

---

---

**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): October 23, 2014 (October 23, 2014)

---

**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)

**01-0609375**

(IRS Employer Identification No.)

**2905 Premiere Parkway NW Suite 300**  
**Duluth, GA**

(Address of principal executive offices)

**30097**

(Zip Code)

**(770) 418-8200**

(Registrant's telephone number, including area code)

**N/A**

(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))

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

On October 23, 2014, Asbury Automotive Group, Inc. ("Asbury" or the "Company"), announced that David W. Hult, age 48, has been appointed by the Company's Board to serve as Executive Vice President and Chief Operating Officer for the Company, effective November 3, 2014. Mr. Hult joins the Company from RLJ McLarty Landers Automotive Holdings, LLC, an automotive retailer, where he served as Chief Operating Officer from January 2013 to October 2014. Prior to that, Mr. Hult was the Chief Operating Officer for McLarty Wellspring Capital from July 2012 to January 2013. Mr. Hult also served as Vice President of Fixed Operations and Marketing for Group 1 Automotive, Inc., a large automotive retailer, from July 2011 to July 2012, and as Vice President for Group 1's East Region from 2006 to 2011.

The Board appointed Mr. Hult in connection with the Company's previously announced succession planning relating to the Company's chief operating officer role. On April 21, 2014, Michael J. Kearney, the Company's current Executive Vice President and former Chief Operating Officer, announced his intention to retire from all positions with the Company on March 31, 2015 (the "Retirement Date"). Mr. Kearney resigned from the position of Chief Operating Officer effective upon Mr. Hult's appointment, but has agreed to remain in the employ of the Company in the capacity of Executive Vice President through the Retirement Date.

Mr. Hult has entered into an Employment Agreement with the Company in connection with his appointment (the "Employment Agreement"). Pursuant to the terms thereof, Mr. Hult will be entitled to receive an annual base salary of \$700,000.00 and a one-time signing bonus in lieu of any relocation benefits in the net amount of \$100,000.00. The Company will also grant Mr. Hult a one-time award of restricted shares valued at \$500,000 upon the commencement of his employment. The shares will vest ratably over 3 years. Mr. Hult will also become eligible for a target annual cash bonus under the Company's annual cash incentive plan equal to 75% of his base salary. Any payout to Mr. Hult under the Company's annual cash incentive plan will be based on the achievement of certain Company objectives established by the Compensation and Human Resources Committee. Subject to approval by the Compensation and Human Resources Committee, Mr. Hult will also be eligible to receive an annual equity award during the Company's normal and customary equity grant cycle.

Mr. Hult will enter into the Company's standard indemnification agreement. The indemnification agreement 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 Employment Agreement is qualified in its entirety by reference to such Employment 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 the executive succession is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

## Section 9 - Financial Statements and Exhibits

### Section 9.01. Financial Statements and Exhibits

#### (d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Agreement between Asbury Automotive Group, Inc. and David W. Hult, dated as of October 23, 2014.
99.1	Press Release dated October 23, 2014.

## SIGNATURES

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.

ASBURY AUTOMOTIVE GROUP, INC.

Date: October 23, 2014

By: /s/ George A. Villasana

Name: George A. Villasana

Title: Vice President, General Counsel and Secretary

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Agreement between Asbury Automotive Group, Inc. and David W. Hult, dated as of October 23, 2014.
99.1	Press Release dated October 23, 2014.

## EMPLOYMENT AGREEMENT

This Employment Agreement (this “Agreement”) is made as of the 23rd day of October 2014 between ASBURY AUTOMOTIVE GROUP, INC., a Delaware Corporation (the “Company”), and David W. Hult (“Executive”).

The parties agree as follows:

### 1. Definitions.

(a) “Affiliate” means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

(b) “Applicable Period” means the period of Executive's employment with the Company and for one (1) year after termination of his employment with the Company.

(c) “Area” means a fifty-mile radius of any address set forth in Exhibit A.

(d) “Board of Directors” means the Board of Directors of the Company.

(e) “Cause” means the occurrence of any of the following events: (i) conduct by Executive that amounts to willful misconduct, failure to follow any written lawful directive from the Board of Directors or gross negligence or a blatant violation of Company policy; (ii) any act by Executive of fraud, misappropriation, dishonesty or embezzlement against the Company or an Affiliate; (iii) conviction of Executive for, or a plea of *nolo contendere* by Executive to, a felony or misdemeanor, other than traffic violations and/or similar class C misdemeanors or offenses; (iv) a material breach of the Agreement by Executive.

