminant into the environment (collectively, the "Indemnified Matters");

provided, however, the Borrower shall have no obligation to an Indemnitee hereunder with respect to Indemnified Matters caused by or resulting from the willful misconduct or gross negligence of such Indemnitee as determined by the final non-appealed judgment of a court of competent jurisdiction. If the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees. It is understood and agreed that, to the extent not precluded by a conflict of interest, each Indemnitee shall endeavor to work cooperatively with the Borrower with a view toward minimizing the legal and other expenses associated with any defense and any potential settlement or judgment. Settlement of any claim or litigation involving any material indemnified amount will require the approval of the Borrower (which may not be unreasonably withheld).

(C) Waiver of Certain Claims; Settlement of Claims. The Borrower further agrees to assert no claim against any of the Indemnitees on any theory of liability for consequential, special, indirect, exemplary or punitive damages. No settlement shall be entered into by the Borrower or any if its

Subsidiaries with respect to any claim, litigation, arbitration or other proceeding relating to or arising out of the transactions evidenced by this Agreement, the other Loan Documents (whether or not any Lender or any Indemnitee is a party thereto) unless such settlement releases all Indemnitees from any and all liability with respect thereto.

(D) Survival of Agreements. The obligations and agreements of the Borrower under this Section 8.7 shall survive the termination of this Agreement.

8.8 Accounting. Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with Agreement Accounting Principles.

8.9 Severability of Provisions. Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable.

8.10 Nonliability of Lender. The relationship between the Borrower and each Lender shall be solely that of borrower and lender. No Lender shall have fiduciary responsibilities to any Loan Party and no Lender takes any responsibility to any Loan Party to review or inform any Loan Party of any matter in connection with any phase of any Loan Party's business or operations.

8.11 GOVERNING LAW. ANY DISPUTE BETWEEN THE BORROWER AND A LENDER, OR ANY INDEMNITEE ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH, THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH THE INTERNAL LAWS (WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS) OF THE STATE OF NEW YORK.

8.12 CONSENT TO JURISDICTION; SERVICE OF PROCESS; JURY TRIAL. (A) NON EXCLUSIVE JURISDICTION. EXCEPT AS PROVIDED IN SUBSECTION (B), EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY NEW YORK STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN NEW YORK CITY, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH, THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT ANY PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING

RELATING TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS IN THE COURTS OF ANY JURISDICTION. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY IN ANY NEW YORK STATE OR FEDERAL COURT. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(B) OTHER JURISDICTIONS. THE BORROWER AGREES THAT ANY LENDER OR ANY INDEMNITEE SHALL HAVE THE RIGHT TO PROCEED AGAINST THE BORROWER OR ITS PROPERTY IN A COURT IN ANY LOCATION TO ENABLE SUCH PERSON TO (1) OBTAIN PERSONAL JURISDICTION OVER THE BORROWER OR (2) REALIZE ON THE COLLATERAL OR ANY OTHER SECURITY FOR THE OBLIGATIONS OR ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF SUCH PERSON THE BORROWER WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH SUCH PERSON HAS COMMENCED A PROCEEDING DESCRIBED IN THIS SUBSECTION (B).

(C) SERVICE OF PROCESS. THE BORROWER WAIVES PERSONAL SERVICE OF ANY PROCESS UPON IT AND IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY WRITS, PROCESS OR SUMMONSES IN ANY SUIT, ACTION OR PROCEEDING BY THE MAILING THEREOF BY AGENT BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE BORROWER ADDRESSED AS PROVIDED HEREIN. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF AGENT TO SERVE ANY SUCH WRITS, PROCESS OR SUMMONSES IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW. THE BORROWER IRREVOCABLY WAIVES ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith IN ANY JURISDICTION SET FORTH ABOVE.

(D) APPOINTMENT OF AGENT FOR SERVICE OF PROCESS. THE BORROWER AND THE LENDERS AGREE THAT PROCESS SERVED EITHER PERSONALLY OR BY REGISTERED MAIL, RETURN RECEIPT REQUESTED, SHALL, TO THE EXTENT PERMITTED BY LAW, CONSTITUTE ADEQUATE SERVICE OF PROCESS IN ANY SUCH PROCEEDING. THE BORROWER HEREBY APPOINTS, IN THE CASE OF ANY SUCH ACTION OR PROCEEDING BROUGHT IN THE COURTS OF OR IN THE STATE OF NEW YORK, CT CORPORATION SYSTEM, WITH OFFICES ON THE DATE HEREOF AT 111 EIGHTH AVENUE, NEW YORK, NEW YORK 10011, TO RECEIVE, FOR IT AND ON ITS BEHALF, SERVICE OF PROCESS IN THE STATE OF NEW YORK WITH RESPECT THERETO, PROVIDED THAT THE BORROWER MAY APPOINT ANY OTHER PERSON WITH OFFICES IN THE STATE OF NEW YORK TO REPLACE SUCH AGENT FOR SERVICE OF PROCESS UPON DELIVERY TO THE REPRESENTATIVE HOLDER AND THE COLLATERAL TRUSTEE OF NOTICE HEREOF.

(E) WAIVER OF JURY TRIAL. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith. EACH OF THE PARTIES HERETO AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(F) WAIVER OF BOND. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE BORROWER WAIVES THE POSTING OF ANY BOND OTHERWISE REQUIRED OF ANY PARTY HERETO IN CONNECTION WITH ANY JUDICIAL PROCESS OR PROCEEDING TO REALIZE ON THE COLLATERAL OR ANY OTHER SECURITY FOR THE OBLIGATIONS OR TO ENFORCE ANY JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF SUCH PARTY, OR TO ENFORCE BY SPECIFIC PERFORMANCE, TEMPORARY RESTRAINING ORDER, PRELIMINARY OR PERMANENT INJUNCTION, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

(G) ADVICE OF COUNSEL. EACH OF THE PARTIES REPRESENTS TO EACH OTHER PARTY HERETO THAT IT HAS DISCUSSED THIS AGREEMENT AND, SPECIFICALLY, THE PROVISIONS OF THIS SECTION 8.12, WITH ITS COUNSEL.

8.13 No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of the Loan Documents. In the event an ambiguity or question of intent or interpretation arises, the Loan Documents shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

8.14 Subordination of Intercompany Indebtedness. The Borrower agrees that any and all claims of the Borrower against any Loan Party, any endorser or any other guarantor of all or any part of the Obligations, or against any of its properties, including, without limitation, pursuant to the any intercompany Indebtedness permitted under Section 5.3(A)(v), shall be subordinate and subject in right of payment to the prior payment, in full and in cash, of all Obligations. Notwithstanding any right of the Borrower to ask, demand, sue for, take or receive any payment from any Loan Party, all rights, liens and security interests of the Borrower, whether now or hereafter arising and howsoever existing, in any assets of any Loan Party shall be and are subordinated to the rights, if any, of the Agent and the Lenders in those assets. The Borrower shall have no right to possession of any such asset or to foreclose upon any such asset, whether by judicial action or otherwise, unless and until all of the Obligations shall have been paid in full in cash and satisfied and all financing arrangements under this Agreement and the other Loan Documents between the Borrower, the Agent and each Lender have been terminated. If, during the continuance of an Event of Default, all or any part of the assets of any Loan Party, or the proceeds thereof, are subject to any distribution, division or application to the creditors of any Loan Party, whether partial or complete, voluntary or involuntary, and whether by reason of liquidation, bankruptcy, arrangement, receivership, assignment for the benefit of creditors or any other action or proceeding, then, and in any such event, any payment or distribution

of any kind or character, either in cash, securities or other property, which shall be payable or deliverable upon or with respect to any indebtedness of any Loan Party to the Borrower, including, without limitation, pursuant to the any intercompany Indebtedness permitted under Section 5.3(A)(v) ("Intercompany Indebtedness") shall be paid or delivered directly to the Agent (for the benefit of the Lenders) for application on any of the Obligations, due or to become due, until such Obligations shall have first been paid in full in cash and satisfied; provided, however, ordinary course payments or distributions made by any Loan Party to the Borrower shall be required to be paid or delivered to the Agent (for the benefit of the Lenders) only upon the Agent's request. The Borrower irrevocably authorizes and empowers the Agent (if directed to do so by the Required Lenders) to demand, sue for, collect and receive every such payment or distribution and give acquittance therefor and to make and present for and on behalf of the Borrower such proofs of claim and take such other action, in the Agent's own name or in the name of the Borrower or otherwise, as Required Lenders may deem necessary or advisable for the enforcement of this Section 8.14. Agent may vote such proofs of claim in any such proceeding, receive and collect any and all dividends or other payments or disbursements made thereon in whatever form the same may be paid or issued and apply the same on account of any of the Obligations. Should any payment, distribution, security or instrument or proceeds thereof be received by the Borrower upon or with respect to the Intercompany Indebtedness during the continuance of an Event of Default and prior to the satisfaction of all of the Obligations and the termination of all financing arrangements under this Agreement and the other Loan Documents between the Borrower and the Lenders, the Borrower shall receive and hold the same in trust, as trustee, for the benefit of each Lender and shall forthwith deliver the same to the Agent (for the benefit of the Lenders), in precisely the form received (except for the endorsement or assignment of the Borrower where necessary), for application to any of the Obligations, due or not due, and, until so delivered, the same shall be held in trust by the Borrower as the property of each Lender; provided, however, ordinary course payments or distributions made to or by any Loan Party to the Borrower shall be required to be paid or delivered to the Agent (for the benefit of the Lenders) only upon the Agent's request after the occurrence and continuance of an Event of Default. If the Borrower fails to make any such endorsement or assignment to the Agent (for the benefit of the Lenders), the Agent or any of its officers or employees are irrevocably authorized to make the same. The Borrower agrees that until the Obligations have been paid in full in cash and satisfied and all financing arrangements under this Agreement and the other Loan Documents between the Borrower and the Lender have been terminated, the Borrower will not assign or transfer to any Person (other than the Agent (for the benefit of the Lenders)) any claim the Borrower has or may have against any Loan Party.

8.15 Usury Not Intended. It is the intent of the Borrower and each Lender in the execution and performance of this Agreement and the other Loan Documents to contract in strict compliance with applicable usury laws, including conflicts of law concepts, governing the Advances of each Lender including such applicable laws of the State of New York and the United States of America from time-to-time in effect. In furtherance thereof, each Lender and the Borrower stipulate and agree that none of the terms and provisions contained in this Agreement or the other Loan Documents shall ever be construed to create a contract to pay, as consideration for the use, forbearance or detention of money, interest at a rate in excess of the Maximum Rate and that for purposes hereof "interest" shall include the aggregate of all charges which constitute interest under such laws that are contracted for, charged or received under this Agreement; and in the event that, notwithstanding the foregoing, under any circumstances the aggregate amounts taken, reserved, charged, received or paid on the Advances, include

amounts which by applicable law are deemed interest which would exceed the Maximum Rate, then such excess shall be deemed to be a mistake and each Lender receiving same shall credit the same on the principal of the Notes (or if the Notes shall have been paid in full, refund said excess to the Borrower). In the event that the maturity of the Notes is accelerated by reason of any election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest may never include more than the Maximum Rate and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited on the applicable Notes (or, if the Notes shall have been paid in full, refunded to the Borrower of such interest). In determining whether or not the interest paid or payable under any specific contingencies exceeds the Maximum Rate, the Borrower and each Lender shall to the maximum extent permitted under applicable law amortize, prorate, allocate and spread in equal parts during the period of the full stated term of the Notes all amounts considered to be interest under applicable law at any time contracted for, charged, received or reserved in connection with the Obligations. The provisions of this Section shall control over all other provisions of this Agreement or the other Loan Documents which may be in apparent conflict herewith.

8.16 Reimbursement Among Borrowers. To the extent that any Borrower shall be required to pay a portion of any Borrower's Obligations created under this Agreement of any other Borrower which shall exceed the amount of loans, advances or other extensions of credit received by any such Borrower and all interest, costs, fees and expenses attributable to such loans, advance or other extensions of credit, then such Borrower shall be reimbursed by the other Borrower for the amount of such excess pro rata, based on their respective net worth as of the date hereof. This Section 8.16 is intended only to define the relative rights of each Borrower among the Borrowers and nothing set forth in this Section 8.16 is intended to or shall impair the obligations of Borrowers, jointly and severally, to pay the Obligations of the Borrowers to the Agent and the Lenders as and when the same shall become due and payable in accordance with the terms hereof.

ARTICLE IX: BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS

9.1 Successors and Assigns. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrower, each Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights or obligations under the Loan Documents.

9.2 Participations.

(A) Permitted Participants; Effect. Subject to the terms set forth in this Section 9.2, any Lender may, in accordance with applicable law, at any time sell to one or more banks or other financial institutions ("Participants") participating interests in any Advance owing to such Lender, the Notes, the Commitment or any other interest of such Lender under the Loan Documents on a pro rata or non-pro rata basis. Notice of such participation to the other Lenders and to the Borrower shall be required prior to any participation becoming effective. In the event of any such sale by any Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the holder of the Note for all purposes under the Loan Documents, all amounts payable by the Borrower under this Agreement shall be determined as if such

Lender had not sold such participating interests, and the Borrower shall continue to deal solely and directly with Agent in connection with each Lender's rights and obligations under the Loan Documents, except to the extent permitted by the Loan Documents.

(B) Voting Rights. No participant under any such participation shall have any right to approve any amendment or waiver of any provision of any Loan Document, or any consent to any departure by any Loan Party therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Notes or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, postpone any date fixed for any payment of principal of, or interest on, the Notes or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, or release all or substantially all of the Collateral.

(C) Taxes. Any Participant under any such participation shall not be entitled to receive any greater payment under Section 2.9 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Non-U.S. Lender if it were a Lender shall not be entitled to the benefits of Section 2.9 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.9 as though it were a Lender.

9.3 Assignments. (a) Each Lender may, in the ordinary course of its business and in accordance with applicable law, at any time assign to one or more banks or other financial institutions in the United States approved in writing by the Borrower and each other Lender (each referred to as an "Eligible Assignee") within 10 days of notice to the Borrower and the Lenders by such Lender of such assignment (which such approval shall not be unreasonably withheld) all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including, without limitation, its Commitment and all Advances owing to it) pursuant to an assignment and acceptance agreement in the form attached hereto as Schedule 9.3 (each referred to as an "Assignment and Acceptance"). Notwithstanding the foregoing, (i) the Borrower shall not have any right to approve an assignee or receive notice of assignment under this Section 9.3, after the occurrence and continuance of an Event of Default, and (ii) the Borrower shall have a right to receive notice of an assignment under this Section 9.3, but not an approval right with respect to such assignment, if the assignee is an entity which has merged with a particular Lender and such assignee has by operation of law succeeded to all of the obligations, liabilities and rights of the particular Lender, provided, however, that to the extent any Lender assigns its obligations hereunder (including any assignment by operation of law), such Eligible Assignee shall be a United States Person.

(b) Upon such execution, delivery and acceptance of, and from and after the effective date specified in such Assignment and Acceptance, (i) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (ii) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (other than its rights under Sections 2.9 and 8.7 to the extent any claim thereunder relates to an event arising prior to such assignment) and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the remaining portion

of an assigning Lender's rights and obligation under this Agreement, such Lender shall cease to be a party hereto).

(c) By executing and delivering an Assignment and Acceptance, each Lender assignor thereunder and each assignee thereunder confirm to and agree with each other and the other parties thereto and hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with any Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, any Loan Document or any other instrument or document furnished pursuant thereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party, or the performance or observance by any Loan Party of any of its obligations under any Loan Document or any other instrument or document furnished pursuant thereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.4 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Loan Documents as are delegated to such Agent by the terms hereof and thereof, together with such powers and discretion as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(d) The Agent, acting for this purpose (but only for this purpose) as the agent of the Borrower, shall maintain at its address a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lender and the Commitment of, and principal amount of the Advances owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for purposes of this Section 9.3, absent manifest error, and the Borrower, the Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or the Agent or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of an assignment and acceptance agreement executed pursuant to the preceding subsection (a), together with any Note or Notes subject to such assignment, the Agent will (i) accept such Assignment and Acceptance executed pursuant to the preceding subsection (a), (ii) record the information contained therein in the Register, and (iii) give prompt notice thereof to Borrower. In the case of any assignment by a Lender, within five (5) Business Days after its receipt of such notice, the Borrower, at its own expense, shall execute and deliver to the Agent in exchange for the surrendered Note or Notes a new Note to the order of such Eligible Assignee in an amount equal to the Lender's Commitment assumed by it pursuant to such Assignment and Acceptance agreement and, if any assigning Lender has retained a commitment hereunder, a new Note to the order of such assigning Lender in an amount equal

to such assigning Lender's Commitment retained by it hereunder. Such new Note or Notes shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered Note or Notes, shall be dated the effective date of such assignment and acceptance agreement and shall be in substantially the form of Exhibit A hereto.

