

## NISSAN NORTH AMERICA, INC.

Dealer Network Development One Nissan Way Franklin, TN 37067 Telephone: 615.725.1000

Via E-Mail

March 19, 2020

## Subject: Nissan Sales & Service Agreement

Dear Dealer Principal:

As the impact of Coronavirus (COVID-19) continues to be felt by individuals, businesses and communities throughout the country, Nissan North America, Inc. ("Nissan") wishes to reassure you that we are available to support you through these challenging times.

We, like you, are concerned about family, friends, co-workers, employees and the communities in which we all live. We are aware that in some communities the governmental authorities have issued "shelter-in-place" orders, requiring or suggesting that schools and certain businesses close, that people practice "social distancing," and that individuals work at home if at all possible. Some of these orders exempt certain functions deemed essential which may, depending on the jurisdiction, include automobile repair and related businesses.

We encourage all dealers to comply with all government mandates and, if required, to close for the duration of any applicable federal, state or local order.

To the extent your dealership is not covered by such an order, or is otherwise exempt, we believe that it is important you remain open if at all possible during normal business hours to provide important automobile sales, maintenance and repair services to customers who may need or, indeed, require them.

For dealers who are forced to close, whether due to government order or simply due to a lack of available staff, we recognize that under Section 6.D. of the Standard Provisions of your Dealer Sales and Service Agreement (the "Agreement"), you are contractually required to remain open for business during customary business hours. Specifically:

...Dealer shall maintain its Dealership Facilities open for business and shall conduct all Dealership Operations required under this Agreement during such days and hours as automobile dealers' sales and service facilities are customarily and lawfully open in Dealer's Primary Market Area or in the metropolitan area in which Dealer is located...

Section 12.A.4 further provides that a failure to remain open for business or conduct all Dealership Operations for seven consecutive days warrants termination of the Agreement unless otherwise excused by fire, flood, earthquake or other Act of God.

Obviously to the extent your dealership is required to close due to local, state, or federal government orders or mandates, Nissan will not consider this event to be a breach of the Agreement. Further, while situations involving closures not mandated by the government will need to be evaluated on a case by case, Nissan wanted to reassure you that it intends to take

a liberal view of the types of unforeseen circumstances beyond a dealer's control relating to COVID-19 that would qualify for exception under Section 12.A.4.

We continue to closely monitor these fast-changing events and intend to re-evaluate this ongoing situation. We will provide a further communication to you, as events warrant, in the future.

In the meantime, we urge you to stay safe, stay healthy, and continue to support those around you to the best of your ability.

Sincerely,

Nissan North America, Inc.

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Judy Wheeler Divisional Vice President Dealer Network Development and Customer Quality