(f) “Change in Control” shall have the meaning set forth in the Company's 2012 Equity Incentive Plan.

(g) “Company Information” means Confidential Information and Trade Secrets as those terms are defined below.

(h) “Confidential Information” means data and information relating to the business of the Company (which does not rise to the status of a Trade Secret) which is or has been disclosed to Executive or of which Executive became aware as a consequence of or through his relationship to the Company and which has value to the Company and is not generally known to its

competitors. Confidential Information shall not include any data or information that has been voluntarily disclosed to the public by the Company or that has been independently developed and disclosed by others, or that otherwise entered the public domain through lawful means.

(i) “Disability” means the inability of Executive to perform any of his duties hereunder due to a physical, mental, or emotional impairment, as determined by an independent qualified physician (who may be chosen and engaged by the Company), for an aggregate of one hundred eighty (180) days during any three hundred sixty-five (365) day period (if such periods also surpass the maximum time for leave permitted by law).

(j) “Good Reason” means the occurrence of any of the following events without Executive's written consent which is not corrected by the Company within twenty (20) days after Executive's written notice to the Company of the same: (i) the nature of Executive's duties or the scope of his responsibilities are materially diminished without Executive's written consent, (ii) the Company changes the location of Executive's place of employment to more than fifty (50) miles from its present location, (iii) a material breach of this Agreement by the Company, or (iv) a change in Base Salary to an amount below \$700,000.00.

(k) “Termination Date” means the date which corresponds to the first to occur of (i) the death or Disability of Executive, (ii) the last day of the Term as provided in Section 4(a) below or (iii) the date set forth in a notice given pursuant to Section 4(b) below.

(l) “Trade Secrets” means information including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans or lists of actual or potential customers or suppliers which (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy, or as otherwise defined by applicable state law. The provisions in this Agreement restricting the use of Trade Secrets shall survive termination of this Agreement for so long as is permitted by law.

(m) “Work” means a copyrightable work of authorship, including without limitation, any technical descriptions for products, user's guides, illustrations, advertising materials, computer programs and any contribution to such materials.

## **2. Terms and Conditions of Employment.**

(a) Employment. Effective as of November 3, 2014 (the “Commencement Date”), the Company hereby employs Executive as an Executive Vice President and Chief Operating Officer (“COO”) and Executive accepts such employment with the Company or any of its Affiliates in such capacity. Executive shall report to the Company's President and Chief Executive Officer (“CEO”) and shall have such authority and responsibilities and perform such duties as shall reasonably be assigned to Executive from time to time by the Company's President and CEO.

(b) Exclusivity. Throughout Executive's employment hereunder, Executive shall devote substantially all Executive's time, energy and skill during regular business hours to the performance of the duties of Executive's employment (vacations and reasonable absences due to illness excepted), shall faithfully and industriously perform such duties, and shall diligently follow and implement all management policies and decisions of the Company. However, Executive shall be entitled to (i) engage in civic and charitable activities, (ii) manage passive personal investments, and (iii) with the consent of the Board of Directors (which shall not be unreasonably withheld), serve on the board of directors of one corporation not in competition with the Company; provided that none of the foregoing activities shall, individually or in the aggregate, interfere with Executive's ability to devote the requisite time and effort to the performance of his duties and responsibilities under this Agreement. Executive's principal office shall be in the Company's Duluth, Georgia headquarters, provided that Executive acknowledges that Executive's duties hereunder shall be performed, from time to time, at such other place or places as the interests, needs, businesses or opportunities of the Company shall require.

## **3. Compensation.**

(a) Base Salary. In consideration for Executive's services hereunder, during the Term and beginning on the Commencement Date, the Company shall pay to Executive an annual base salary (the “Base Salary”) in the amount of \$700,000.00 initially. Executive's annual base salary shall be reviewed periodically by the Company and may be increased from time to time. The Company shall pay the annual base salary in accordance with the normal payroll payment practices of the Company and subject to such deductions and withholdings as law or policies of the Company require.

