
ASBURY AUTOMOTIVE GROUP, INC. COMPENSATION & HUMAN RESOURCES COMMITTEE CHARTER

MISSION STATEMENT

The purpose of the Compensation and Human Resources Committee (the “Committee”) of the Board of Directors (the “Board”) of Asbury Automotive Group, Inc. (the “Company”) is to (i) discharge the Board’s responsibilities relating to the compensation of the Company’s executive officers, (ii) provide for oversight of the administration of the Company’s compensation plans and (iii) prepare the Compensation Committee Report (or any similar report) and review and discuss with management the Company’s Compensation Discussion and Analysis, each as required to be included in the Company’s annual proxy statement and annual report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”).

MEMBERSHIP

The Committee shall consist of no fewer than three members, each of whom shall be independent pursuant to the requirements of the New York Stock Exchange (the “NYSE”). Additionally, members of the Committee shall also qualify as “Non-Employee Directors” within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934.

The members of the Committee shall be appointed by the Board from among its members and shall be subject to removal by the Board. The determination of any member’s qualification to serve on the Committee shall be made by the Board in keeping with the applicable requirements and definitions of the NYSE and SEC.

In determining whether a Board member is eligible to serve on the Committee, the Board shall consider all factors specifically relevant to determining whether the member has a relationship to the Company that is material to the member’s ability to be independent from management in connection with the duties of a Committee member or that would impair the member’s ability to make independent judgments about the Company’s executive compensation. These factors shall include, but are not limited to:

- the source of compensation of the member, including any consulting, advisory or other compensatory fee paid by the Company to the member; and
- whether the member is affiliated with the Company, a Company subsidiary or an affiliate of a Company subsidiary.

COMMITTEE DUTIES AND RESPONSIBILITIES

The Committee shall have the following specific duties and responsibilities (in addition to any other duty or responsibility which the Board may from time to time delegate to the Committee):

1. In consultation with the senior management of the Company, the Committee shall establish, and periodically review, a general executive compensation philosophy for the Company. The Committee shall also oversee the development and implementation of the Company's executive compensation programs and policies to ensure that these programs and policies are consistent with this general executive compensation philosophy and take into account the Company's key risk profile.
2. The Committee shall annually (a) review and approve, or make changes to, the corporate goals and objectives upon which the compensation of the Chief Executive Officer is based, (b) evaluate the Chief Executive Officer's performance in light of these goals and objectives and (c) determine and approve the Chief Executive Officer's compensation levels based on this evaluation. In determining the long-term incentive component of Chief Executive Officer compensation, the Committee shall consider all factors it deems relevant, including, without limitation, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the Chief Executive Officer in prior years. The Committee shall approve any employment agreements, severance arrangements and/or change-in-control arrangements with, and any special or supplemental benefits for, the Chief Executive Officer.
3. The Committee shall approve awards under the Company's corporate performance-based plans and grants of equity under the Company's equity incentive plans, subject to the ratification of the Board with respect to awards and grants for the Chief Executive Officer.
4. The Committee shall annually (a) review and approve, or make changes to, the goals and objectives upon which the compensation of the other officers of the Company is based, and (b) review and approve, or recommend or make changes to, the base salary level, the incentive opportunity level, the long term incentive level, any employment agreements, severance arrangements and/or change-in-control arrangements with, and any special or supplemental benefits for, the other officers of the Company at the level of vice president and above. The Committee shall take into account, among other things, (i) the Chief Executive Officer's compensation recommendations for the executive officers, and the executive officers' compensation recommendations for the other officers, (ii) the Company's overall performance and (iii) comparable compensation paid to similarly-situated officers at comparable companies.
5. The Committee shall review and make recommendations to the Board, if appropriate, with respect to any matters concerning executive compensation, including, without limitation, advisory votes on executive compensation and the frequency of such votes, incentive compensation and equity-based plan design or changes for the Company, to be adopted or submitted to stockholders for approval.
6. The Committee shall periodically evaluate the Company's employee benefit programs and approve any significant changes therein and determine when it is necessary or otherwise desirable to submit any such changes to the vote of the full Board and/or the Company's stockholders.
7. In consultation with senior management of the Company, the Committee shall oversee regulatory compliance with respect to compensation matters. This shall include overseeing the Company's policies on structuring compensation programs to preserve tax deductibility.

8. The Committee shall (a) develop and periodically review and revise as appropriate, a management succession plan and related procedures, and (b) periodically review the Company's talent management and development plans for the officers. The Committee shall also periodically consider and recommend to the Board candidates for successor to the Chief Executive Officer and, with appropriate consideration of the Chief Executive Officer's recommendations, candidates for successors to other executive officers, in each case when vacancies shall occur in those offices.
9. The Committee shall review its own performance and the adequacy of this Charter annually and submit such evaluation, including any recommendation for change, to the full Board for review, discussion and approval.

COMMITTEE STRUCTURE AND OPERATIONS

The Board shall designate one member of the Committee to act as its chairperson. The Committee shall meet in person or telephonically as frequently as may be appropriate to carry out its duties and responsibilities at such times and places determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson.

The Committee may invite such members of management of the Company, or any other persons whose advice and counsel are sought by the Committee, to its meetings as it may deem desirable or appropriate.

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee. In particular, the Committee may delegate the approval of certain transactions to a subcommittee consisting solely of members of the Committee who are "Non-Employee Directors" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934.

COMMITTEE REPORTS

The Committee shall produce the following reports and provide them to the Board:

1. A Compensation Committee Report for inclusion in the Company's annual proxy statement and annual report on Form 10-K in accordance with applicable SEC rules and regulations.
2. An annual performance evaluation of the Committee, which evaluation shall measure the performance of the Committee against the requirements of this Charter and shall set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation should also contain any recommendations for changes to this Charter arising out of the Committee's annual review. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.
3. A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting following such Committee meeting.
4. Any other reports which the Board may from time to time specify.

RETENTION OF CONSULTANTS AND ADVISORS; RESOURCES AND AUTHORITY

In the performance of its duties, the Committee and its members will have unrestricted access to management. The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser. The Committee will be directly responsible for the appointment, compensation, oversight and termination of any compensation consultant, independent legal counsel or other adviser retained by the Committee, and shall have sole authority to retain and terminate compensation consultants that it decides to use to assist it in the evaluation of Chief Executive Officer or executive officer compensation and the sole authority to approve the consultant's fees and other retention terms. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the Committee.

The Committee may select or receive advice from a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration all factors relevant to that person's independence from management, including the following:

- the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The foregoing considerations shall not be required to apply to any in-house legal counsel or any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K:

- consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or
- providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.