9.4 Confidentiality. Subject to Sections 9.3 and 9.5, each Lender shall hold all nonpublic information obtained pursuant to the requirements of this Agreement and identified as such by the Borrower in accordance with each respective Lender's customary procedures for handling confidential information of this nature and in any event may make disclosure reasonably required by a prospective Transferee (as defined in Section 9.5) in connection with the contemplated participation or as required or requested by any Governmental Authority or representative thereof or pursuant to legal process and shall require any such Transferee to agree (and require any of its Transferees to agree) to comply with this Section 9.4. In no event shall any Lender be obligated or required to return any materials furnished by the Borrower; provided, however, each prospective Transferee shall be required to agree that if it does not become a participant it shall return all materials furnished to it by or on behalf of the Borrower in connection with this Agreement. In the event that any Lender is requested to make a disclosure to a Governmental Authority or representative thereof or pursuant to legal process, such Lender will use reasonable efforts to give Borrower prior notice of such disclosure.

9.5 Dissemination of Information. The Borrower authorizes each Lender to disclose to any Participant or Eligible Assignee or any other Person acquiring an interest in the Loan Documents by operation of law (each a "Transferee") and any prospective Transferee any and all information in the Lender's possession concerning the Borrower and its Subsidiaries; provided that prior to any such disclosure, such prospective Transferee shall agree to preserve in accordance with Section 9.4 the confidentiality of any confidential information described therein.

ARTICLE X: NOTICES

10.1 Giving Notice. Except as otherwise permitted by Section 2.1 with respect to borrowing notices, all notices and other communications provided to any party hereto under this Agreement or any other Loan Documents shall be in writing or by telex or by facsimile and addressed or delivered to such party at its address set forth below its signature hereto or at such other address as may be designated by such party in a notice to the other parties. Any notice, if mailed and properly addressed with postage prepaid, shall be deemed given when received; any notice, if transmitted by telex or facsimile, shall be deemed given when transmitted (answerback confirmed in the case of telexes).

10.2 Change of Address. The Borrower, the Agent and each Lender may each change the address for service of notice upon it by a notice in writing to the other parties hereto.

ARTICLE XI: COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall be effective when it has been executed by the Borrower and each Lender.

IN WITNESS WHEREOF, the Borrower, the Agent and each Lender have executed this Agreement as of the date first above written.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGES TO FOLLOW]

ASBURY AUTOMOTIVE GROUP, INC.,
as the Borrower

By: /s/ Thomas F. Gilman
Name: Thomas F. Gilman
Title: Senior Vice President and CFO

Address:
3 Landmark Square, Suite 500
Stamford, CT 06901
Attention: CEO
Telephone No.: (203) 356-4400
Facsimile No.: (203) 356-4450

ASBURY AUTOMOTIVE GROUP HOLDINGS, INC., as the Borrower

By: /s/ Thomas F. Gilman
Name: Thomas F. Gilman
Title: Senior Vice President and CFO

Address:
3 Landmark Square, Suite 500
Stamford, CT 06901
Attention: CEO
Telephone No.: (203) 356-4400
Facsimile No.: (203) 356-4450

[SIGNATURE PAGE TO FIRST AMENDED AND RESTATED CREDIT AGREEMENT]

FORD MOTOR CREDIT COMPANY,
as Lender, and as Agent

By: /s/ Janet B. Toronski

Name: Janet B. Toronski

Title: Director, Major Accounts

Address:
Ford Motor Credit Company
The American Road
Major Accounts Office
Dearborn, Michigan 48124

Attention: Director, Major Accounts
Telephone No.: (313) 390-2472
Facsimile No.: (313) 390-5459

[SIGNATURE PAGE TO FIRST AMENDED AND RESTATED CREDIT AGREEMENT]

DAIMLERCHRYSLER SERVICES NORTH AMERICA LLC, as Lender

By: /s/ R.D. Knight

Name: R.D. Knight

Title: Vice President

Address:

DaimlerChrysler
Services North
America LLC CIMS
405-23-05 27777
Inkster Road
Farmington Hills, MI
48334-5326

Attention: Dealer Credit-National Accounts
Telephone No.:(248)427-6511
Facsimile: (248) 948-3838

[SIGNATURE PAGE TO FIRST AMENDED AND RESTATED CREDIT AGREEMENT]

GENERAL MOTORS ACCEPTANCE CORPORATION, as Lender

By: /s/ Jeffrey G. McLeod

Name: Jeffrey G. McLeod

Title: Vice President, GMAC National Accounts

Address:

Mail Code 482-B10-C76

200 Renaissance Center

P.O. Box 200

Detroit, Michigan 48265-2000

Attention: Jeffrey G. McLeod

Telephone No.: (313) 665-6208

Facsimile No.: (313) 665-6089

EXHIBIT A

[Form of Note]

SECOND AMENDED AND RESTATED PROMISSORY NOTE
(Acquisition/Revolving Line of Credit)
(LIBOR Rate)

\$ _____

Dearborn, Michigan

_____, 2003

FOR VALUE RECEIVED, ASBURY AUTOMOTIVE GROUP, INC., a Delaware corporation and ASBURY AUTOMOTIVE GROUP HOLDINGS, INC., a Delaware corporation (individually and collectively, the "Borrower"), whose address is 3 Landmark Square - Suite 500, Stamford, Connecticut 06901, each jointly and severally, promises to pay to _____, a _____, ("Lender") or order, at _____ or at such other place as Lender may from time to time in writing designate, in lawful money of the United States of America, the principal sum of _____ MILLION AND 00/100 DOLLARS (\$____,000,000.00), or such lesser amount as may be advanced from time to time by the Lender to the Borrower pursuant to the First Amended and Restated Credit Agreement dated as of even date herewith among the Borrower, the Agent and the Lenders who are parties thereto, as amended, modified or restated from time to time (the "Agreement"; terms defined therein, unless otherwise defined herein, being used herein as therein defined). The entire outstanding unpaid principal balance of this Note (the "Principal Balance") shall be payable in full on the Termination Date.

The Borrower promises to pay interest on the Principal Balance, adjusted monthly, on the Principal Balance outstanding from time to time, until such Principal Balance is paid in full, at the Applicable LIBOR Rate (as defined in the Agreement) in effect from time to time, and payable at such times, as are specified in the Agreement.

This Note amends and restates and shall not constitute a novation of that certain Amended and Restated Promissory Note dated July 29, 2002 (the "Prior Note"), in the original principal amount of \$ _____ from Borrower and Asbury Automotive Group L.L.C. payable to Lender. Any interest accrued on such Promissory Note as of the date hereof will be included in the next monthly payment due hereunder. The outstanding amount of principal under the Prior Note as of the date hereof is hereby deemed indebtedness evidenced by this Note and incorporated herein by reference.

Both principal and interest are payable in lawful money of the United States of America to the Agent under the Agreement, in same day funds. Each Advance owing to the Lender by the Borrower, and all payments made on account of principal thereof, shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the grid attached hereto, which is part of this Note; provided, however, that the failure of the Lender to make any such recordation or endorsement will not affect the Obligations of the Borrower under this Note.

This Note is one of the Notes referred to in, and is entitled to the benefits of, the Agreement. The Agreement, among other things, (i) provides for the making of Advances by the Lenders to or for the benefit of the Borrower from time to time in an aggregate amount not to exceed at any time outstanding the U.S. dollar amount first above mentioned, the indebtedness of the Borrower resulting from each such Advance being evidenced by this Note, and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the Termination Date upon the terms and conditions therein specified. The Obligations of Borrower under this Note and the Loan Documents, and the obligations of the other Loan Parties are secured by the Collateral as provided in the Loan Documents.

The Borrower hereby waives presentment, demand, protest or notice of any kind in connection with this Note.

IN WITNESS WHEREOF, Borrower, intending to be legally bound hereby, has duly executed this Note under seal, the day and year first above written.

ASBURY AUTOMOTIVE GROUP HOLDINGS, INC.,
a Delaware corporation, and ASBURY AUTOMOTIVE
GROUP, INC., a Delaware corporation, each a Borrower

By: _____ (SEAL)
Name: _____
Title: _____

SCHEDULE OF REVOLVING LOANS AND PAYMENTS OR PREPAYMENTS

Date	Amount of Advance	Principal Paid or Prepaid	Amount of Unpaid Principal Balance	Notation Made By
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EXHIBIT B

[Form of Borrowing Notice]

Borrowing Notice

TO: FORD MOTOR CREDIT COMPANY (the "Agent") under that certain First Amended and Restated Credit Agreement dated as of _____, 2003 (as amended, restated or modified from time to time, the "Credit Agreement") by and among ASBURY AUTOMOTIVE GROUP, INC. and ASBURY AUTOMOTIVE GROUP HOLDINGS, INC. (individually and collectively, the "Borrower"), Agent and the lenders more specifically identified therein.

I, the undersigned, hereby certify that I am the _____ of the Borrower. On behalf of the Borrower, I hereby give to the Agent a Borrowing Notice pursuant to Section 2 of the Credit Agreement, and Borrower hereby requests to borrow on _____, _____ (the "Borrowing Date") an aggregate principal ----- amount of \$_____ in _____ Advances under loan # _____ to be funded to account _____ for the purpose of _____

The undersigned hereby certifies that (i) the representations and warranties of the Borrower contained in Section 4 of the Credit Agreement are and shall be true and correct in all material respects on and as of the date hereof and on and as of the Borrowing Date, except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties are true and correct in all material respects as of such earlier date; (ii) I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries and Asbury Everest during the accounting period covered by the attached financial statements; (iii) the examinations described in section (ii) did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Default or Unmatured Default and which has occurred and is continuing on the date hereof or on the Borrowing Date will result from the making of the proposed Advances and (iv) in the case of an Acquisition Advance, all required documentation as set forth in Section 5.2(L) has been provided to Agent.

Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings in this Borrowing Notice.

Date: _____, 200__

ASBURY AUTOMOTIVE GROUP, INC. and
ASBURY AUTOMOTIVE GROUP
HOLDINGS, INC.

By: _____

Name: _____
Title: _____

EXHIBIT C

[Form of Guaranty]

GUARANTY

GUARANTY (this "Guaranty") dated _____, 200_ made by each of the entities listed on the signature pages hereto, jointly and severally, (each referred to individually herein as a "Guarantor," and collectively, the "Guarantors"), in favor of FORD MOTOR CREDIT COMPANY (the "Agent"), as agent for the lenders (the "Lenders") under the Credit Agreement defined below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Credit Agreement defined below.

PRELIMINARY STATEMENTS

WHEREAS, pursuant to the terms of a certain First Amended and Restated Credit Agreement dated as of June 6, 2003, the Lenders extended to Asbury Automotive Group, Inc., a Delaware corporation, and Asbury Automotive Group Holdings, Inc., a Delaware corporation, the entities which exercise control (directly or indirectly) over the Guarantors (individually and collectively, "Borrower"), a revolving credit facility in an amount not to exceed \$450,000,000.00 (as such agreement may be amended, restated, supplemented, refinanced, increased or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, the Credit Agreement is evidenced by the Notes as defined in the Credit Agreement (the "Notes"); and

WHEREAS, it is a condition precedent to the making of loans under the Credit Agreement, that each Guarantor executes and delivers this Guaranty;

NOW, THEREFORE, in consideration of the premises and in order to induce each Lender to make Advances under the Credit Agreement, each Guarantor hereby agrees as follows:

Section 1. Guaranty. (a) Each Guarantor hereby unconditionally and irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of each other Loan Party now or hereafter existing under or in respect of the Loan Documents (including, without limitation, any extensions, modifications, substitutions, amendments or renewals of any or all of the foregoing obligations), whether direct or indirect, absolute or contingent, and whether for principal, interest, premiums, fees, indemnities, contract causes of action, costs, expenses or otherwise (such obligations being the "Guaranteed Obligations"), and agrees to pay any and all expenses (including reasonable counsel fees and expenses) incurred by the Agent or the Lenders in enforcing any rights under this Guaranty. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any Loan Party to any Lender but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving such Loan Party.

(b) Each Guarantor, and by its acceptance of this Guaranty, the Agent and each Lender, hereby confirms that it is the intention of all such Persons that this Guaranty and the obligations of each Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law (as hereinafter defined), the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to this Guaranty and the obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Agent, the Lenders and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under this Guaranty at any time shall be limited to the maximum amount as will result in the obligations of such Guarantor under this Guaranty not constituting a fraudulent transfer or conveyance. For purposes hereof, "Bankruptcy Law" means any proceeding of the type referred to in Section 6.1(f) and (g) of the Credit Agreement or Title 11, U.S. Code, or any similar foreign, federal or state law for the relief of debtors.

(c) Each Guarantor hereby unconditionally and irrevocably agrees that, in the event any payment shall be required to be made to any Lender under this Guaranty or any other guaranty (in respect of the Guaranteed Obligations and/or any and all expenses (including reasonable counsel fees and expenses) incurred by the Agent or the Lenders in enforcing any rights under this Guaranty), such Guarantor will contribute, to the maximum extent permitted by law, such amounts to each other Guarantor and each other guarantor so as to maximize the aggregate amount paid to the Lenders under or in respect of the Loan Documents

Section 2. Guaranty Absolute. Each Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Agent or the Lenders with respect thereto. The obligations of each Guarantor under this Guaranty are independent of the Guaranteed Obligations or any other obligations of any other party under the Loan Documents, and a separate action or actions may be brought and prosecuted against each Guarantor to enforce this Guaranty, irrespective of whether any action is brought against the Borrower or any other Loan Party or whether the Borrower or any other Loan Party is joined in any such action or actions. This Guaranty is a guaranty of payment and performance and not of collection. The liability of each Guarantor under this Guaranty shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives any defenses it may now or hereafter have in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Loan Document or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Loan Document, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to Borrower or any other Loan Party or otherwise;

(c) any taking, exchange, release or non-perfection of any Collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of Collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of

sale or other disposition of any Collateral for all or any of the Guaranteed Obligations under the Loan Documents or any other assets of any Loan Party;

(e) any change, restructuring or termination of the corporate structure or existence of any Loan Party;

(f) any failure of the Agent or any Lender to disclose to any Loan Party any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party now or hereafter known to the Agent or such Lender (each Guarantor waiving any duty on the part of the Agent and the Lenders to disclose such information);

(g) the failure of any other Person to execute or deliver this Guaranty or any other guaranty or agreement or the release or reduction of liability of any Guarantor or other guarantor or surety with respect to the Guaranteed Obligations; or

(h) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by the Agent or any Lender that might otherwise constitute a defense available to, or a discharge of, any Loan Party or any other guarantor or surety.

This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by the Agent or any Lender or any other person upon the insolvency, bankruptcy or reorganization of any Loan Party or otherwise, all as though such payment had not been made.

Section 3. Waivers and Acknowledgments. (a) Each Guarantor hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Guaranty and any requirement that the Agent or any Lender protect, secure, perfect or insure any lien or any property subject thereto or exhaust any right or take any action against any Loan Party or any other Person or any Collateral.

(b) Each Guarantor hereby waives any right to revoke this Guaranty, and acknowledges that this Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) Each Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Loan Documents and that the waivers set forth in this Guaranty are knowingly made in contemplation of such benefits.

(d) Each Guarantor hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by the Agent or the Lenders that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of such Guarantor or other rights of such Guarantor to proceed against any of the other Loan Parties, any other guarantor or any other Person or any Collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the obligations of such Guarantor hereunder.