(b) Bonus. In addition to the annual base salary payable under Section 3(a) hereof, during the Term, Executive shall be entitled to discretionary annual bonuses targeted at 75% (\$525,000.00) of Executive's annual base salary (the “Target Annual Bonus”). The actual amount of bonus paid annually will be determined by the Compensation Committee based on its



evaluation of Executive's performance using reasonable performance objectives determined by the Compensation Committee. To the extent earned, the annual bonus, or any portion thereof, will be paid on the date on which annual bonuses are paid generally to the Company's senior executives, but in no event following the later of (i) the fifteenth (15<sup>th</sup>) day of the third (3<sup>rd</sup>) month following the close of the Company's fiscal year in which the annual bonus is earned or (ii) March 15<sup>th</sup> of the calendar year following the calendar year in which the annual bonus is earned (in either case, the "Bonus Payment Date").

(c) Equity-Based Compensation. During the Term, Executive shall be eligible for annual grants of equity or other long-term incentive awards, taking into account performance and other factors as determined by the Compensation Committee in its sole discretion, with a target of \$800,000.00. This equity award will be issued in the form of (i) 40% restricted shares and (ii) 60% performance share units as defined under the Company's 2012 Equity Incentive Plan. The normal and customary equity grant cycle is in February. In addition to annual equity grants, the Company shall grant Executive a one-time award of \$500,000.00 in restricted shares in Asbury Automotive Group, Inc. ("ABG"). These shares will be issued as soon as practicable following the Commencement Date and vest ratably over three (3) years. At all times, Executive shall be subject to the Company's current stock ownership guidelines.

(d) Signing Bonus. In lieu of relocation assistance or any other reimbursement for any expenses (e.g., temporary living costs, home sale assistance, shipment of household goods, new home closing costs, etc.) incurred by Executive in connection with his relocation to Company's corporate headquarters in Duluth, Georgia, Company shall pay Executive a one-time signing bonus in the net amount of \$100,000.00, which payment shall be made in equal installments over twelve (12) consecutive months and subject to repayment by Executive if he terminates his employment before he completes his first Renewal Term. Travel to and from Texas in the normal course of Executive's role as Company COO be treated as business travel expenses pursuant to Paragraph 3(f), below, and shall not be included as part of the Signing Bonus.

(e) Vacation. Executive shall be entitled to no less than four (4) weeks of vacation per year, except that Executive shall be entitled to one (1) week of vacation from the Commencement Date to December 31, 2014.

(f) Expenses. During the Term Executive shall be entitled to be reimbursed in accordance with the policies of the Company, as adopted and amended from time to time, for all reasonable and necessary expenses incurred by Executive in connection with the performance of Executive's duties of employment hereunder. However, Executive shall upon request and as a condition of such reimbursement, submit verification of the nature and amount of such expenses in

accordance with the reimbursement policies adopted by the Company or as required for tax purposes.

(g) Benefits. In addition to the benefits payable to Executive specifically described herein, during the Term Executive shall be entitled to such benefits as generally may be made available to Executives of the Company from time to time.

(h) Automobiles. During the Term Executive shall be entitled to the use of one demonstrator automobile. Additionally, Executive shall be entitled to an \$800/month car allowance for purchase and/or leasing of a vehicle of Executive's choosing.

#### **4. Term, Termination and Termination Payments.**

(a) Term. The term of this Agreement shall commence as of the Commencement Date and shall expire on November 3, 2015 (the "Initial Term"), with automatic extensions for successive additional one-year terms (each, a "Renewal Term"), as provided herein, unless sooner terminated as provided in Section 4(b) (collectively, the Initial Term and any Renewal Term(s), the "Term"). One-hundred and eighty (180) days before the end of the Initial Term and one-hundred and eighty (180) days before the end of each Renewal Term, the Agreement is extended for an additional one (1)-year period unless either party gives prior written notice of termination. In the event prior written notice of termination is given, this Agreement shall terminate at the end of the remaining Term then in effect.

(b) Termination. This Agreement and Executive's employment by the Company hereunder may only be terminated before expiration of the Initial Term or prior to the end of any Renewal Term (i) by mutual agreement of Executive and the Company; (ii) by Executive with Good Reason upon not less than thirty days' written prior notice to the Company; (iii) by Executive without Good Reason upon not less than thirty (30) days' written prior notice to the Company, (iv) by the Company without Cause upon thirty (30) days' written prior notice to Executive; (v) by the Company for Cause, or (vi) by the Company or Executive due to the Disability of Executive. This Agreement shall also terminate immediately upon the death of Executive. Notice of termination by either the Company or Executive shall be given in writing. Effective immediately upon the termination of Executive's employment with the Company, Executive shall cease to be an officer and/or a director of the Company and/or all of its Affiliates.

