

DAIMLERCHRYSLER

DaimlerChrysler Services
North America

October 27, 2005

*Via Certified Mail (Return Receipt Requested)
and Regular Mail*

Labate Chrysler, Jeep, Dodge, Inc.
c/o Rebecca J. Labate
995 North Market Street
East Palestine, OH 44413

Rebecca Labate
9330 Gans Ave. NE
Canton, OH 44721

Stephen Labate
9330 Gans Ave. NE
Canton, OH 44721

RE: NOTICE OF DEFAULTS: Obligations Due and Owing
DaimlerChrysler Services North America LLC

Dear Mr. and Mrs. Labate:

As you are well aware, Labate Chrysler, Jeep, Dodge, Inc. ("Labate") entered into a certain Master Loan and Security Agreement ("Loan Agreement") and related documentation dated August 31, 2004, with DaimlerChrysler Services North America, LLC ("DCSNA"). Stephen and Rebecca Labate also executed Continuing Guaranties in favor of DCSNA (the "Guaranties").

Pursuant to the Loan Agreement, you agreed to certain obligations, including, but not limited to the following: to properly pay over Collateral proceeds; to protect DCSNA's security interests; to maintain and utilize certain operating account(s) known to DCSNA; to maintain and present accurate financial statements in accordance with GAAP; to maintain minimum capitalization, net worth, and other ratios acceptable to DCSNA; and to avoid defaults under loan obligations to third parties. The "Events of Default" section of the Loan Agreement explicitly and unequivocally explains that a default event has occurred upon a payment default, any failure by you to perform any term or condition of the Loan Agreement, a default in favor of another creditor related to the conduct of your

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A Company of the DaimlerChrysler Services Group

Exhibit 4

business, any action by another creditor to take or exercise against the Collateral or your other property or assets, and an adverse change in your financial condition or the prospect that your ability to perform will be impaired.

We advise that Labate Chrysler is in default of one or more of its obligations to DCSNA under the Loan Agreement. We are aware of certain litigation initiated by Fifth Third Ban ("Fifth Third") against Labate Chrysler, Rebecca Labate, and Stephen Labate in the Courts of Common Pleas of Columbiana County and Stark County, as well as judgments obtained in those Courts for claimed failure to pay on *cognovit* notes. We are further aware of garnishment proceedings initiated by Fifth Third in the Cleveland Municipal Court. Fifth Third has attempted to garnish DCSNA's Collateral. Fifth Third has now named DCSNA as well as DaimlerChrysler Motors Company as defendants in yet another action initiated in the Court of Common Pleas of Columbiana County, in which Fifth Third seeks in a Creditor's Bill and Complaint to obtain certain factory receivables that are again Collateral of DCSNA.

Moreover, DCSNA recently experienced several failed electronic fund transfers, presumably as a result of Fifth Third's actions. As you know, DCSNA has exercised its contractual rights to perform audits, placed Labate Chrysler on finance hold, and attempted to perform a bank cut off and limited financial review. That bank cut off and review has not been completed. Most recently, upon an October 15, 2005 attempt and in accordance with the agreed inspection, DCSNA was advised that Labate Chrysler's books had not been reconciled for the months of August or September 2005. Further, there were no entries for October 2005. Based on the financial information available, DCSNA discovered false reporting of substantial sums of money. Each constitutes an additional event of default under the Loan Agreement. DCSNA has additional concerns about working capital ratios and your ability to protect DCSNA's security interests and perform the additional loan obligations.

As a result of the defaults, DCSNA is entitled to exercise all of its rights and remedies with respect to such defaults. These rights and remedies include, among other things, the following: the right to accelerate, demand, and collect full payment; the right to exercise DCSNA's security rights and remedies; the right to place a lender's representative at the dealership; the right to collect payments; the right to repossess and sell Collateral; and the right of set-off. In addition, DCSNA may take any such action contemplated upon default in the Guaranties.

We understand from previous communications that you have indicated a necessity of additional time in which to reconcile your books. To that end, we are willing to extend a cure period for you until November 12, 2005 to remedy the above listed defaults. DCSNA intends to conduct a limited financial review the following week. At that time, accurate and properly reported financial information must be made available and Labate Chrysler must satisfy the ratios required by DCSNA, including the working capital

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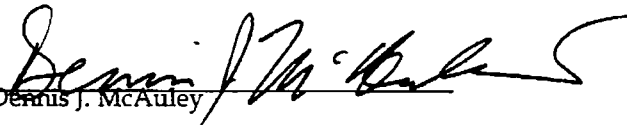
requirements. Failure to do so shall result in DCSNA exercising additional rights under the Loan Agreements and Guaranties, including the appointment of a lender's representative at the dealership and or acceleration of all debt and collection efforts thereon. With regard to the existing litigation concerning Fifth Third, you shall not compromise DCSNA's security interests in the Collateral, including your operating accounts.

Nothing in this letter should be construed as an agreement by DCSNA to forbear from taking any action. DCSNA reserves the right to take any and all actions to collect the sums it is owed and/or preserve the value of its Collateral or otherwise take actions to secure the custody, control, and possession of any and all of its Collateral. DCSNA further reserves all of its rights and remedies under law and the Loan Agreement and Guaranties, including without limitation the commencement of one or more actions to pursue DCSNA's legal and equitable remedies. DCSNA reserves its contractual rights in the event of a payment default or other discovered defaults under the Loan Agreement.

If you have any questions, please contact the undersigned.

Sincerely,

DAIMLER CHRYSLER SERVICES NORTH AMERICA LLC

By: 
Dennis J. McAuley

Acknowledgement of Receipt:

Labate Chrysler, Jeep, Dodge, Inc.

By: _____
Print: _____
Title: _____
Date: _____