(e) Each Guarantor hereby unconditionally and irrevocably waives any duty on the part of the Agent or the Lenders to disclose to such Guarantor any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party or any of its Subsidiaries now or hereafter known by the Agent or the Lenders.

Section 4. Subrogation. No Guarantor will exercise any rights that it may now or hereafter acquire against any Loan Party that arise from the existence, payment, performance or enforcement of the Guarantor's obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Agent or any Lender against any Loan Party or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Loan Party directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until all of the Guaranteed Obligations and all other amounts payable under this Guaranty shall have been paid in full in cash in accordance with the terms of the Loan Documents. If any amount shall be paid to any Guarantor in violation of the preceding sentence at any time prior to the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Guaranty, such amount shall be held in trust for the benefit of the Agent and shall forthwith be paid to the Agent to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Guaranty, whether matured or unmatured, in accordance with the terms of the Loan Documents, or to be held as Collateral for any Guaranteed Obligations or other amounts payable under this Guaranty thereafter arising. If (i) any Guarantor shall make payment to the Agent or any Lender of all or any part of the Guaranteed Obligations, (ii) all of the Guaranteed Obligations and all other amounts payable under this Guaranty shall be paid in full in cash and (iii) the Loan Documents shall have terminated in accordance with their own terms, the Agent and the Lenders will, at the Guarantors' request and expense, execute and deliver to the Guarantors appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to the Guarantors of an interest in the Guaranteed Obligations resulting from such payment by the Guarantor.

Section 5. Representations and Warranties. Each Guarantor hereby represents and warrants as of the date hereof and as of the date of each Advance as follows:

(a) Each Guarantor (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) is duly qualified and in good standing in each other jurisdiction in which it owns or leases property or in which the conduct of its business requires it to so qualify or be licensed except where the failure to so qualify or be licensed would not have a Material Adverse Effect (as defined in the Credit Agreement), and (iii) has all requisite power and authority to own or lease and operate its properties and to carry on its business as now conducted and as proposed to be conducted.

(b) The execution, delivery and performance by each Guarantor of this Guaranty and the other Loan Documents executed by the Guarantor are within each such Guarantor's powers, have been duly authorized by all necessary corporate, limited liability company, or limited partnership action, and do not (i) contravene each such Guarantor's charter or bylaws or similar organizational documents, (ii) violate any law (including, without limitation, the Securities Exchange Act of 1934

and the Racketeer Influenced and Corrupt Organizations Chapter of the Organized Crime Control Act of 1970), rule, regulation (including, without limitation, Regulations T, U and X of the Board of Governors of the Federal Reserve System), order, writ, judgment, injunction, decree, determination or award, (iii) conflict with or result in the breach of, or constitute a default under, any loan agreement, contract, indenture, mortgage, deed of trust, lease or other instrument binding on or affecting such Guarantor or any of its properties, the effect of which conflict, breach or default is reasonably likely to have a Material Adverse Effect, or (iv) except for the liens permitted under the Loan Documents, result in or require the creation or imposition of any lien upon or with respect to any of the properties of any such Guarantor. No Guarantor is in violation of any such law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or in breach of any such contract, loan agreement, indenture, mortgage, deed of trust, lease or other instrument, the violation or breach of which would be reasonably likely to have a Material Adverse Effect.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for (i) the due execution, delivery, recordation, filing or performance by any Guarantor of this Guaranty and the other Loan Documents executed by the Guarantor, and (ii) the exercise by the Agent or the Lenders of their rights under this Guaranty and the other Loan Documents executed by the Guarantor in each case, except for (a) those that have been made, obtained or given, and (b) filings necessary to create or perfect security interests in the Collateral.

(d) This Guaranty and the other Loan Documents executed by the Guarantor have been duly executed and delivered by such Guarantor. This Guaranty and the other Loan Documents executed by the Guarantor are the legal, valid and binding obligation of such Guarantor, enforceable against such Guarantor in accordance with their terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or limiting creditors' rights or by equitable principles generally.

(e) There are no conditions precedent to the effectiveness of this Guaranty and the other Loan Documents executed by the Guarantor that have not been satisfied or waived.

(f) Each Guarantor has, independently and without reliance upon the Agent or any Lender, and based on such documents and information as it has deemed appropriate, made its own decision to enter into this Guaranty and the other Loan Documents executed by the Guarantor.

Section 6. Covenants. Each Guarantor covenants and agrees that, so long as any part of the Guaranteed Obligations shall remain unpaid or any Loan Document shall be in effect, such Guarantor will perform and observe, and cause each of its Subsidiaries to perform and observe, all of the terms, covenants and agreements set forth in the Loan Documents on its or their part to be performed or observed or that the Borrower has agreed to cause such Guarantor or such Subsidiaries to perform or observe.

Section 7. No Waiver, Remedies. No failure on the part of the Agent or any Lender to exercise, and no delay in exercising, any right under any Loan Document shall operate as a waiver thereof; nor shall any single or partial

exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies in the Loan Documents are cumulative and not exclusive of any remedies provided by law.

Section 8. Indemnification. (a) Each Guarantor agrees to defend, protect, indemnify, and hold harmless the Agent, each Lender and each of its respective Affiliates, and each of the Agent's, Lender's, or Affiliate's respective officers, directors, employees, attorneys and agents (including, without limitation, those retained in connection with the satisfaction or attempted satisfaction of any of the conditions set forth in Article III) (collectively, the "Indemnified Parties" and each an "Indemnified Party") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses of any kind or nature whatsoever (including, without limitation, the fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees in any manner relating to or arising out of:

(i) this Guaranty, the other Loan Documents or any of the Transaction Documents, or any act, event or transaction related or attendant thereto, the making of the Advances, under the Credit Agreement, the management of such Advances, the use or intended use of the proceeds of the Advances under the Credit Agreement, or any of the other transactions contemplated by the Transaction Documents;

(ii) any liabilities, obligations, responsibilities, losses, damages, personal injury, death, punitive damages, economic damages, consequential damages, treble damages, intentional, willful or wanton injury, damage or threat to the environment, natural resources or public health or welfare, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation, feasibility or remedial action studies), fines, penalties and monetary sanctions, interest, direct or indirect, known or unknown, absolute or contingent, past, present or future relating to violation of any Environmental, Health or Safety Requirements of Law arising from or in connection with the past, present or future operations of the Borrower, any Guarantor or any of their respective predecessors in interest, or, the past, present or future environmental, health or safety condition of any respective property of the Borrower or any Guarantor, the presence of asbestos-containing materials at any respective property of the Borrower any Guarantor, or the Release or threatened Release of any Contaminant into the environment (collectively, the "Indemnified Matters");

provided, however, that no Guarantor shall have any obligation to an Indemnified Party hereunder with respect to any of the aforementioned indemnified matters caused by or resulting from the willful misconduct or gross negligence of such Indemnified Party as determined by the final non-appealed judgment of a court of competent jurisdiction. If the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, each Guarantor shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnified Parties. It is understood and agreed that, to the extent not precluded by a conflict of interest, each Indemnitee shall endeavor to work cooperatively with the Borrower with a view toward minimizing the legal and other expenses associated with any defense and any potential settlement or judgment. Settlement of any claim or litigation involving any material indemnified amount will require the approval of the Borrower (which may not be unreasonably withheld), provided, however,

that no Guarantor shall have any obligation to an Indemnified Party hereunder with respect to any of the aforementioned indemnified matters caused by or resulting from the willful misconduct or gross negligence of such Indemnified Party as determined by the final non-appealed judgment of a court of competent jurisdiction.

(b) Each Guarantor hereby also agrees that none of the Indemnified Parties shall have any liability (whether direct or indirect, in contract, tort or otherwise) to any of the Guarantors or any of their respective Affiliates or any of their respective officers, directors, employees, agents and advisors, and each Guarantor hereby agrees not to assert any claim against any Indemnified Party on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the Loan Documents, the actual or proposed use of the proceeds of the advances made under the Loan Documents, the Loan Documents or any of the transactions contemplated by the Loan Documents.

(c) Without prejudice to the survival of any of the other agreements of any Guarantor under this Guaranty or any of the other Loan Documents, the agreements and obligations of each Guarantor contained in Section 1(a) (with respect to enforcement expenses), the last sentence of Section 2 and this Section 8 shall survive the payment in full of the Guaranteed Obligations and all of the other amounts payable under this Guaranty.

Section 9. Subordination. Each Guarantor hereby subordinates any and all debts, liabilities and other Obligations owed to such Guarantor by each other Loan Party (the "Subordinated Obligations") to the Guaranteed Obligations to the extent and in the manner hereinafter set forth in this Section 9:

(a) Prohibited Payments. Except during the continuance of an Event of Default (including the commencement and continuation of any proceeding under any Bankruptcy Law relating to any Loan Party), to the extent permitted by the Credit Agreement, each Guarantor may receive regularly scheduled payments from any other Loan Party on account of the Subordinated Obligations. After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any proceeding under any Bankruptcy Law relating to any Loan Party), however, unless the Agent otherwise agrees, no Guarantor shall demand, accept or take any action to collect any payment on account of the Subordinated Obligations.

(b) Prior Payment of Guaranteed Obligations. In any proceeding under any Bankruptcy Law relating to any Loan Party, each Guarantor agrees that the Lenders shall be entitled to receive payment in full in cash of all Guaranteed Obligations (including all interest and expenses accruing after the commencement of a proceeding under any Bankruptcy Law, whether or not constituting an allowed claim in such proceeding ("Post Petition Interest")) before such Guarantor receives payment of any Subordinated Obligations.

(c) Turn-Over. After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any proceeding under any Bankruptcy Law relating to any Loan Party), each Guarantor shall, if the Agent so requests, collect, enforce and receive payments on account of the Subordinated Obligations as trustee for the Lenders and deliver such payments to the Agent on account of the Guaranteed Obligations (including all Post Petition Interest), together with any necessary endorsements or other

instruments of transfer, but without reducing or affecting in any manner the liability of such Guarantor under the other provisions of this Guaranty and the other Loan Documents executed by the Guarantor.

(d) Administrative Agent Authorization. After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any proceeding under any Bankruptcy Law relating to any Loan Party), the Agent is authorized and empowered (but without any obligation to so do), in its discretion, (i) in the name of each Guarantor, to collect and enforce, and to submit claims in respect of, Subordinated Obligations and to apply any amounts received thereon to the Guaranteed Obligations (including any and all Post Petition Interest), and (ii) to require each Guarantor (A) to collect and enforce, and to submit claims in respect of, Subordinated Obligations and (B) to pay any amounts received on such obligations to the Agent for application to the Guaranteed Obligations (including any and all Post Petition Interest).

Section 10. Continuing Guaranty. This Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the later of the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Guaranty and the date the Loan Documents shall have terminated in accordance with their own terms, (b) be binding upon each Guarantor, its successors and assigns, and (c) inure to the benefit of and be enforceable by the Agent and any Lender and its successors, transferees and assigns.

Section 11. Definitions. With respect to all Loan Documents executed by the Guarantor, the singular shall include the plural and vice versa and any gender shall include any other gender as the context may require.

Section 12. Successors and Assigns. This Guaranty and the other Loan Documents executed by the Guarantor shall be binding upon and inure to the benefit of the Guarantor, the Agent and the Lenders, and their respective successors and assigns. The Guarantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for the Guarantor. Without limiting the generality of the foregoing clause, any Lender may assign or otherwise transfer all or any portion of its rights and obligations under the Loan Documents (including, without limitation, all or any portion of its Commitment, the Advances owing to it and any Note held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, subject, however to the provisions of Article VII of the Credit Agreement.

Section 13. Governing Law; Severability. This Guaranty and the other Loan Documents executed by the Guarantor shall be governed by, and construed in accordance with, the internal laws (as opposed to conflict of laws provisions) of the State of New York. Whenever possible, each provision of this Guaranty and the other Loan Documents executed by the Guarantor shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guaranty or the other Loan Documents executed by the Guarantor shall be held to be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Guaranty and the other Loan Documents executed by the Guarantor.

Section 14. Advice of Counsel. The Guarantor represents and warrants to the Agent that it has consulted with its legal counsel regarding all waivers under the Loan Documents, it believes that it fully understands all rights that it is waiving and the effect of such waivers, that it assumes the risk of any misunderstanding that it may have regarding any of the foregoing, and that it intends that such waivers shall be a material inducement to Lenders to extend the indebtedness secured hereby.

Section 15. Further Assurances. The Guarantor agrees that it will cooperate with the Agent and the Lenders and will execute and deliver, or cause to be executed and delivered, all such other agreements, instruments, documents, stock powers and proxies and will take all such other actions, including, without limitation, the execution and filing of financing statements, as the Agent may reasonably request from time to time in order to carry out the provisions and purposes of the Loan Documents executed by the Guarantor.

Section 16. Costs and Expenses. The Guarantor will upon demand pay to the Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Agent may incur in connection with (i) the administration of the Loan Documents executed by the Guarantor, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of the Agent or the Lenders under the Loan Documents executed by the Guarantor, or (iv) the failure by the Guarantor to perform or observe any of the provisions of the Loan Documents executed by the Guarantor.

Section 17. Notices. All notices and other communications provided for under any Loan Documents executed by the Guarantor shall be in writing (including telecopier, telegraphic, telex or cable communication) and mailed, telecopied, telegraphed, telexed, cabled or delivered, if to the Guarantor, care of Borrower at its address at 3 Landmark Square, Suite 500, Stamford, Connecticut 06901, if to the Agent, at its address specified in the Credit Agreement; or, as to each party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall be effective, upon receipt, or in the case of (i) notice by mail, five days after being deposited in the United States mails, first class postage prepaid, (ii) notice by overnight courier, one business day after being deposited with a national overnight courier service, (iii) notice by telex, when telexed against receipt of answer back or (iv) notice by facsimile copy, when transmitted against mechanical confirmation of successful transmission.

Section 18. Amendments, Waivers and Consents. No amendment or waiver of any provision of any Loan Document executed by the Guarantor nor consent to any departure by the Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Agent and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 19. Section Headings. The section headings in the Loan Documents executed by the Guarantor are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

Section 20. Execution in Counterparts. The Loan Documents executed by the Guarantor may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same agreement.

Section 21. Merger. This Loan Documents executed by the Guarantor represent the final agreement of the Guarantor with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between the Guarantor and the Agent and the Lenders.

Section 22. No Strict Construction. The parties to the Loan Documents have participated jointly in the negotiation and drafting of the Loan Documents. In the event an ambiguity or question of intent or interpretation arises, the Loan Documents shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of the Loan Documents.

Section 23. Waiver of Jury Trial. To the maximum extent of applicable law, each of the Guarantors waives any right to trial by jury in any dispute, whether sounding in contract, tort, or otherwise, between the Agent, the Lenders any Guarantor or any other Person arising out of or related to this Guaranty or the other Loan Documents executed by the Guarantor and the transactions contemplated by this Guaranty and the other Loan Documents executed by the Guarantor or any other instrument, document or agreement executed or delivered in connection herewith or therewith. The Guarantors or the Agent or the Lenders may file an original counterpart or a copy of this Guaranty with any court as written evidence of the consent of the parties hereto to the waiver of their right to trial by jury.

Section 24. Consent to Jurisdiction; Service of Process; Jury Trial.

(a) Non Exclusive Jurisdiction. Each Guarantor irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York state court or federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Guaranty and the other Loan Documents or arising out of or relating to the relationship established among them in connection with this Guaranty or any of the other Loan Documents, or for recognition or enforcement of any judgment, and each Guarantor irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York state court or, to the fullest extent permitted by law, in such federal court. Each Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Guaranty shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Guaranty or any of the other Loan Documents in the courts of any jurisdiction. Each Guarantor irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Guaranty or any of the other Loan Documents to which it is a party in any New York state or federal court. Each Guarantor irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(b) Other Jurisdictions. Each of Agent and the Lenders shall have the right to proceed against any Guarantor or its real or personal property in a court in any location to enable the Agent or the Lenders to obtain personal jurisdiction over the Guarantor, to realize on the Collateral or any other security for the obligations or to enforce a judgment or other court order entered in favor of the Agent or the Lenders. No Guarantor shall assert any permissive counterclaims in any proceeding brought by the Agent or the Lenders under this Section 24.

