

This has been privately circulated door-to-door :

With a view to present the facts in proper perspective, Mercedes-Benz India is not only dealing with the issues but will also provide a detailed insight into the possible motives behind these false allegations.

Cama Motors was the dealer of Mercedes-Benz India (Passenger Cars) for almost 13 years. Unsatisfactory performance and unreasonable demands of Cama Motors soured their relationship with Mercedes-Benz India. Cama Motors resigned as a Mercedes-Benz India dealer in Feb-2009; the resignation was accepted by Mercedes-Benz India within a week. The full and final settlement of the Cama Motors dealership account with Mercedes-Benz India & Daimler AG was concluded in May-2009 to mutual satisfaction of both parties. Thus, after comprehensive negotiations, Mercedes-Benz India acceded to Cama Motors request in regard to quantum of settlement and an amount of Rs. 32,67,291 was paid to Cama Motors on 14.05.2009 in Full and Final settlement. Not only that, Cama Motors accepted the said amount by way of Full and Final settlement but also undertook the following commitments:

- a. not to represent as an authorized dealer of MB India and not to use the trade and service marks
- b. to return MB India's property, other materials and equipments
- c. to inform all concerned authorities about the conclusion of business relationship and to cancel all registrations, etc.
- d. to assist MB India in all present and future legal cases and to bear liability, if any, on account of deficiency in service rendered by Cama Motors

Despite acceptance of full and final settlement earlier and disregarding the solemn commitments made at the time of settlement, Cama Motors indulged in speculative and vexatious litigation.

While resigning from the dealership, Cama Motors alleged that Mercedes-Benz India is not preventing another dealer poaching from its territory. Actually, Cama Motors failed to appreciate that spirit of competition benefits consumers and that MB India has not made any exclusive area allocation and that dealerships have only responsibility towards the 'non-exclusive area of responsibility'. Thus, Cama Motor's resignation letter itself is good enough to show that its expectations were unfair and against the spirit of competition since it was trying to force MB India for exclusive area allocation.

Subsequently, Mercedes-Benz India appointed a new dealer to replace Cama Motors. This dealership has been doing brisk business and far exceeded previous sales & services benchmarks.

It appears that Cama Motors couldn't digest that they had to discontinue as authorized dealer and that the new dealer was performing far better. Cama Motors has since 2009 tried to create misunderstanding and malign the image of Mercedes-Benz India and our products. They have tried to leverage the media to create suspicion and doubts in the minds of general public and customers. In fact, in 2009, Cama Motors launched a defamatory campaign against Mercedes-Benz India and its executives. The recent statements in some sections of the media are in continuation with this vindictive attitude.

We regret that Cama Motors has lowered business ethics in general and disregarded dealer confidentiality agreement blatantly & illegally.

After termination of dealership agreement Cama Motors, continued to use Mercedes-Benz trademark/IPR. After a

legal notice from Mercedes-Benz India, Cama Motors agreed not to repeat such an instance again.

Although the business relations between Mercedes-Benz India and Cama Motors had come to an end, the vindictive attitude of Cama Motors is apparent as it launched its malicious activities against the interest of Mercedes-Benz India and its officials. Cama Motors leveled allegations & accusations against Mercedes-Benz India which has caused a great deal of damage, distress, hurt & humiliation to the brand. For such defamatory activities, Mercedes-Benz India filed a civil suit against Cama Motors and its sister concern before the Honorable City Civil Court at Ahmedabad.

Cama Motors has disregarded dealer confidentiality agreements and violated Final Settlement Agreement and has retained without authorization materials of Mercedes-Benz India. They have provoked/are provoking our valued customers by feeding them incorrect and misleading information with respect to customer vehicles and have instigated customers to seek legal redress.

It is also pertinent to note that many of our Dealers have been with MB India since past more than 15-16 years and have been performing satisfactorily and growing in their domain. This reflects the spirit of partnership of MB India with its Dealers.

Given this background we would like to confirm that the activities of Cama Motors are not just defamatory by nature but also amounts to criminal breach of trust. Mercedes-Benz India is actively considering appropriate legal action against Cama Motors as per the advice.