
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): July 5, 2021

Asbury Automotive Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-31262

(Commission File Number)

2905 Premiere Parkway NW Suite 300

Duluth, GA

(Address of principal executive offices)

01-0609375

(IRS Employer Identification No.)

30097

(Zip Code)

(770) 418-8200

(Registrant's telephone number, including area code)

None

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.01 par value per share	ABG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 5, 2021, the Board of Directors of Asbury Automotive Group, Inc. (the "Company") appointed Michael Welch, age 46, to serve as Senior Vice President & Chief Financial Officer of the Company, effective August 9, 2021. Mr. Welch joins the Company from Group 1 Automotive, Inc. ("GPI") a NYSE-listed Fortune 500 automotive retailer with automotive dealerships and collision centers in the United States, United Kingdom and Brazil, where he served as Vice President and Corporate Controller since June 2019. From June 2000 until June 2019, Mr. Welch held various other positions with GPI of increasing responsibility, where he gained extensive experience in treasury, financial reporting, financial planning and analysis and internal audit. Mr. Welch began his career at Price Waterhouse. Mr. Welch received his Bachelor of Business Administration from Oklahoma Baptist University, and is a Certified Public Accountant in the State of Texas.

Mr. Welch will assume the role of principal financial officer on August 9, 2021, replacing William Stax, who has been serving as interim principal financial officer. Mr. Stax will continue to serve as Vice President, Corporate Controller & Chief Accounting Officer of the Company.

Mr. Welch has entered into a letter agreement with the Company in connection with his appointment (the "Letter Agreement"). Pursuant to the terms thereof, Mr. Welch will be entitled to receive an annual base salary of \$550,000 and will be eligible for a target annual cash bonus under the Company's annual cash incentive plan equal to 85% of his base salary pro-rated for 2021. The Company also will grant Mr. Welch an award of restricted share units valued at \$500,000 upon the commencement of his employment, which will vest ratably over 3 years. Mr. Welch also will receive a relocation allowance of \$100,000 and the use of a demonstrator vehicle. Mr. Welch also will receive a severance pay agreement providing base salary continuation for one year and a pro-rated bonus for the portion of the year he served in the event he is terminated without "cause" or resigns for "good reason" as provided therein. In addition, Mr. Welch will enter into the Company's standard indemnification agreement, which will be identical in all material respects to the Company's form of Indemnification Agreement, filed with the SEC on April 30, 2010 as Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

The foregoing description of the Letter Agreement is qualified in its entirety by reference to the Letter Agreement, a copy of which is attached hereto as [Exhibit 10.1](#) and is incorporated herein by reference. A copy of the press release issued by the Company announcing Mr. Welch's appointment as Senior Vice President & Chief Financial Officer is attached as [Exhibit 99.1](#) hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are furnished as part of this report.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Letter Agreement between Asbury Automotive Group, Inc. and Michael Welch, dated as of June 14, 2021.
99.1	Press Release of Asbury Automotive Group, Inc., dated July 6, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 6, 2021

ASBURY AUTOMOTIVE GROUP, INC.

By: /s/ George A Villasana

Name: George A. Villasana

Title: Senior Vice President, Chief Legal Officer & Secretary



June 14, 2021

Mr. Michael Welch

Dear Michael:

We are excited about the prospect of you joining the Asbury Automotive Group team as the Senior Vice President & Chief Financial Officer reporting to me, subject to your appointment by the Board of Directors. I am sure you will make significant contributions to our company and look forward to you starting on August 9, 2021.

Cash Compensation

Your Target Annualized Cash Compensation will be \$1,017,500. This includes a \$550,000 base salary and a \$467,500 target annual bonus, which is 85% of your base salary.

Your 2021 annual bonus will be prorated and will be based on the same bonus criteria applicable to all Dealership Support Center bonus-eligible employees. The bonus criteria are based on the number of cars sold in the United States in 2021 and Asbury's EBITDA achieved at each level of sales.

Equity Grant

On your start date, you will be granted an equity award with a value of \$500,000, which will be issued in the form of restricted share units of common stock of Asbury that will vest ratably over a three-year period. The actual number of shares you will be granted will be based on the closing price of a share of common stock of Asbury on the New York Stock Exchange on the date of grant. The equity award will be subject to the terms and conditions set forth in the 2019 Asbury Equity and Incentive Plan and in the equity award agreement that you enter into with Asbury.

You will be eligible for future grants during the normal and customary equity grant cycle, which has historically occurred in February.