(c) Venue; Forum Non Conveniens. Each of the Agent and the Guarantors waives any objection that it may have (including, without limitation, any objection to the laying of venue or based on forum non conveniens) to the location of the court in which any proceeding is commenced in accordance with this Section 24.

Section 25. Service of Process. Each Guarantor waives personal service of any process upon it and, as security for the Guaranteed Obligations, irrevocably appoints CT Corporation Systems as its registered agent for the purpose of accepting service of process issued by any court in connection with any dispute between any Guarantor, the Agent and the Lenders arising out of or related to the Loan Documents or the relationship established between them in connection with the Loan Documents or any other document to which any Guarantor is a party.

IN WITNESS WHEREOF, each Guarantor has caused this Guaranty to be duly executed under seal and delivered by its officer thereunto duly authorized as of the date first above written.

EXHIBIT D

[Form of Security Agreement]
FIRST AMENDED AND RESTATED SECURITY AGREEMENT

SECURITY AGREEMENT (the "Agreement") dated _____, 200_, made by each of the entities listed on the signature pages hereto, jointly and severally, (each referred to individually herein as a "Grantor," and collectively, the "Grantors"), to FORD MOTOR CREDIT COMPANY, as agent (the "Agent") for the lenders (the "Lenders") under the Credit Agreement defined below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Credit Agreement defined below.

PRELIMINARY STATEMENTS:

WHEREAS, Asbury Automotive Group, Inc., a Delaware corporation, and Asbury Automotive Group Holdings, Inc., a Delaware corporation (individually and collectively, the "Borrower"), the Agent and the Lenders have entered into a certain First Amended and Restated Credit Agreement dated as of June 6, 2003, pursuant to which the Lenders agreed, subject to certain conditions precedent, to make loans and other financial accommodations to the Borrower from time to time in an amount not to exceed \$450,000,000.00 (as such agreement may be further amended, restated, supplemented, refinanced, increased or otherwise modified from time to time, the "Credit Agreement") and;

WHEREAS, the Grantors have entered into a Guaranty dated January 17, 2001 or thereafter (the "Guaranty"), pursuant to which each Grantor guaranties all of the obligations of the Borrower under the Credit Agreement to the Lenders; and

WHEREAS, in order to comply with the terms of the Credit Agreement, the Grantors must execute and deliver this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and of any financial accommodations or extensions of credit (including, without limitation, any loan or advance by renewal, refinancing or extension of the agreements described hereinabove or otherwise) heretofore, now or hereafter made to or for the benefit of the Borrower pursuant to the Credit Agreement or, any other agreement, instrument or document executed pursuant to or in connection therewith, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees with Agent, for the benefit of the Lenders, as follows:

SECTION 1. Grant of Security. Each Grantor, severally, hereby assigns and pledges to Agent, for the benefit of the Lenders, and hereby grants to Agent, for the benefit of the Lenders, a security interest in, all of its respective right, title and interest in and to the following, whether now owned or hereafter acquired (collectively, the "Collateral"):

(a) all equipment in all of its forms, including furniture, machinery, service vehicles, supplies and other equipment (the "Equipment");

(b) all inventory in all of its forms, including motor vehicles, tractors, trailers, service parts and accessories and other inventory ("Inventory");

(c) all Accounts (as defined in the Code as defined herein), contract rights, chattel paper, instruments, notes, letters of credit, documents, documents of title, investment property, deposit accounts, other bank accounts, General Intangibles (as defined in the Code), tax refunds and other obligations of third persons of any kind, now or hereafter existing, whether or not arising out of or in connection with the sale or lease of goods, the rendering of services or otherwise, and all rights now or hereafter existing in and to all security agreements, leases, and other contracts securing or otherwise relating to any such accounts, contract rights, chattel paper, instruments, notes, letters of credit, documents, documents of title, investment property, deposit accounts, other bank accounts, general intangibles, tax refunds or obligations of third persons (any and all such accounts, contract rights, chattel paper, instruments, notes, letters of credit, documents, documents of title, investment property, deposit accounts, other bank accounts, general intangibles, tax refunds and obligations of third persons being the "Receivables", and any and all such leases, security agreements and other contracts being the "Related Contracts");

(d) all of the Grantor's governmental approvals and authorizations to the maximum extent permitted by applicable law;

(e) all property and interests in property of the Grantor now or hereafter coming into the actual possession, custody or control of the Agent or a Lender in any way or for any purpose (whether for safekeeping, deposit, custody, pledge, transmission, collection or otherwise);

(f) leasehold interests in and fixtures located on any real property;

(g) all security entitlements;

(h) all intellectual property;

(i) all goods and all computer hardware and software;

(j) all Commercial Tort Claims as described in Schedule 1(j);

(k) Electronic Chattel Paper, Letter-of-Credit Rights, Payment Intangibles, Supporting Obligations and Tangible Chattel Paper (each as defined in the Code);

(l) records and other books relating to the foregoing; and

(m) all accessions and additions to, substitutions for, and replacements, products and proceeds of any of the foregoing (including, without limitation, proceeds which constitute property of the types described in clauses (a) through (k) of this Section 1 and, to the extent not otherwise included, all (i) payments under insurance (whether or not the Agent or a Lender is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Collateral and (ii) cash.

Provided that the foregoing shall exclude (A) any Contract Rights (other than any Contract Rights pursuant to a franchise

agreement between Borrower and an automobile manufacturer) or General Intangibles of the Grantor to the extent the Grantor may not grant a security interest in the same without breach of the terms thereof and (B) unless the relevant automobile manufacturer grants its consent thereto, any Contract Rights or General Intangibles related to a franchise agreement with an automobile manufacturer if the granting of the foregoing security interest would permit such automobile manufacturer to terminate or materially alter such franchise agreement or any related agreements with the Borrower, provided that Grantor shall use commercially reasonable efforts to obtain agreements from the relevant manufacturers (a) permitting the grant of a security interest described in subsection (A) above and (b) granting the consent described in subsection (B) above.

It is hereby acknowledged that certain of the franchise agreements and other related agreements between the various automobile manufacturers and the Grantors contain (i) restrictions on the ability of each Grantor to transfer its ownership interest in any Dealership without the consent of the relevant automobile manufacturer, (ii) provisions giving the automobile manufacturer a right of first refusal over any proposed sale or transfer of the ownership interests in any Dealership or any portion of the assets of any Dealership (provided, however, that for the purposes of this acknowledgment, the interpretation of the Agent and the Lenders is that "transfer" does not include the granting of a security interest in assets other than ownership interests in a Dealership and contract rights under franchise agreements) and (iii) requirements that under certain circumstances (including, without limitation, upon termination of the relevant franchise agreement) the Grantor must sell certain property (consisting primarily of a particular manufacturer's vehicles, parts, accessories, signs, tools and other similar items) to the manufacturer free and clear of any liens and encumbrances. It is understood and agreed that the existence or occurrence of any of the foregoing shall not result in a breach of or default under this Agreement, provided, however, that it is understood that for purposes of this acknowledgment, the interpretation of the Agent and the Lenders is that nothing contained in clause (iii) of the preceding sentence may be construed as invalidating the Liens evidenced by, or the terms of, any of the Collateral Documents.

SECTION 2. Security for Obligations. This Agreement secures the payment of (i) all obligations of the Grantors now or hereafter existing under the Guaranty, whether for principal, interest, fees, expenses or otherwise, and (ii) all obligations of any Grantor hereafter existing under this Agreement (all such obligations of the Grantors and the Borrower being the "Obligations"). Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the Obligations and would be owed by any Grantor to any Lender under the Credit Agreement but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving any Grantor or the Borrower.

SECTION 3. Grantors Remain Liable. Anything herein to the contrary notwithstanding, (a) each Grantor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its respective duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Agent of any of the rights hereunder shall not release any Grantor from any of its respective duties or obligations under the contracts and agreements included in the Collateral, and (c) neither the Agent nor the Lenders shall have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Agent or the Lenders be obligated to perform any of the obligations or duties of any Grantor thereunder

or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 4. Representations and Warranties. Each Grantor represents and warrants as follows as of the date hereof and as of the date of each Advance:

(a) All of its Equipment and Inventory is located at the places specified on Schedule 4 (a) hereto. The chief place of business and chief executive office of each Grantor and the office where the Grantor keeps its records concerning the Receivables, and the originals of all chattel paper that evidence Receivables, are located at the address specified in Section 16. None of the Receivables is evidenced by a promissory note or other instrument.

(b) Each Grantor is the legal and beneficial owner of its respective Collateral free and clear of any lien, security interest, option or other charge or encumbrance except for (i) the security interest created by this Agreement, and (ii) any security interests consented to by the Lenders in the Credit Agreement (collectively, the "Permitted Liens"). Other than financing statements with respect to Permitted Liens, no effective financing statement or other document similar in effect covering all or any part of the Collateral is on file in any recording office, except such as may have been filed in favor of the Agent relating to this Agreement.

(c) Each Grantor has exclusive possession and control of its Equipment and Inventory.

(d) Subject to the Permitted Liens, this Agreement creates a valid and perfected first priority security interest in the Collateral, securing the payment of the Obligations, and all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken or are being taken substantially contemporaneously with the execution and delivery of this Agreement.

(e) No consent of any other Person and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required (i) for the grant by the Grantors of the security interest granted hereby or for the execution, delivery or performance of this Agreement by the Grantors, (ii) for the perfection or maintenance of the security interest created hereby (including the first priority nature of such security interest) or (iii) for the exercise by the Agent (for the benefit of the Lenders) of its rights and remedies hereunder, in each case, except for (i) filings made or to be made with respect to Agent's security interest in the Collateral, and (ii) those that have been made, obtained or given.

(f) There are no conditions precedent to the effectiveness of this Agreement that have not been satisfied or waived.

(g) Each Grantor has, independently and without reliance upon the Agent or any Lender and based on such documents and information as it has deemed appropriate, made its own decision to enter into this Agreement. Grantor's state of organization, type of organization and organizational identification number are as set forth on Schedule 4 (g).

SECTION 5. Further Assurances. (a) Each Grantor agrees that from time to time, at its expense, it will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted

hereby or to enable the Agent (acting for the benefit of the Lenders) to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, each Grantor will upon such reasonable request: (i) mark conspicuously each item of chattel paper included in the Receivables and each Related Contract and, at the request of the Agent, each of its records pertaining to the Collateral with a legend, in form and substance satisfactory to the Agent, indicating that such document, chattel paper, Related Contract or Collateral is subject to the security interest granted hereby; (ii) if any Receivable shall be evidenced by a promissory note or other instrument or chattel paper, deliver and pledge to the Agent (for the benefit of the Lenders) hereunder such note or instrument or chattel paper duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to the Agent; and (iii) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Agent may reasonably request, in order to perfect and preserve the security interest granted or purported to be granted hereby.

(b) Each Grantor hereby authorizes the Agent to file one or more financing or continuation statements, and amendments thereto, relating to all or any part of the Collateral without its signature where permitted by law. A photocopy or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) Each Grantor will furnish to the Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all in reasonable detail.

(d) Grantor shall promptly (i) notify Agent, in writing, of the existence of any Collateral consisting of deposit accounts, investment property, Letter-of-Credit Rights, or Electronic Chattel Paper and shall, upon the reasonable request of Agent, promptly execute such other documents, and do such other acts or things deemed appropriate by Agent to deliver to Agent control with respect to such Collateral; provided, however, that the Grantor is only obligated to take action pursuant to this Section 5(d)(i) with respect to Letter-of-Credit Rights that (together with Borrower and any other Guarantor) exceed \$500,000.00, in aggregate, (ii) with respect to Collateral in the possession of a third party, other than certificated securities and goods covered by a document, an acknowledgment from the third party that it is holding the Collateral for benefit of the Agent; and (iii) promptly notify Agent, in writing, upon incurring or otherwise obtaining a Commercial Tort Claim in excess of One Million Dollars (\$1,000,000.00) after the date hereof against any third party, and upon the request of Agent, will promptly enter into an amendment to this Agreement, and do such other acts or things deemed appropriate by Agent to give Agent a security interest in such Commercial Tort Claim.

SECTION 6. As to Equipment and Inventory. (a) Each Grantor shall keep its Equipment and Inventory at the locations referred to on Section 4(a) or, upon 30 days' prior written notice to the Agent, at such other places in the United States of America in jurisdictions where all action required by Section 5 shall have been taken with respect to its Equipment and Inventory.

SECTION 7. As to Receivables. (a) Each Grantor shall keep its chief place of business and chief executive office and the office where it keeps its records concerning the Receivables, and the originals of all chattel paper

that evidence Receivables, if any, at the location therefor referred to in Section 4(a) or, upon 30 days' prior written notice to Agent, at any other locations in the United States of America in a jurisdiction where all action required by Section 5 shall have been taken with respect to the Receivables. Each Grantor will hold and preserve such records and chattel paper and will permit representatives of the Agent at any time during normal business hours to inspect and make abstracts from such records and chattel paper. No Grantor shall change its name, identity or corporate structure to such an extent that any financing statement filed in connection with this Agreement would become seriously misleading, unless the Borrower shall have given the Agent at least 30 days prior written notice thereof and prior to effecting any such change, taken such steps, at Borrower's expense, as Agent may deem necessary or desirable to continue the perfecting and priority of the liens in favor of the Agent granted in connection herewith.

(b) Except as otherwise provided in this subsection (b), the Grantor shall continue to collect, at its own expense, all amounts due or to become due the Grantor under the Receivables. In connection with such collections, the Grantor may take (and, at the Agent's direction, shall take) such action as the Grantor or the Agent may reasonably deem necessary or advisable to enforce collection of the Receivables; provided, however, that the Agent shall have the right at any time, upon the occurrence and during the continuance of an Event of Default or an Unmatured Default and upon written notice to the Grantor of its intention to do so, to notify the account debtors or obligors under any Receivables of the assignment of such Receivables to the Agent and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Grantor thereunder directly to the Agent and, upon such notification and at the expense of the Grantor, to enforce collection of any such Receivables, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done. After receipt by the Grantor of the notice from the Agent referred to in the proviso to the preceding sentence, (i) all amounts and proceeds (including instruments) received by the Grantor in respect of the Receivables shall be received in trust for the benefit of the Agent hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over to the Agent in the same form as so received (with any necessary endorsement) to be held as cash collateral and either (A) released to the Grantor so long as no Event of Default shall have occurred and be continuing or (B) if any Event of Default shall have occurred and be continuing, applied as provided by Section 12(b), and (ii) the Grantor shall not adjust, settle or compromise the amount or payment of any Receivable, release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon, except in the ordinary course of business consistent with past practice.

SECTION 8. Transfers and Other Liens. No Grantor may (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Collateral, or (ii) create or permit to exist any lien, security interest, option or other charge or encumbrance upon or with respect to any of the Collateral, except for the security interest under this Agreement and Liens permitted by the Credit Agreement.

SECTION 9. Agent Appointed Attorney-in-Fact. Each Grantor hereby irrevocably appoints Agent such Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor, the Lenders or otherwise, from time to time in the Agent's discretion, upon the occurrence and continuance of an Unmatured Default or an Event of Default to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(a) to obtain and adjust insurance required to be paid to the Agent pursuant to Section 7,

(b) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral,

(c) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection therewith, and

(d) to file any claims or take any action or institute any proceedings which the Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Agent or the Lenders with respect to any of the Collateral.

SECTION 10. Agent May Perform. If any Grantor fails to perform any agreement contained herein, the Agent may itself perform, or cause performance of, such agreement, and the expenses of the Agent or the Lenders incurred in connection therewith shall be payable by the Grantors upon demand.

SECTION 11. Agent's Duties. The powers conferred on the Agent hereunder are solely to protect its interest (in its capacity as agent on behalf of the Lenders) in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the exercise of reasonable care in the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, Agent shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which Agent accords its own property.

