

# GROUP **1** AUTOMOTIVE INC

June 11, 2010

Dear Group 1 Associate,

We are pleased to announce that Group 1 Automotive has selected Fidelity Investments as the recordkeeper and administrative services provider for our 401(k) Plan and Employee Stock Purchase Plan (ESPP) replacing Merrill Lynch and ComputerShare. This decision was not taken lightly due to our long-standing relationship with each of these providers. This transition is scheduled in phases to be completed later this year; therefore, when we finish the conversion, your 401(k) Plan account and/or Employee Stock Purchase Plan (ESPP) account will both reside with Fidelity instead of with two separate vendors (Merrill Lynch and ComputerShare). As part of this transition, your ESPP stock plan holdings and 401(k) Plan balances will automatically be transferred over to your Fidelity account for you at the appropriate time. No action is required by you at this time.

Fidelity was selected as our new vendor because of the many advantages they can provide to you, including:

- 24- hour access to your 401(k) and ESPP Plan information from Fidelity's web site.
- Dedicated Fidelity 401(k) Plan and ESPP Plan Service Representatives available via a Fidelity Toll Free Number.
- Access to a broad array of tools and resources to help you make informed investment decisions.
- Ongoing investment education to help you reach your financial goals.

Our current plans call for us to transition the Employee Stock Purchase Plan (ESPP) first from ComputerShare to Fidelity by Monday, August 2, 2010. We will then work on converting the 401(k) Plan from Merrill Lynch to Fidelity by Monday, November 1, 2010. Please keep in mind that these dates are subject to change.

## **ESPP Transition**

For the purpose of transferring the Employee Stock Purchase Plan (ESPP) to Fidelity, there will be a transition period to ensure that your plan assets and account history are accurately set up at Fidelity. **This transition period is scheduled to begin at the close of business on July 9, 2010 and end after the close of business on August 2, 2010.** During this transition period, no plan-related transactions will be permitted (this includes the sale or transfer of shares from ComputerShare). This transition period will not however impact your ability to participate in the ESPP during the third quarter of 2010. Please make sure to complete any plan-related transitions before the transition

period begins on July 9, 2010. It is important to note that these scheduled dates are subject to change. We will notify you if the timing of the transition period changes.

### **401(k) Transition**

As noted above, the 401(k) conversion to Fidelity will happen later this year. We will notify you in advance when we set the dates for the transition period. At this time, you can continue to access your account through Merrill Lynch. This conversion will not impact your ability to participate in the plan even through the conversion period.

You will receive further information including a welcome kit from Fidelity containing details about how to get started and how to access and manage your account through Fidelity. Please look for this information to arrive by mail in the coming weeks.

If you have any questions please feel free to call or email Tiffany Ortega, our retirement benefits manager, at [tortega@group1 auto.com](mailto:tortega@group1auto.com) or 713-647-5751.

Sincerely,

*Brooks O'Hara*

VP . Human Resources