Equity Holding Requirements

You will be required to own Asbury equity valued at three times your base salary. You will be expected to meet this guideline over the course of five years. The following shares count towards your ownership for purposes of meeting the requirements: (i) all restricted share units of common stock of Asbury whether vested or unvested, (ii) all performance shares of common stock of Asbury that are earned, even if not vested and (iii) all shares of common stock of Asbury that are held by you.

Demonstrator Vehicle

You will be provided one demonstrator vehicle for your use. The imputed income associated with the demonstrator vehicle will be taxable to you.

Benefits

We offer a competitive benefits package including: Family Health, Dental and Vision Care, a 401(k) Plan, Employee LTD, Life and STD; details will be provided.

Vacation

You will have 4 weeks of paid time off, which will be prorated for 2021 based upon your start date.

Relocation

You will receive a relocation allowance in the gross amount of \$100,000 paid in 5 equal monthly installments, with the first installment of \$20,000 payable on the first pay date following your commencement of employment and each of the 4 remaining monthly installments in the amount of \$20,000 would be paid in the first payroll following 30 days after the prior payment. All installments of the relocation bonus will be subject to normal tax withholdings. The relocation bonus would be subject to full repayment to Asbury if you voluntarily terminate your employment with Asbury within 1 year of your start date.

Termination Protection

You will receive a severance pay agreement providing base salary and benefits continuation for one year and a pro-rated bonus for the portion of the year you served prior to your termination in the event you are terminated without "cause" or you terminate your employment for "good reason" (as such terms are defined in the severance pay agreement). You must execute a general release to receive the payment of any severance.

Our offer is contingent upon successful completion of an officer's questionnaire, background check, credit check, motor vehicle review and a pre-employment drug test.

In extending this offer of employment, we have relied on your representations that (1) you will not use in any way any confidential information (or any records, documents and similar items) relating to the business of your former employers while employed at Asbury and (2) you have not entered into any agreement or made any commitment to any prior employer or other third party (including, without limitation, non-competition provisions or other restrictive covenants in agreements with prior employers) which would in any way affect or limit your ability to carry out your duties with Asbury. By signing this offer letter, you acknowledge that any inaccuracy in these representations may be grounds for termination for "cause."

To signify your acceptance of this position, please sign below and return one copy to me.

Sincerely,

/s/ David W. Hult

David W. Hult
President and CEO
Asbury Automotive Group, Inc.

I hereby signify my acceptance of the position.

/s/ Michael Welch
Signature

June 15, 2021
Date



Investors & Reporters May Contact:

Karen Reid
VP & Treasurer
(770) 418-8211
ir@asburyauto.com

**Asbury Automotive Group, Inc. Announces Appointment of
Michael Welch as Chief Financial Officer**

DULUTH, GA, July 6, 2021 - Asbury Automotive Group, Inc. (NYSE: ABG) (“Asbury” or the “Company”), one of the largest automotive retail and service companies in the U.S., today announced that Michael Welch will join the Company as its Senior Vice President and Chief Financial Officer effective August 9, 2021.

“Michael has spent over 20 years working in the automotive retail industry so he brings with him a deep understanding of the auto retail business along with broad experience in financial management, treasury, accounting and auditing, which will prove invaluable as we continue to execute on our five-year growth plan. I am very excited to have Michael join the Asbury Team,” said President & CEO David Hult.

Mr. Welch joins the Company from Group 1 Automotive, Inc. a NYSE-listed Fortune 500 automotive retailer with automotive dealerships and collision centers in the United States, United Kingdom and Brazil, where he served as the Vice President and Corporate Controller since June 2019. From June 2000 until June 2019, Mr. Welch held various other positions with GPI of increasing responsibility, where he gained extensive experience in treasury, financial reporting, financial planning and analysis and internal audit. Mr. Welch began his career at Price Waterhouse. Mr. Welch received his Bachelor of Business Administration from Oklahoma Baptist University, and is a Certified Public Accountant (CPA) in the State of Texas.

About Asbury Automotive Group, Inc.

Asbury Automotive Group, Inc. (“Asbury”), a Fortune 500 company headquartered in Duluth, GA, is one of the largest automotive retailers in the U.S. Asbury currently operates 91 dealerships, consisting of 112 franchises, representing 31 domestic and foreign brands of vehicles. Asbury also operates 25 collision repair centers. Asbury offers customers an extensive range of automotive products and services, including new and used vehicle sales and related financing and insurance, vehicle maintenance and repair services, replacement parts and service contracts.