SECTION 12. Remedies. If any Event of Default shall have occurred and be continuing:

(a) Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Uniform Commercial Code in effect in the State of New York at that time (the "Code") (whether or not the Code applies to the affected Collateral), and also may (i) require any of the Grantors to, and each of the Grantors hereby agrees that it will at its expense and upon request of Agent forthwith, assemble all or part of the Collateral as directed by the Agent and make it available to Agent at a place to be designated by Agent which is reasonably convenient to both parties and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Agent's or Lender's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Agent may deem commercially reasonable. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to the applicable Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Agent may adjourn any public or private sale from time to

time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) Any cash held by Agent as Collateral and all cash proceeds received by the Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Agent, be held by the Agent as collateral for, and/or then or at any time thereafter be applied (after payment of any amounts payable to the Agent or the Lenders pursuant to any indemnity in the Guaranty) in whole or in part by the Agent against, all or any part of the Obligations in such order as the Agent shall elect. Any surplus of such cash or cash proceeds held by the Agent and remaining after payment in full in cash of all the Obligations shall be paid over to the Grantors or to whomsoever may be lawfully entitled to receive such surplus.

SECTION 13. Continuing Security Interest; Assignments under Credit Agreement. This Agreement shall create a continuing assignment of and security interest in the Collateral and shall (i) remain in full force and effect until the payment in full in cash of the Obligations and all other amounts payable under this Agreement and termination of the Loan Documents (such date, the "Security Termination Date"), (ii) be binding upon each Grantor, and such Grantor's successors and assigns and (iii) inure to the benefit of, and be enforceable by, the Agent and its successors, transferees and assigns. On the Security Termination Date, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Grantor. Upon any such termination, the Agent will, at the Grantors' expense, execute and deliver to each Grantor such documents as it shall reasonably request to evidence such termination.

SECTION 14. Security Interest Absolute. The obligations of the Grantor under this Agreement are independent of the Obligations, and a separate action or actions may be brought and prosecuted against the Grantor to enforce this Agreement, irrespective of whether any action is brought against any other Loan Party or whether any other Loan Party is joined in any such action or actions. All rights of the Agent and security interests hereunder, and all obligations of the Grantor hereunder, shall be absolute and unconditional, irrespective of:

(a) any lack of validity or enforceability of any Loan Document or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from any Loan Document, including, without limitation, any increase in the Obligations resulting from the extension of additional credit to any Loan Party or any of its Subsidiaries or otherwise;

(c) any taking, exchange, release or non-perfection of any other collateral, or any taking, release or amendment or waiver of or consent to departure from any guaranty, for all or any of the Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Obligations, or any manner of sale or other disposition of any Collateral for all

or any of the Obligations or any other assets of any loan Party or any of its Subsidiaries;

(e) any change, restructuring or termination of the corporate structure or existence of any loan Party or any of its Subsidiaries; or

(f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Loan Party or a third party grantor of a security interest.

SECTION 15. Amendment and Restatement. This Agreement amends and restates those certain Security Agreements dated January 17, 2001 or thereafter, pursuant to which Grantor granted a security interest in certain assets to Agent under the Credit Agreement.

IN WITNESS WHEREOF, the Grantors have caused this Agreement to be duly executed under seal and delivered by its officer thereunto duly authorized as of the date first above written.

Schedule 4(a)

LOCATION OF EQUIPMENT AND INVENTORY
OF THE BORROWER

Schedule 4(g)

State of Organization

Type of Organization

Organizational
Identification Number

EXHIBIT E

REVOLVING LOAN FACILITY

CLOSING STATEMENT

Closing statement for revolving loan facility in the original principal amount of \$450,000,000.00 (the "Loan") to be made by FORD MOTOR CREDIT COMPANY ("Ford Credit" or "Agent"), GENERAL MOTORS ACCEPTANCE CORPORATION ("GMAC"), DAIMLERCHRYSLER SERVICES NORTH AMERICA LLC ("Chrysler Financial"), and together with Ford Credit, Chrysler Financial, GMAC and any and all other lenders under the Credit Agreement, the "Lender") to ASBURY AUTOMOTIVE GROUP, Inc., a Delaware corporation, and Asbury Automotive Group Holdings, Inc., a Delaware corporation (individually and collectively, "Borrower"), and guaranteed by each of the following (collectively, "Guarantor"):

AF Motors, L.L.C.
ALM Motors, L.L.C.
ANL, L.P.
Asbury Atlanta AC L.L.C.
Asbury Atlanta AU L.L.C.
Asbury Atlanta Chevrolet L.L.C.
Asbury Atlanta Hon L.L.C.
Asbury Atlanta Infiniti L.L.C.
Asbury Atlanta Jaguar L.L.C.
Asbury Atlanta Lex L.L.C.
Asbury Automotive Arkansas Dealership Holdings L.L.C.
Asbury Automotive Arkansas L.L.C.
Asbury Automotive Atlanta L.L.C.
Asbury Automotive Brandon, L.P.
Asbury Automotive Central Florida, L.L.C.
Asbury Automotive Deland, L.L.C.
Asbury Automotive Fresno, L.L.C.
Asbury Automotive Financial Services, Inc.
Asbury Automotive Group L.L.C.
Asbury Automotive Jacksonville GP L.L.C.
Asbury Automotive Jacksonville, L.P.
Asbury Automotive Management L.L.C.
Asbury Automotive Mississippi L.L.C.
Asbury Automotive North Carolina Dealership Holdings L.L.C.
Asbury Automotive North Carolina L.L.C.
Asbury Automotive North Carolina Management L.L.C.
Asbury Automotive North Carolina Real Estate Holdings L.L.C.
Asbury Automotive Oregon L.L.C.
Asbury Automotive Oregon Management L.L.C.
Asbury Automotive San Diego L.L.C.
Asbury Automotive St. Louis, L.L.C.
Asbury Automotive Tampa GP L.L.C.
Asbury Automotive Tampa, L.P.

Asbury Automotive Texas Holdings L.L.C.
Asbury Automotive Texas L.L.C.
Asbury Automotive Texas Real Estate Holdings, L.P (formerly McDavid
Communications, L.P.)
Asbury Automotive Used Car Centers L.L.C.
Asbury Automotive Used Car Centers Texas GP L.L.C.
Asbury Automotive Used Car Centers Texas L.P.
Asbury Deland Imports 2, L.L.C.
Asbury-Everest Holdings L.L.C.
Asbury-Fresno Imports L.L.C.
Asbury Internet Holdings L.L.C.
Asbury Jax Holdings, L.P.
Asbury Jax Management L.L.C.
Asbury MS Gray-Daniels L.L.C.
Asbury MS Metro L.L.C.
Asbury MS Wimber L.L.C.
Asbury St. Louis Cadillac L.L.C.
Asbury St. Louis Gen L.L.C.
Asbury St. Louis Lex L.L.C.
Asbury St. Louis LR L.L.C.
Asbury Tampa Management L.L.C.
Asbury Texas Management L.L.C.
Asbury-Deland Imports, L.L.C.
Atlanta Real Estate Holdings L.L.C.
Avenues Motors, Ltd.
Bayway Financial Services, L.P.
C&O Properties, Ltd.
Camco Finance II L.L.C.
Camco Finance L.L.C.
CFP Motors, Ltd.
CH Motors, Ltd.
CHO Partnership, Ltd.
CK Chevrolet L.L.C.
CK Motors L.L.C.
CN Motors, Ltd.
Coggin Automotive Corp.
Coggin Cars L.L.C.
Coggin Chevrolet L.L.C.
Coggin Management, L.P.
Coggin Orlando Properties L.L.C.
CP-GMC Motors, Ltd.
Crown Acura/Nissan, LLC
Crown Battleground L.L.C.
Crown CHH L.L.C.
Crown CHO L.L.C.
Crown CHV L.L.C.
Crown Dodge, LLC
Crown FDO L.L.C.
Crown FFO Holdings L.L.C.
Crown FFO L.L.C.
Crown Fordham L.L.C.

Crown GAC L.L.C.
Crown GAU L.L.C.
Crown GBM L.L.C.
Crown GCA L.L.C.
Crown GCH L.L.C.
Crown GDO L.L.C.
Crown GH0 L.L.C.
Crown GKI L.L.C.
Crown GMI L.L.C.
Crown GNI L.L.C.
Crown GPG,L.L.C.
Crown GVO L.L.C.
Crown Honda, LLC
Crown Honda-Volvo, LLC
Crown Mitsubishi, LLC
Crown Motorcar Company L.L.C.
Crown Raleigh L.L.C.
Crown RIA L.L.C.
Crown RIB L.L.C.
Crown RIS L.L.C.
Crown Royal Pontiac, LLC
Crown RPG L.L.C.
CSA Imports L.L.C.
Damerow Ford Co.
Dealer Profit Systems L.L.C.
Escude-D L.L.C.
Escude-M L.L.C.
Escude-MO L.L.C.
Escude-NN L.L.C.
Escude-NS L.L.C.
Escude-T L.L.C.
HFP Motors L.L.C.
Hope CPD L.L.C.
Hope FLM L.L.C.
KP Motors L.L.C.
Internet Holdings L.L.C.
McDavid Auction, L.P.
McDavid Austin-Acra, L.P.
McDavid Frisco-Hon, L.P.
McDavid Grande, L.P.
McDavid Houston-Hon, L.P.
McDavid Houston-Kia, L.P.
McDavid Houston-Niss, L.P.
McDavid Houston-Olds, L.P.
McDavid Irving-Hon, L.P.
McDavid Irving-PB&G, L.P.
McDavid Irving-Zuk, L.P.
McDavid Outfitters, L.P.
McDavid Plano-Acra, L.P.
NP FLM L.L.C.

NP MZD L.L.C.
NP VKW L.L.C.
Plano Lincoln-Mercury, Inc.
Precision Computer Services, Inc.
Precision Enterprises Tampa, Inc.
Precision Infiniti, Inc.
Precision Motorcars, Inc.
Precision Nissan, Inc.
Premier LM L.L.C.
Premier NSN L.L.C.
Premier Pon L.L.C.
Prestige Bay L.L.C.
Prestige TOY L.L.C.
RER Properties, LLC
RWIJ Properties, LLC
Spectrum Insurance Services L.L.C.
Tampa Hund, L.P.
Tampa Kia, L.P.
Tampa LM, L.P.
Tampa Mit, L.P.
Tampa Suzu, L.P.
Thomason Auto Credit Northwest, Inc.
Thomason Dam L.L.C.
Thomason Frd L.L.C.
Thomason Hon L.L.C.
Thomason Hund L.L.C.
Thomason Maz L.L.C.
Thomason Niss L.L.C.
Thomason on Canyon, L.L.C.
Thomason Outfitters L.L.C.
Thomason Pontiac-GMC L.L.C.
Thomason Sub L.L.C.
Thomason Suzu L.L.C.
Thomason TY L.L.C.
Thomason Zuk L.L.C.
TXK CPD, L.P.
TXK FRD, L.P.
TXK L.L.C.
WMZ Brandon Motors, L.P.
WMZ Motors, L.P.
WTY Motors, L.P.

SECTION I - CONDITIONS PRECEDENT TO CLOSING

The items set forth below must be delivered to Agent in form and substance acceptable to Agent prior to closing: BORROWER'S RESPONSIBILITIES

A. Updated Schedule 1.1.1 to Credit Agreement (Outstanding Indebtedness)

- B. Updated Schedule 1.1.2 to Credit Agreement (Permitted Existing Investments)
- C. Updated Schedule 1.1.3 to Credit Agreement (Permitted Existing Liens)
- D. Updated Schedule 1.1.5 to Credit Agreement (Dealership Guarantors)
- E. Updated Schedule 1.1.6 to Credit Agreement (Existing Asbury Obligations)
- F. Updated Schedule 1.1.7 to Credit Agreement (Pending Acquisitions)
- G. Updated Schedule 1.1.8 to Credit Agreement (Subsidiaries Not Wholly Owned)
- H. Updated Schedule 3.1 to Credit Agreement (Disclosed Litigation)
- I. Updated Schedule 4.8 to Credit Agreement (Subsidiaries)
- J. Updated Schedule 4.9 to Credit Agreement (ERISA)
- K. Updated Schedule 5.3(F) to Credit Agreement (Entities with Minority Holders)
- L. Updated Exhibit F (Officer's Certificate)
- M. Schedule 1(j) for each Security Agreement (Borrower and each Guarantor)
- N. Schedule 4(a) for each Security Agreement (Borrower and each Guarantor)
- O. Schedule 4(g) for each Security Agreement (Borrower and each Guarantor)
- P. Signature Blocks for Amended and Restated Security Agreement
- P. Signature Blocks for Reaffirmation of Guaranty
- Q. Exhibit A for the Borrower Pledge
- R. Exhibit A for the Asbury LLC Pledge
- S. Exhibit A for the Asbury Everest 1Pledge)
- T. Signature Blocks for Acknowledgement and Consent (Borrower Pledge)
- U. Signature Blocks for Acknowledgement and Consent (Asbury LLC Pledge)
- V. Signature Blocks for Acknowledgement and Consent (Asbury Everest Pledge)
- W. Perfection Certificate and binders for Asbury Everest2
- X. Real Estate Documents (See section 5.4(J))

LENDER'S RESPONSIBILITIES

- A. Settlement Statement (between Lenders)
- B. UCC's (Asbury Everest)

SECTION II - DOCUMENTS TO BE EXECUTED

1. (Second) Amended and Restated Promissory Notes (Ford Credit, Chrysler, GMAC)
2. First Amended and Restated Credit Agreement
3. Reaffirmation of Guaranty (all existing Guarantors)
4. Guaranty (Asbury LLC)
5. Guaranty Internet Holdings)

6. Amended and Restated Security Agreement (Borrower)
7. Amended and Restated Security Agreement (Asbury LLC)
8. Security Agreement (Internet Holdings)
9. Amended and Restated Cross-Default Agreement (Borrower)
10. Amended and Restated Cross-Default Agreement (Asbury LLC)
11. Cross-Default Agreement (Internet Holdings)
12. Amended and Restated Pledge Agreement (Borrower) including Stock Powers executed in blank and Acknowledgement and Consent
13. Amended and Restated Pledge Agreement (Asbury LLC) including Stock Powers executed in blank and Acknowledgement and Consent
14. Pledge Agreement (Asbury Everest including Internet Holdings) including Stock Powers executed in blank and Acknowledgement and Consent
15. Amended and Restated Security Agreement (existing Guarantors, including Asbury Everest and San Diego)
16. Officer's Certificate
17. Second Amended and Restated Intercreditor Agreement
18. Wholesale Documents for Internet Holdings (Guaranty and Security Agreement)

The conditions set forth in Section I hereof and the documents set forth in Section II hereof are subject to change and may be added to or otherwise modified by Ford Credit in its sole and absolute discretion as the transaction progresses.

EXHIBIT F

[Form of Officer's Certificate]
OFFICER'S CERTIFICATE

I, the undersigned, hereby certify that I am the _____ of ASBURY AUTOMOTIVE GROUP, INC. and ASBURY AUTOMOTIVE GROUP HOLDINGS, INC., each a corporation duly organized and existing under the laws of the State of Delaware (the "Borrower"). Capitalized terms used herein and not otherwise defined herein are as defined in that certain First Amended and Restated Credit Agreement dated June 6, 2003, between the Borrower and FORD MOTOR CREDIT COMPANY (the "Agent") and each of the lenders as more specifically set forth therein (as amended, restated, supplemented or modified from time to time, the "Credit Agreement").

I further certify that, pursuant to Section 3.2 of the Credit Agreement, as of the date hereof:

1. The representations and warranties of the Borrower contained in Section 4 of the Credit Agreement are true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties are true and correct in all material respects as of such earlier date;

2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes and Event of Default or Unmatured Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below:

(Describe nature and status of Event of Default) _____

4. The current outstanding dollar amount of all Off Balance Sheet Liabilities of the Asbury Group is \$_____.

IN WITNESS WHEREOF, I hereby subscribe my name on behalf of the Borrower on this ____ day of _____, _____.

Asbury Automotive Group, Inc. and
Asbury Automotive Group Holdings, Inc.

