
ASBURY AUTOMOTIVE GROUP CAPITAL ALLOCATION & RISK MANAGEMENT COMMITTEE CHARTER

PURPOSE

The primary purpose of the Capital Allocation & Risk Management Committee (the “Committee”) of the Board of Directors (the “Board”) of Asbury Automotive Group, Inc. (the “Company”) is to (i) assist the Board in the oversight, review and evaluation of the Company’s capital allocation strategy; (ii) provide assistance to management in evaluating major financial transactions, including acquisitions and divestitures; and (iii) assist the Board in fulfilling its responsibility to oversee the Company’s identification, assessment and management of its principal risks (collectively, “risk management”).

MEMBERSHIP

The Committee shall consist of at least three directors, all of whom shall be members of the Board, and at least one of whom shall be a member of the Audit Committee.

The members of the Committee and its chairperson shall be appointed by the Board, and shall be subject to removal by the Board.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Committee’s function is one of oversight only, recognizing that the Company’s management is responsible for the identification, assessment, day-to-day monitoring and management of risk throughout the Company. The Company and Board recognize that no risk management processes, systems or controls will eliminate all risk and that the Company’s success requires it to take legally compliant, prudent business risks.

The Committee shall undertake the following activities in carrying out its oversight responsibilities:

1. Assist the Board in the oversight, review and evaluation of the Company’s capital allocation strategy.
2. Assist the Board in the review and evaluation of the Company’s key risk profile and related risk management processes which identify and manage the Company’s key financial, strategic and operational risks.
3. Assist the Board in the review and evaluation of the Company’s major strategies and initiatives. Such strategies and initiatives include, but are not limited to:
 - (i) major financial transactions;
 - (ii) acquisitions and divestitures;
 - (iii) customer and lender compliance; and

- (iv) director and officer insurance coverage.
4. Periodically report to the Board regarding the Company's key risks, risk management programs and material risk issues that come to the Committee's attention.
 5. Participate with the Compensation Committee in assessing the risks associated with employee incentives, bonuses and pay plans.
 6. Engage independent counsel and other advisors and consultants as it deems necessary to carry out its duties. The Committee shall have sole authority to approve all related fees and expenses.
 7. Review and reassess the adequacy of this Charter on an annual basis and make recommendations to the Board, as conditions dictate, to update this Charter.
 8. Review and evaluate its own performance at least annually.

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 at least quarterly 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.

COMPENSATION

No member of the Committee may receive, directly or indirectly, any compensation from the Company other than (i) cash fees and other remuneration paid to directors for service on the Board or any other committee thereof, (ii) a pension or other deferred compensation for prior service that is not contingent on future service on the Board, and (iii) employment compensation and benefits paid to employee-directors who are members of the Committee.