By _____

Name _____

Title _____

EXHIBIT G

[Form of Waiver, Guaranty and Disbursement Agreement]

WAIVER, GUARANTY AND DISBURSEMENT AGREEMENT

THIS WAIVER, GUARANTY AND DISBURSEMENT AGREEMENT (the "Agreement"), dated as of _____, is made by and among _____ (the "Subsidiary"), _____ (the "Agent") for the lenders (the "Lenders") under the Credit Agreement defined below (the "Agent"), and _____, as borrower ("Borrower").

A. The Borrower, Agent and the Lender have entered into that certain First Amended and Restated Credit Agreement dated as of _____, (as the same may have been or may be amended, restated or otherwise modified from time to time, the "Credit Agreement") pursuant to which the Lender has agreed to finance the acquisition by the Borrower of automobile dealerships. Unless defined herein to the contrary, all of the defined terms in the Credit Agreement are incorporated herein by reference.

B. The Borrower has entered into a contract under which the Subsidiary will acquire all or substantially all of the tangible and intangible assets (collectively, the "Acquired Assets") of an existing automobile dealership which will then be used by the Subsidiary to operate as an Asbury Dealership³. This acquisition has been approved, and will be financed, by the Lender. The Borrower is required by the Credit Agreement to pledge its Capital Stock in the Subsidiary to the Lender. The applicable manufacturer, which must consent to the acquisition by the Borrower or the Subsidiary of the Acquired Assets, has generally consented to the acquisition but has refused to consent to the pledge by the Borrower of the Borrower's Capital Stock in the Subsidiary. The Borrower has requested that the Lender waive its requirement of the pledge, and the Lender is willing to do so on the terms set forth in this Agreement.

Accordingly, the Subsidiary, the Lender and the Borrower, in consideration of the foregoing and other good and valuable consideration, hereby agree as follows:

1. Direct Disbursement; Status as Advance. An Advance in the amount of \$ _____ (the "Direct Disbursement") has been requested to finance the acquisition of the Acquired Assets. The Direct Disbursement shall be made directly to, or as directed by, the Subsidiary, and shall be used by the Subsidiary to finance the acquisition of the Acquired Assets. The Borrower acknowledges and agrees that the Direct Disbursement is and shall constitute an Advance for all purposes under the Credit Agreement.

2. Waiver of Requirement of Pledge of Capital Stock. The Lender waives the requirement that the Borrower pledge its Capital Stock in the Subsidiary as collateral for the Borrower's obligations to the Lender. In consideration of this waiver, the Borrower shall not pledge the Capital Stock of the Subsidiary to any person other than the Lender for any purpose. Should the applicable manufacturer subsequently allow the pledging by the Borrower to the Lender of the Borrower's Capital Stock in the Subsidiary, the Borrower shall promptly upon the request of the Lender execute and deliver a Borrower Pledge of the Borrower's Capital Stock in the Subsidiary.

3. Conditions Precedent. Unless otherwise waived by the Lender, all of the conditions precedent to an Advance under the Credit Agreement including, without limitation, the execution and delivery by the Subsidiary of a Dealership Guaranty and a Dealership Security Agreement, shall be delivered to the Lender.

4. Acknowledgment of Benefit; Guaranty. The making of the Direct Disbursement will allow the Subsidiary to finance the acquisition of the Acquired Assets, which acquisition clearly constitutes a direct, pecuniary benefit to the Subsidiary. Without limiting the Subsidiary's obligations under the Dealership Guaranty executed or to be executed by the Subsidiary, the Subsidiary hereby (i) guarantees to the Lender prompt payment of the Direct Disbursement in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise) strictly in accordance with the terms of the Credit Agreement with respect to the Revolving Credit Obligations and (ii) agrees that if any of the Direct Disbursement is not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise), the Subsidiary will promptly pay and perform the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of the Revolving Credit Obligations, the Direct Disbursement will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

5. Terms Not Changed; General. Unless expressly modified or waived by the terms of this Agreement, all of the terms and conditions of the Credit Agreement and the other Loan Documents shall remain in full force and effect. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute one contract.

IN WITNESS WHEREOF, the Subsidiary, the Borrower and the Agent have each caused this Waiver, Guaranty and Disbursement Agreement to be duly executed by its authorized officers as of the day and year first above written.

EXHIBIT H

[Form of Pledged Account Agreement]

PLEGDED ACCOUNT AGREEMENT

THIS PLEDGED ACCOUNT AGREEMENT (this "Agreement") is made and entered into as of this ____ day of _____, 200_, by and among [NAME OF BANK], a national banking association (the "Bank"), [NAME OF ASBURY ENTITY], (a) (an) _____ corporation/limited liability company/limited partnership (the "Company"), and FORD MOTOR CREDIT COMPANY, a Delaware corporation, as agent (the "Agent") for the lenders (collectively, the "Lenders") from time to time party to the Credit Agreement described below.

Pursuant to that certain First Amended and Restated Credit Agreement dated as of June 6, 2003 among Asbury Automotive Group Inc., a Delaware corporation, and Asbury Automotive Group Holdings, Inc., a Delaware corporation (the entities which directly or indirectly own and control the Company; individually and collectively, the "Borrower"), the Lenders and the Agent (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), the Lenders have agreed to make loans and extend other financial accommodations to the Borrower. The Company guarantees the obligations of Borrower under the Credit Agreement pursuant to the terms of a Guaranty (as defined in the Credit Agreement) from the Company to the Agent, for the benefit of the Lenders.

The Company has established deposit accounts with the Bank as more specifically identified on Schedule I attached hereto (collectively the "Pledged Accounts" and each, a "Pledged Account").

The parties hereto desire to enter into this Agreement in order to set forth their relative rights and duties with respect to the Pledged Accounts and all funds on deposit therein from time to time.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Effectiveness. This Agreement shall take effect immediately upon its execution by all parties hereto and shall supersede any blocked account or similar agreement in effect with respect to any Pledged Account.

2. Security Interest; Agency. As collateral security for all obligations of the Company to the Agent and the Lenders now or hereafter existing under the Company's Guaranty, whether for principal, interest, fees, expenses or otherwise, the Company hereby grants to the Agent, for its own benefit and the ratable benefit of the Lenders, a present and continuing security interest in (a) the Pledged Accounts, (b) all contract rights, claims and privileges in respect of the Pledged Accounts, and (c) all cash, checks, money orders, instruments, all investment property and other items of value of the Company now or hereafter paid, deposited, credited, held (whether for collection, provisionally or otherwise) or otherwise in the possession or under the control of, or in transit to, the Bank or any agent, bailee or custodian

thereof (collectively, "Receipts"), and all proceeds of the foregoing, and the Bank acknowledges that this Agreement constitutes notice of the Agent's security interest in such collateral and does hereby consent thereto. The Agent hereby appoints the Bank as the Agent's bailee and pledgee-in-possession for the Pledged Accounts and all Receipts, and the Bank hereby accepts such appointment and agrees to be bound by the terms of this Agreement. The Company hereby agrees to such appointment and further agrees that the Bank, on behalf of the Agent, shall be entitled to exercise, upon the written instructions of the Agent (without any further consent from the Company), any and all rights which the Agent may have under the Guaranty, the Credit Agreement, the other Loan Documents described therein or under applicable law with respect to the Pledged Accounts, all Receipts and all other collateral described in this paragraph 2; provided, that the Agent and the Company acknowledge that the Bank shall not be obligated to exercise any such rights which the Agent may have except as specifically required under this Agreement. The Bank agrees to comply with instructions originated by the Agent directing disposition of the funds in the Pledged Accounts without further consent by the Company.

3. Control of Pledged Accounts. Each Pledged Account shall be under the sole dominion and control of the Agent and shall be maintained by the Bank in the name of [NAME OF ASBURY ENTITY]; provided, however, that unless and until notice in writing to the contrary is provided by the Agent, in its sole discretion, to the Bank, the Company shall have the right from time to time to write checks against amounts from the Pledged Accounts and to make transfers and withdrawals of funds from the Pledged Accounts. If so directed in such notice (without the need of any further consent from the Company), all checks received by the Bank on or after the second Banking Day (a day on which the Bank is open to conduct its regular banking business, other than a Saturday, Sunday or public holiday) after the Banking Day on which the Bank receives such notice will be returned unpaid to the presenter marked "REFER TO MAKER". The Bank will comply with any written instructions it receives from the Agent (without any further consent from the Company) to transfer immediately all collected funds then on deposit in any or all Pledged Accounts and to close such Pledged Account(s).

4. Statements and Other Information. Upon the Agent's request, the Bank shall provide the Agent with copies of the regular monthly bank statements provided to the Company and such other information relating to each Pledged Account as shall reasonably be requested by the Agent. Bank shall also deliver a copy of all notices and statements required to be sent to Company pursuant to any agreement governing or related to each Pledged Account to the Agent at such times as provided therein.

5. Fees. The Company agrees to pay on demand all usual and customary service charges, transfer fees and account maintenance fees (collectively, "Fees") of the Bank in connection with the Pledged Accounts. In the event the Company fails to timely make a payment to the Bank of any Fees, the Bank may thereafter exercise its right of set-off against the Pledged Accounts for such amounts. The Agent shall not have any responsibility or liability for the payment of any Fees.

6. Set-off; Subordination. The Bank hereby agrees that it will not exercise or claim any right of set-off or banker's lien against any Pledged Account or any Receipts on deposit therein, and Bank hereby further waives any such right or lien which it may have against any Receipts deposited in the Pledged Accounts, except (a) for debits to cover the full amount of any check or other item credited to a Pledged Account and then returned unpaid for any reason, and (b) to the extent expressly set forth in paragraph 5 above. The Bank hereby subordinates any security interest it now has or may hereafter acquire in the Pledged Accounts and/or the Receipts and agrees that the security interest granted to the Agent (for the benefit of the Lenders) pursuant to paragraph 2 of this Agreement shall at all times be prior to any security interest of the Bank in the Pledged Accounts and/or the Receipts. The priorities set forth herein shall apply notwithstanding the time or order of attachment or perfection of any security interest or the rules of priority established under the Uniform Commercial Code as adopted in New York or other applicable law.

7. Exculpation of Bank; Indemnification by Company. The Company and the Agent agree that the Bank shall have no liability to either of them for any loss or damage that either or both may claim to have suffered or incurred, either directly or indirectly, by reason of this Agreement or any transaction or service contemplated by the provisions hereof, unless occasioned by the gross negligence or willful misconduct of the Bank. In no event shall the Bank be liable for losses or delays resulting from computer malfunction, interruption of communication facilities, labor difficulties or other causes beyond the Bank's reasonable control or for indirect, special, punitive or consequential damages. The Company agrees to indemnify the Bank and hold it harmless from and against any and all claims, other than those ultimately determined to be founded on gross negligence or willful misconduct of the Bank, and from and against any damages, penalties, judgments, liabilities, losses or expenses (including reasonable attorney's fees and disbursements) incurred as a result of the assertion of any claim, by any person or entity, arising out of, or otherwise related to, any transaction conducted or service provided by the Bank through the use of any account at the Bank pursuant to the procedures provided for or contemplated by this Agreement.

8. Termination. This Agreement may be terminated by the Company only upon delivery to the Bank of a written notification thereof jointly executed by the Company and the Agent. This Agreement may be terminated by the Agent at any time, with or without cause, upon its delivery of written notice thereof to each of the Company and the Bank. This Agreement may be terminated by the Bank at any time on not less than 60 days prior written notice delivered to each of the Company and the Agent. Upon delivery or receipt of such notice of termination to or by the Bank, the Bank will (without any further consent from the Company): (a) immediately transmit to such account as the Agent may direct (i) all collected funds, if any, then on deposit in, or otherwise to the credit of, each Pledged Account, and (ii) upon receipt, all funds received after such notice for deposit in, or otherwise to the credit of, each Pledged Account; and (b) deliver directly to the Agent all Receipts consisting of checks, money orders, drafts and other instruments or items of value, whether then in the possession of the Bank or received by the Bank after such notice, without depositing such Receipts in any Pledged Account or any other account. The provisions of paragraphs 2, 3 and 6 shall survive termination of this Agreement unless and until specifically released by the Agent in writing. All rights of Bank under paragraphs 5 and 7 shall survive any termination of this Agreement.

9. Irrevocable Agreements. The Company acknowledges that the agreements made by it and the authorizations granted by it in paragraphs 2 and 3 hereof are irrevocable and that the authorizations granted in paragraphs 2 and 3 hereof are powers coupled with an interest and may be exercised by Agent with no need for any authorization by the Company beyond the authorizations as set forth herein.

10. Notices. All notices, requests or other communications given to the Company, Agent or Bank shall be given in writing (including by facsimile) at the address specified below:

Agent:

FORD MOTOR CREDIT COMPANY
The American Road
Dearborn, Michigan 48126
Attention: Janet B. Toronski, Director, Major Accounts
Telephone: (____) _____-_____
Facsimile: (____) _____-_____

Bank:

Attention: _____
Telephone: (____) _____-_____
Facsimile: (____) _____-_____

Company:

Asbury Automotive Group, Inc.
C/o Asbury Automotive Group L.L.C.
3 Landmark Square - Suite 500
Stamford, Connecticut 06901
Attention: Kenneth Gilman, President & CEO
Telephone: (203) 356-4400
Facsimile: (____) _____-_____

Any party may change its address for notices hereunder by notice to each other party hereunder given in accordance with this paragraph 10. Each notice, request or other communication shall be effective (a) if given by facsimile, when such facsimile is transmitted to the facsimile number specified in this paragraph 10 and confirmation of receipt is made by the appropriate party, (b) if given by overnight courier, 24 hours after such communication is deposited with the overnight courier for delivery, addressed as aforesaid, or (c) if given by any other means, when delivered at the address specified in this paragraph 10.

11. Miscellaneous.

(a) This Agreement may be amended only by a written instrument executed by the Agent, the Bank and the Company acting by their respective duly authorized representatives.

(b) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, but neither the Company nor the Bank shall be entitled to assign or delegate any of its rights or duties hereunder without first obtaining the express prior written consent of the Agent.

(c) This Agreement may be executed in any number of several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(d) THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK (WITHOUT GIVING EFFECT TO ITS CONFLICTS OF LAW RULES).

(e) Severability. Any provision in this Agreement that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end, the provisions of this Agreement are declared to be severable.

IN WITNESS WHEREOF, each of the parties has executed and delivered this Agreement as of the day and year first above set forth.

Schedule 1.1.1

See attached excel spread sheet

Schedule 1.1.2
Permitted Existing Investments

NONE

2

Schedule 1.1.3
[Permitted Existing Liens]

Schedule 1.1.4
[Lender's Commitments]

	"Commitment"
Ford Motor Credit Company	\$192,000,000.00
DaimlerChrysler Services North America LLC	\$192,000,000.00
General Motors Acceptance Corporation	\$66,000,000.00

Schedule 1.1.5

Dealership Guarantors

Arkansas Platform

Escude-M L.L.C.	
Escude-NN L.L.C.	
Escude-NS L.L.C.	
Hope FLM L.L.C.	
NP MZD L.L.C.	
Premier Pon L.L.C.	
Prestige TOY L.L.C.	
TXK FRD, L.P.	
Asbury MS Gray-Daniels L.L.C.	
Asbury MS Metro L.L.C.	
Total Dealership Guarantors in Arkansas	10

Schedule 1.1.5

Dealership Guarantors

Atlanta Platform

Asbury Atlanta AC L.L.C.	
Asbury Atlanta Chevrolet L.L.C.	
Asbury Atlanta Hon L.L.C.	
Asbury Atlanta Jaguar L.L.C.	
Asbury Atlanta Lex L.L.C.	
Asbury Automotive Atlanta L.L.C.	
Asbury Atlanta AU L.L.C.	
Asbury Atlanta Infiniti L.L.C.	
Total Dealership Guarantors in Atlanta	8

Schedule 1.1.5

Dealership Guarantors

Jacksonville Platform

AF Motors, L.L.C.
ALM Motors, L.L.C.
Asbury-Deland Imports, L.L.C.
Avenues Motors, Ltd.
CFP Motors, Ltd.
CH Motors, Ltd.
CHO Partnership, Ltd.
CN Motors, Ltd.
Coggin Cars L.L.C.
Coggin Chevrolet L.L.C.
CK Chevrolet LLC
CK Motors LLC
CP-GMC Motors, Ltd.
CSA Imports L.L.C.
KP Motors L.L.C.
HFP Motors L.L.C.

Total Dealership Guarantors in Jacksonville 16

Schedule 1.1.5

Dealership Guarantors

Mississippi

Asbury MS Wimber L.L.C.
Escude-T L.L.C.

Total Dealership Guarantors in Mississippi 2

Schedule 1.1.5

Dealership Guarantors

North Carolina Platform

- Crown CHH L.L.C.
- Crown CHV L.L.C.
- Crown Dodge, LLC
- Crown FFO L.L.C.
- Crown GAC L.L.C.
- Crown GAU L.L.C.
- Crown GBM L.L.C.
- Crown GDO L.L.C.
- Crown GH0 L.L.C.
- Crown GKI L.L.C.
- Crown GMI L.L.C.
- Crown GNI L.L.C.
- Crown GPG L.L.C.
- Crown GVO L.L.C.
- Crown RIA L.L.C.
- Crown RIB L.L.C.
- Crown Motorcar Company L.L.C.
- Crown FDO L.L.C.
- Crown GCH L.L.C.
- Crown GCA L.L.C.
- Crown CHO L.L.C.

Total Dealership Guarantors in North Carolina

21

Schedule 1.1.5

Dealership Guarantors

Oregon Platform

*Damerow Ford Co.
Thomason Dam L.L.C.
Thomason Frd L.L.C.
Thomason Hon L.L.C.
Thomason Hund L.L.C.
Thomason Maz L.L.C.
Thomason Niss L.L.C.
Thomason on Canyon, L.L.C.
Thomason TY L.L.C.
Thomason Zuk L.L.C.
Thomason Pontiac-GMC L.L.C.

Total Dealership Guarantors in Oregon 11

*This entity is owned 100% by Precision Enterprises Tampa, Inc. However, operationally it is still part of the Oregon Platform.

Schedule 1.1.5

Dealership Guarantors

St. Louis Platform

Asbury Automotive St. Louis, L.L.C.	
Asbury St. Louis Cadillac L.L.C.	
Asbury St. Louis Lex L.L.C.	
Asbury St. Louis LR L.L.C.	
Total Dealership Guarantors in St. Louis	4

Schedule 1.1.5

Dealership Guarantors

Tampa Platform

Asbury Automotive Brandon, L.P.

Asbury Automotive Tampa, L.P.

Precision Infiniti, Inc.

Precision Motorcars, Inc.

Precision Nissan, Inc.

Tampa Hund, L.P.

Tampa Kia, L.P.

Tampa LM, L.P.

Tampa Mit, L.P.

Tampa Suzu, L.P.

WMZ Brandon Motors, L.P.

WMZ Motors, L.P.

WTY Motors, L.P.

Total Dealership Guarantors in Tampa

13

Schedule 1.1.5

Dealership Guarantors

Texas Platform

- McDavid Austin-Acra, L.P.
- McDavid Houston-Hon, L.P.
- McDavid Houston-Kia, L.P.
- McDavid Houston-Niss, L.P.
- McDavid Irving-Hon, L.P.
- McDavid Irving-PB&G, L.P.
- McDavid Irving-Zuk, L.P.
- McDavid Plano-Acra, L.P.
- *Plano Lincoln-Mercury, Inc.
- McDavid Frisco-Hon, L.P.

Total Dealership Guarantors in Texas

10

*This entity is owned 100% by Precision Enterprises Tampa, Inc. However, operationally it is still part of the Texas Platform.

Schedule 1.1.5

Dealership Guarantors

Fresno Platform

Asbury Fresno Imports L.L.C.

Total Dealership Guarantors in Fresno 1

Total Dealership Guarantors 96

Schedule 1.1.6

"Existing Asbury Obligations" means, collectively, all outstanding amounts of principal and accrued interest, plus other amounts due and owing on the Effective Date under each of the following obligations:

None

Schedule 1.1.7
Pending Acquisitions

Store Name	Platform	Expected Closing Date	Expected Purchase Price
Bob Baker Enterprises, Inc.	San Diego	February 2003	\$88,000,000
Chris Imports of Marietta, Inc. and Chris Motors Corporation	Atlanta	August 2003	\$29,000,000
Bobby Gray Management Co. Inc. d/b/a Yazoo Motor Company	Mississippi	August 2003	8,500,000.000

Schedule 1.1.8
Subsidiaries Not Wholly Owned

St. Louis Platform

Asbury St. Louis LR L.L.C.

Total Subsidiaries in Platform 1

Total Subsidiaries no wholly owned: 1

Schedule 3.1
Disclosed Litigation

Allison Ann Kendrick, as Executrix of the Estate of Brian E. Kendrick v. Asbury Automotive Management, L.L.C. and Asbury Automotive Group, Inc., an arbitration proceeding pending under the auspices of the American Arbitration Association in New York, NY, as No 13Y 160 007852, commenced in March 2002.

Schedule 4.8
Subsidiaries

Schedule 4.9
ERISA: employee welfare benefit plans

NONE

20

Schedule 5.3(F)
Entities with a Minority Holder of Equity Interests

St. Louis Platform

Asbury St. Louis LR L.L.C.

Total Subsidiaries in Platform 1

SCHEDULE 9.3

FORM OF
ASSIGNMENT AND ACCEPTANCE

Reference is made to the First Amended and Restated Credit Agreement dated as of _____, 2003 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein, unless otherwise defined herein, being used herein as therein defined) among _____, a _____ corporation (the "Borrower"), the Lender Parties party thereto, _____, as Administrative Agent for the Lender Parties.

Each "Assignor" referred to on Schedule 1 hereto (each, an "Assignor") and each "Assignee" referred to on Schedule 1 hereto (each, an "Assignee") agrees severally with respect to all information relating to it and its assignment hereunder and on Schedule 1 hereto as follows:

1. Such Assignor hereby sells and assigns, without recourse except as to the representations and warranties made by it herein, to such Assignee, and such Assignee hereby purchases and assumes from such Assignor, an interest in and to such Assignor's rights and obligations under the Credit Agreement as of the date hereof equal to the percentage interest specified on Schedule 1 hereto of all outstanding rights and obligations under the Credit Agreement [Facility or Facilities specified on Schedule 1 hereto]. After giving effort to such sale and assignment, such Assignee's Commitments and the amount of the Advances owing to such Assignee will be as set forth on Schedule 1 hereto.

2. Such Assignor (i) represents and warrants that its name set forth on Schedule 1 hereto is its legal name, that it is the legal and beneficial owner of the interest or interests being assigned by it hereunder and that such interest or interests are free and clear of any adverse claim; (ii) make no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with any Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with any Loan Document or any other instrument or document furnished pursuant thereto; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under any Loan Document or any other instrument or document furnished pursuant thereto; and (iv) attaches the Note or Notes held by such Assignor and requests that the Administrative Agent exchange such Note or Notes for a new Note or Notes payable to the order of such Assignee in an amount equal to the Commitments assumed by such Assignee pursuant hereto or new Notes payable to the order of such Assignee in an amount equal to the Commitments assumed by such Assignee pursuant hereto and such Assignor in an amount equal to the Commitments retained by such Assignor under the Credit Agreement, respectively, as specified on Schedule 1 hereto.

3. Such Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 4.4 thereof and such other documents and information as it has deemed

appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon any Agent, any Assignor or any other Lender Party and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) represents and warrants that its name set forth on Schedule 1 hereto is its legal name; (iv) confirms that it is an Eligible Assignee; (v) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Loan Documents as are delegated to such Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (vi) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender Party; and (vii) attaches any U.S. Internal Revenue Service forms required under Section 2.12 of the Credit Agreement.

4. Following the execution of this Assignment and Acceptance, it will be delivered to the Administrative Agent for acceptance and recording by the Administrative Agent. The effective date for this Assignment and Acceptance (the "Effective Date") shall be the date of the acceptance hereof by the Administrative Agent, unless otherwise specified on Schedule 1 hereto.

5. Upon such acceptance and recording by the Administrative Agent, as of the Effective Date, (i) such Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender Party thereunder and (ii) such Assignor shall, to the extent provided in this Agreement and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement (other than its rights and obligations under the Loan Documents that are specified under the terms of such Loan Documents to survive the payment in full of the Obligations of the Loan Parties under the Loan Documents to the extent any claim thereunder relates to an event arising prior to the Effective Date of this Assignment and Acceptance) and, if this Assignment and Acceptance covers all of the remaining portion of the rights and obligations of such Assignor under the Credit Agreement, such Assignor shall cease to be a party thereto.

6. Upon such acceptance and recording by the Agent, from and after the Effective Date, the Agent shall make all payments under the Credit Agreement and the Notes in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees with respect thereto) to such Assignee. Such Assignor and such Assignee shall make all appropriate adjustments in payments under the Credit Agreement and the Notes for periods prior to the Effective Date directly between themselves.

7. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of New York.

8. This Assignment and Acceptance may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of Schedule 1 to this Assignment and Acceptance by telecopier shall be effective as delivery of an original executed counterpart of this Assignment and Acceptance.

IN WITNESS WHEREOF, each Assignor and each Assignee have caused Schedule 1 to this Assignment and Acceptance to be executed by their officers thereunto duly authorized as of the date specified thereon.

Effective Date (if other than date of acceptance by Administrative Agent):

- - - - - , - - - - -

Assignors

Assignees

Accepted [and Approved] this _____
day of _____, _____

[NAME OF AGENT],
as Agent

By _____
Title:

[Approved this ____ day
of _____, _____

[NAME OF BORROWER]

By _____
Title:]

- - - - -

This agreement is entered into as of April 21, 2003 between Asbury Automotive Group, Inc. ("Asbury") and Lynne A. Burgess ("Executive"), a key employee of Asbury, in order to provide for an agreed-upon compensation in the event that Executive's employment is terminated as defined in this agreement.

1. Severance Pay Arrangement

If a Termination (as defined below) of Executive's employment occurs at any time during Executive's employment, Asbury will pay Executive 12 months of Executive's base salary as of the date of Termination as Severance Pay. Payment (subject to required withholding) will be made by Asbury to Executive monthly on the regular payroll dates of Asbury starting with the date of Termination.

If Executive participates in a bonus compensation plan at the date of Termination, Severance Pay will also include a portion of the target bonus for the year of Termination in an amount equal to the target bonus multiplied by the percentage of such year that has expired through the date of Termination.

In addition, Executive shall be entitled for 12 months following the date of Termination to continue to participate at the same level of coverage and Executive contribution in any health, dental, disability and life insurance plans, as may be amended from time to time, in which Executive was participating immediately prior to the date of Termination. Such participation will terminate 30 days after Executive has obtained other employment under which Executive is covered by equal benefits. Executive agrees to notify Asbury promptly upon obtaining such other employment. At the option of Executive, COBRA coverage will be available, as provided by company policy, at the termination of the extended benefits provided above.

2. Change of Control Arrangement

In the event that a Termination occurs at any time within two years after a Change of Control, then (1) the term "12 months" in the first and third paragraphs of Section 1 of this agreement shall be replaced with "36 months" and (2) the term "one year" in Section 5 and Section 6 of this agreement shall be replaced with "36 months". For purposes of this Section, "Change of Control" shall have the meaning ascribed to such term in Asbury's 2002 Stock Option Plan, as such plan may be amended from time to time.

3. Definition of Termination Triggering Severance Pay

A "Termination" triggering the Severance Pay set forth above in Sections 1 and 2 is defined as (1) termination of Executive's employment by Asbury for any reason, except death, disability, retirement, voluntary resignation or "cause", or (2) termination by Executive because of mandatory relocation of Executive's current principal place of business to a location more than 50 miles away, or (3) Asbury's reduction of Executive's base salary, or (4) any material diminution of Executive's duties or job title, except in a termination for "cause", death, "disability," retirement or voluntary resignation. The definition of "cause" is: (a) Executive's gross negligence or serious misconduct (including, without limitation, any criminal, fraudulent or dishonest conduct) that is injurious to Asbury or any of its affiliates; or (b) Executive being convicted of, or entering a plea of nolo contendere to, any crime that constitutes a felony or involves moral turpitude; or (c) Executive's material breach of Sections 4, 5 or 6 below or (d) Executive's willful and continued failure to substantially perform Executive's duties with Asbury or (e) Executive's material breach of a material written policy of Asbury. The definition of "disability" is a physical or mental disability or infirmity that prevents the performance by Executive of his duties lasting (or likely to last, based on competent medical evidence presented to Asbury) for a continuous period of six months or longer.

4. Confidential Information Nondisclosure Provision

During and after employment with Asbury, Executive agrees not to disclose to any person (other than to an employee or director of Asbury or any affiliate and except as may be required by law) and not to use to compete with Asbury or any affiliate any confidential or proprietary information,

knowledge or data that is not in the public domain that was obtained by Executive while employed by Asbury with respect to Asbury or any affiliate or with respect to any products, improvements, customers, methods of distribution, sales, prices, profits, costs, contracts, suppliers, business prospects, business methods, techniques, research, trade secrets or know-how of Asbury or any affiliate (collectively, "Confidential Information"). In the event Executive's employment terminates for any reason, Executive will deliver to Asbury on or before the date of termination all documents and data of any nature pertaining to Executive's work with Asbury and will not take any documents or data or any reproduction, or any documents containing or pertaining to any Confidential Information. Executive agrees that in the event of a breach by Executive of this provision, Asbury shall be entitled to inform all potential or new employers of this provision and to cease payments and benefits that would otherwise be made pursuant to Sections 1 and 2 above, as well as to obtain injunctive relief and damages which may include recovery of amounts paid to Executive under this agreement.

5. Non-Solicitation of Employees

Executive agrees that for a period of one year following final payment to Executive as required under Sections 1 and 2, Executive shall not directly or indirectly solicit for employment or employ any person who, at any time during the 12 months preceding such last day of Executive's employment, is or was employed by Asbury or any affiliate or induce or attempt to persuade any employee of Asbury or any affiliate to terminate their employment relationship. Executive agrees that in the event of a breach by Executive of this provision, Asbury shall be entitled to inform all potential or new employers of this provision and to cease payments and benefits that would otherwise be made pursuant to Sections 1 and 2 above, as well as to obtain injunctive relief and damages which may include recovery of amounts paid to Executive under this agreement.

6. Covenant Not to Compete

While Executive is employed by Asbury, Executive shall not directly or indirectly engage in, participate in, represent or be connected with in any way, as an officer, director, partner, owner, employee, agent, independent contractor, consultant, proprietor or stockholder (except for the ownership of a less than 5% stock interest in a publicly-traded corporation) or otherwise, any business or activity which competes with the business of Asbury or any affiliate unless expressly consented to in writing by the Chief Executive Officer of Asbury (collectively, "Covenant Not To Compete").

In the event Executive's employment terminates for any reason, the provisions of the Covenant Not To Compete shall remain in effect for a period of one year following final payment to Executive as required under Sections 1 and 2, except that the prohibition above on "any business or activity which competes with the business of Asbury or any affiliate" shall be limited to Autonation, Sonic, Lithia, United Auto Group and other public groups. Executive shall disclose in writing to Asbury the name, address and type of business conducted by any proposed new employer of Executive if requested in writing by Asbury. Executive agrees that in the event of a breach by Executive of this Covenant Not To Compete, Asbury shall be entitled to inform all potential or new employers of this Covenant and to cease payments and benefits that would otherwise be made pursuant to Sections 1 and 2 above, as well as to obtain injunctive relief and damages which may include recovery of amounts paid to Executive under this agreement.

7. Parachute Payment Limitation

Notwithstanding anything in this agreement to the contrary, if any severance pay or benefits payable under this agreement (without the application of this Section 7), either alone or together with other payments, awards, benefits or distributions (or any acceleration of any payment, award, benefit or distribution) pursuant to any agreement, plan or arrangement with Asbury or any of its affiliates (the "Total Payments"), would constitute a "parachute payment" (as defined in Section 280G of the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code")), then [the following shall occur:

- (a) tax counsel selected by Asbury's independent auditors and acceptable to Executive shall compute the net present value to Executive of all the Total Payments after reduction for the excise taxes imposed by Code Section 4999 and for any normal income taxes that would be imposed on Executive if such Total Payments constituted Executive's sole taxable income; and
- (b) said tax counsel shall next compute the maximum Total Payments that can be provided without any such Total Payments being characterized as "Excess Parachute Payments" (as defined in Code Section 280G) and reduce the result by the amount of any normal income taxes that would be imposed on Executive if such reduced Total Payments constituted Executive's sole taxable income.

If the result derived in clause (a) above is greater than the result derived in clause (b) above by more than 10% of the result derived in clause (b) above, then Asbury shall pay Executive the full amount of the Total Payments without reduction. If the result derived from clause (a) above is not greater than the result derived in clause (b) above by more than 10% of the result derived in clause (b) above, then Asbury shall pay Executive the maximum Total Payments possible without any such Total Payments being characterized as Excess Parachute Payments. The determination of how such Total Payments will be reduced shall be made by Executive in good faith after consultation with Asbury.

GENERAL PROVISIONS

A. Employment is At Will

Executive and Asbury acknowledge and agree that Executive is an "at will" employee, which means that either Executive or Asbury may terminate the employment relationship at any time, for any reason, with or without cause or notice, and that nothing in this agreement shall be construed as an express or implied contract of employment.

B. Execution of Release

As a condition to the receipt of the Severance Pay payments and benefits described in Sections 1 and 2 above, Executive agrees to execute a release of all claims arising out of Executive's employment or termination, including, but not limited to, any claim of discrimination, harassment or wrongful discharge under local, state or federal law.

C. Other Provisions

This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Executive and Asbury, including any successor to Asbury.

The transfer of Executive from Asbury to any of its affiliates shall not be deemed to be a termination pursuant to clause (1) of Section 3 of this agreement until such time as Executive is no longer employed by Asbury or any of its affiliates. If Executive is transferred to an affiliate of Asbury, references to "Asbury" herein shall be deemed to include the applicable affiliate to which Executive is transferred.

The headings and captions are provided for reference and convenience only and shall not be considered part of this agreement.

If any provision of this agreement shall be held invalid or unenforceable, such holding shall not affect any other provisions, and this agreement shall be construed and enforced as if such provisions had not been included.

Any disputes arising under or in connection with this agreement shall be resolved by third party mediation of the dispute and, if such dispute is not resolved within 30 days, by binding arbitration, to be held in New York City, New York, in accordance with the rules and procedures of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each party shall bear his or its own costs of the mediation, arbitration or litigation.

All notices and other communications required or permitted under this agreement shall be in writing (including a facsimile or similar writing) and shall be deemed given when (1) delivered personally, (2) sent by certified or registered mail, postage prepaid, return receipt requested or delivered by overnight courier (provided that a written acknowledgment of receipt is obtained by the overnight courier) to the party concerned at the address indicated below or to such changed address as such party may subsequently give such notice of or (3) if given by facsimile, at the time transmitted to the respective facsimile numbers set forth below, or to such other facsimile number as either party may have furnished to the other in writing in accordance herewith, and the appropriate confirmation received (or, if such time is not during a business day, at the beginning of the next such business day); provided, however, that notice of change of address shall be effective only upon receipt:

If to Asbury: Asbury Automotive Group, Inc.
 c/o General Counsel
 3 Landmark Square
 Suite 500
 Stamford, CT 06901
 Facsimile: (203) 356-4474

If to Executive: To the most recent address and facsimile number, if applicable, of Executive set forth in the personnel records of Asbury.

This agreement supercedes any and all agreements between Asbury and Executive relating to payments upon termination of employment or severance pay and may only be modified in writing signed by Asbury and Executive.

This agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.

All payments hereunder shall be subject to any required withholding of federal, state, local and foreign taxes pursuant to any applicable law or regulation.

No provision of this agreement shall be waived unless the waiver is agreed to in writing and signed by Executive and the Chief Executive Officer of Asbury. No waiver by either party of any breach of, or of compliance with, any condition or provision of this agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

AGREED TO AS OF THE DATE FIRST WRITTEN ABOVE:

BY EXECUTIVE

BY ASBURY AUTOMOTIVE GROUP, INC.

/s/ Lynne Burgess

/s/ Kenneth B. Gilman

Print Name:

Print Name and Title:

Lynne Burgess

Kenneth B. Gilman, President and CEO

This agreement is entered into as of April 21, 2003 between Asbury Automotive Group, Inc. ("Asbury") and Phil Johnson ("Executive"), a key employee of Asbury, in order to provide for an agreed-upon compensation in the event that Executive's employment is terminated as defined in this agreement.

1. Severance Pay Arrangement

If a Termination (as defined below) of Executive's employment occurs at any time during Executive's employment, Asbury will pay Executive 12 months of Executive's base salary as of the date of Termination as Severance Pay. Payment (subject to required withholding) will be made by Asbury to Executive monthly on the regular payroll dates of Asbury starting with the date of Termination.

If Executive participates in a bonus compensation plan at the date of Termination, Severance Pay will also include a portion of the target bonus for the year of Termination in an amount equal to the target bonus multiplied by the percentage of such year that has expired through the date of Termination.

In addition, Executive shall be entitled for 12 months following the date of Termination to continue to participate at the same level of coverage and Executive contribution in any health, dental, disability and life insurance plans, as may be amended from time to time, in which Executive was participating immediately prior to the date of Termination. Such participation will terminate 30 days after Executive has obtained other employment under which Executive is covered by equal benefits. Executive agrees to notify Asbury promptly upon obtaining such other employment. At the option of Executive, COBRA coverage will be available, as provided by company policy, at the termination of the extended benefits provided above.

2. Change of Control Arrangement

In the event that a Termination occurs at any time within two years after a Change of Control, then (1) the term "12 months" in the first and third paragraphs of Section 1 of this agreement shall be replaced with "36 months" and (2) the term "one year" in Section 5 and Section 6 of this agreement shall be replaced with "36 months". For purposes of this Section, "Change of Control" shall have the meaning ascribed to such term in Asbury's 2002 Stock Option Plan, as such plan may be amended from time to time.

3. Definition of Termination Triggering Severance Pay

A "Termination" triggering the Severance Pay set forth above in Sections 1 and 2 is defined as (1) termination of Executive's employment by Asbury for any reason, except death, disability, retirement, voluntary resignation or "cause", or (2) termination by Executive because of mandatory relocation of Executive's current principal place of business to a location more than 50 miles away, or (3) Asbury's reduction of Executive's base salary, or (4) any material diminution of Executive's duties or job title, except in a termination for "cause", death, "disability," retirement or voluntary resignation. The definition of "cause" is: (a) Executive's gross negligence or serious misconduct (including, without limitation, any criminal, fraudulent or dishonest conduct) that is injurious to Asbury or any of its affiliates; or (b) Executive being convicted of, or entering a plea of nolo contendere to, any crime that constitutes a felony or involves moral turpitude; or (c) Executive's material breach of Sections 4, 5 or 6 below or (d) Executive's willful and continued failure to substantially perform Executive's duties with Asbury or (e) Executive's material breach of a material written policy of Asbury. The definition of "disability" is a physical or mental disability or infirmity that prevents the performance by Executive of his duties lasting (or likely to last, based on competent medical evidence presented to Asbury) for a continuous period of six months or longer.

4. Confidential Information Nondisclosure Provision

During and after employment with Asbury, Executive agrees not to disclose to any person (other than to an employee or director of Asbury or any

affiliate and except as may be required by law) and not to use to compete with Asbury or any affiliate any confidential or proprietary information, knowledge or data that is not in the public domain that was obtained by Executive while employed by Asbury with respect to Asbury or any affiliate or with respect to any products, improvements, customers, methods of distribution, sales, prices, profits, costs, contracts, suppliers, business prospects, business methods, techniques, research, trade secrets or know-how of Asbury or any affiliate (collectively, "Confidential Information"). In the event Executive's employment terminates for any reason, Executive will deliver to Asbury on or before the date of termination all documents and data of any nature pertaining to Executive's work with Asbury and will not take any documents or data or any reproduction, or any documents containing or pertaining to any Confidential Information. Executive agrees that in the event of a breach by Executive of this provision, Asbury shall be entitled to inform all potential or new employers of this provision and to cease payments and benefits that would otherwise be made pursuant to Sections 1 and 2 above, as well as to obtain injunctive relief and damages which may include recovery of amounts paid to Executive under this agreement.

5. Non-Solicitation of Employees

Executive agrees that for a period of one year following final payment to Executive as required under Sections 1 and 2, Executive shall not directly or indirectly solicit for employment or employ any person who, at any time during the 12 months preceding such last day of Executive's employment, is or was employed by Asbury or any affiliate or induce or attempt to persuade any employee of Asbury or any affiliate to terminate their employment relationship. Executive agrees that in the event of a breach by Executive of this provision, Asbury shall be entitled to inform all potential or new employers of this provision and to cease payments and benefits that would otherwise be made pursuant to Sections 1 and 2 above, as well as to obtain injunctive relief and damages which may include recovery of amounts paid to Executive under this agreement.

6. Covenant Not to Compete

While Executive is employed by Asbury, Executive shall not directly or indirectly engage in, participate in, represent or be connected with in any way, as an officer, director, partner, owner, employee, agent, independent contractor, consultant, proprietor or stockholder (except for the ownership of a less than 5% stock interest in a publicly-traded corporation) or otherwise, any business or activity which competes with the business of Asbury or any affiliate unless expressly consented to in writing by the Chief Executive Officer of Asbury (collectively, "Covenant Not To Compete").

In the event Executive's employment terminates for any reason, the provisions of the Covenant Not To Compete shall remain in effect for a period of one year following final payment to Executive as required under Sections 1 and 2, except that the prohibition above on "any business or activity which competes with the business of Asbury or any affiliate" shall be limited to Autonation, Sonic, Lithia, United Auto Group and other public groups. Executive shall disclose in writing to Asbury the name, address and type of business conducted by any proposed new employer of Executive if requested in writing by Asbury. Executive agrees that in the event of a breach by Executive of this Covenant Not To Compete, Asbury shall be entitled to inform all potential or new employers of this Covenant and to cease payments and benefits that would otherwise be made pursuant to Sections 1 and 2 above, as well as to obtain injunctive relief and damages which may include recovery of amounts paid to Executive under this agreement.

7. Parachute Payment Limitation

Notwithstanding anything in this agreement to the contrary, if any severance pay or benefits payable under this agreement (without the application of this Section 7), either alone or together with other payments, awards, benefits or distributions (or any acceleration of any payment, award, benefit or distribution) pursuant to any agreement, plan or arrangement with Asbury or any of its affiliates (the "Total Payments"), would constitute a "parachute payment" (as defined in Section 280G of the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code")), then [the following shall occur:

- (a) tax counsel selected by Asbury's independent auditors and acceptable to Executive shall compute the net present value to Executive of all the Total Payments after reduction for the excise taxes imposed by Code Section 4999 and for any normal income taxes that would be imposed on Executive if such Total Payments constituted Executive's sole taxable income; and
- (b) said tax counsel shall next compute the maximum Total Payments that can be provided without any such Total Payments being characterized as "Excess Parachute Payments" (as defined in Code Section 280G) and reduce the result by the amount of any normal income taxes that would be imposed on Executive if such reduced Total Payments constituted Executive's sole taxable income.

If the result derived in clause (a) above is greater than the result derived in clause (b) above by more than 10% of the result derived in clause (b) above, then Asbury shall pay Executive the full amount of the Total Payments without reduction. If the result derived from clause (a) above is not greater than the result derived in clause (b) above by more than 10% of the result derived in clause (b) above, then Asbury shall pay Executive the maximum Total Payments possible without any such Total Payments being characterized as Excess Parachute Payments. The determination of how such Total Payments will be reduced shall be made by Executive in good faith after consultation with Asbury.

GENERAL PROVISIONS

A. Employment is At Will

Executive and Asbury acknowledge and agree that Executive is an "at will" employee, which means that either Executive or Asbury may terminate the employment relationship at any time, for any reason, with or without cause or notice, and that nothing in this agreement shall be construed as an express or implied contract of employment.

B. Execution of Release

As a condition to the receipt of the Severance Pay payments and benefits described in Sections 1 and 2 above, Executive agrees to execute a release of all claims arising out of Executive's employment or termination, including, but not limited to, any claim of discrimination, harassment or wrongful discharge under local, state or federal law.

C. Other Provisions

This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Executive and Asbury, including any successor to Asbury.

The transfer of Executive from Asbury to any of its affiliates shall not be deemed to be a termination pursuant to clause (1) of Section 3 of this agreement until such time as Executive is no longer employed by Asbury or any of its affiliates. If Executive is transferred to an affiliate of Asbury, references to "Asbury" herein shall be deemed to include the applicable affiliate to which Executive is transferred.

The headings and captions are provided for reference and convenience only and shall not be considered part of this agreement.

If any provision of this agreement shall be held invalid or unenforceable, such holding shall not affect any other provisions, and this agreement shall be construed and enforced as if such provisions had not been included.

Any disputes arising under or in connection with this agreement shall be resolved by third party mediation of the dispute and, if such dispute is not resolved within 30 days, by binding arbitration, to be held in New York City, New York, in accordance with the rules and procedures of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each party shall bear his or its own costs of the mediation, arbitration or litigation.

All notices and other communications required or permitted under this agreement shall be in writing (including a facsimile or similar writing) and shall be deemed given when (1) delivered personally, (2) sent by certified or registered mail, postage prepaid, return receipt requested or delivered by overnight courier (provided that a written acknowledgment of receipt is obtained by the overnight courier) to the party concerned at the address indicated below or to such changed address as such party may subsequently give such notice of or (3) if given by facsimile, at the time transmitted to the respective facsimile numbers set forth below, or to such other facsimile number as either party may have furnished to the other in writing in accordance herewith, and the appropriate confirmation received (or, if such time is not during a business day, at the beginning of the next such business day); provided, however, that notice of change of address shall be effective only upon receipt:

If to Asbury: Asbury Automotive Group, Inc.
 c/o General Counsel
 3 Landmark Square
 Suite 500
 Stamford, CT 06901
 Facsimile: (203) 356-4474

If to Executive: To the most recent address and facsimile number,
 if applicable, of Executive set forth in the
 personnel records of Asbury.

This agreement supercedes any and all agreements between Asbury and Executive relating to payments upon termination of employment or severance pay and may only be modified in writing signed by Asbury and Executive.

This agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.

All payments hereunder shall be subject to any required withholding of federal, state, local and foreign taxes pursuant to any applicable law or regulation.

No provision of this agreement shall be waived unless the waiver is agreed to in writing and signed by Executive and the Chief Executive Officer of Asbury. No waiver by either party of any breach of, or of compliance with, any condition or provision of this agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

AGREED TO AS OF THE DATE FIRST WRITTEN ABOVE:

BY EXECUTIVE

BY ASBURY AUTOMOTIVE GROUP, INC.

/s/ Phil Johnson

/s/ Kenneth B. Gilman

Print Name:
Phil Johnson

Print Name and Title:
Kenneth B. Gilman, President and CEO

CERTIFICATION PURSUANT TO
RULE 13a-15(e) OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kenneth B. Gilman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Asbury Automotive Group, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
 - (a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kenneth B. Gilman
Kenneth B. Gilman
Chief Executive Officer
August 13, 2003

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Asbury Automotive Group, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kenneth B. Gilman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Kenneth B. Gilman

Kenneth B. Gilman
Chief Executive Officer
August 13, 2003

CERTIFICATION PURSUANT TO
RULE 13a-15(e) OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas F. Gilman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Asbury Automotive Group, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
 - (a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which and reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Thomas F. Gilman
Thomas F. Gilman
Chief Financial Officer
August 13, 2003

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Asbury Automotive Group, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas F. Gilman, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Thomas F. Gilman

Thomas F. Gilman
Chief Financial Officer
August 13, 2003