(c) Severance (Expiration of Agreement). In the event that during the Term the Company elects by written notice not to extend the Term and Executive will not have attained age 65 at the expiration of the then current Term, subject to Sections 4(f) and (g) below, Executive shall be

entitled to: (1) 100% of Base Salary, plus 100% of Target Annual Bonus, payable monthly in equal installments during the period commencing on the date of Executive's termination of employment and ending on the 12-month anniversary thereof (the "12-Month Period"); (2) a pro-rated bonus based on actual performance for the year in which the Executive's termination of employment occurs, payable when other Company bonuses are paid for such year, but in no event later than the Bonus Payment Date; and (3) continued participation during the 12-Month Period in health, dental, disability, and life insurance plans at the same level of coverage and Executive contribution as was in effect immediately prior to Executive's termination of employment; *provided, however*, that if (A) any plan pursuant to which such health and dental benefits are provided is not, or ceases prior to the expiration of the 12-Month Period to be, exempt from the application of Section 409A (as defined below) under Treasury Regulation Section 1.409A-1(a)(5), (B) the Company cannot provide the health, dental, disability and/or life insurance benefits without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), or (C) the Company is otherwise unable under applicable law to continue to cover Executive or Executive's dependents under its group health, dental, disability and/or life insurance plans without violating a prohibition on such coverage or incurring penalties and/or additional taxes as a result of such coverage, then, in any such case, an amount equal to each remaining premium payment shall thereafter be paid to the Executive as currently taxable compensation in substantially equal monthly installments over the 12-Month Period (or the remaining portion thereof). Additionally, all equity and long-term incentive awards not vested as of the effective end date of the Agreement, but due to vest in the first 364 days following the effective end date of the Agreement, will become 100% vested on the effective end date of the Agreement. The payment of severance shall be conditioned upon Executive's signing (and not revoking within the revocation period, if any, provided pursuant to the applicable release agreement) of a general release in favor of the Company. Nothing contained herein shall limit or impinge any other rights or remedies of the Company or Executive under any other agreement or plan to which Executive is a party or of which Executive is a beneficiary.

(d) Severance (No Change In Control). Upon termination of this Agreement by the Company without Cause or by the Executive for Good Reason when no Change In Control has occurred, subject to Sections 4(f) and (g) below, Executive shall be entitled to: (1) 100% of Base Salary, plus 100% of Target Annual Bonus, payable monthly in equal installments during the 12-Month Period; (2) a pro-rated bonus based on actual performance for the year in which the Executive's termination of employment occurs, payable when other Company bonuses are paid for such year, but in no event later than the Bonus Payment Date; and (3) continued participation during the 12-Month Period in health, dental, disability, and life insurance plans at the same level of coverage and Executive contribution as was in effect immediately prior to Executive's termination of employment; *provided, however*, that if (A) any plan pursuant to which such

health and dental benefits are provided is not, or ceases prior to the expiration of the 12-Month Period to be, exempt from the application of Section 409A (as defined below) under Treasury Regulation Section 1.409A-1(a)(5), (B) the Company cannot provide the health, dental, disability and/or life insurance benefits without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), or (C) the Company is otherwise unable under applicable law to continue to cover Executive or Executive's dependents under its group health, dental, disability and/or life insurance plans without violating a prohibition on such coverage or incurring penalties and/or additional taxes as a result of such coverage, then, in any such case, an amount equal to each remaining premium payment shall thereafter be paid to the Executive as currently taxable compensation in substantially equal monthly installments over the 12-Month Period (or the remaining portion thereof). Additionally, if Executive is terminated other than for Cause or if Executive terminates for Good Reason, all equity and long-term incentive awards not vested as of the effective termination date, but due to vest in the first 364 days following the effective termination date, will become 100% vested on the effective termination date. The payment of severance shall be conditioned upon Executive's signing (and not revoking within the revocation period, if any, provided pursuant to the applicable release agreement) of a general release in favor of the Company. Nothing contained herein shall limit or impinge any other rights or remedies of the Company or Executive under any other agreement or plan to which Executive is a party or of which Executive is a beneficiary.

(e) Severance (Change in Control). If within 2 years following a Change in Control (as defined herein), Executive is terminated without Cause or resigns for Good Reason, subject to Sections 4(f) and (g) below, Executive shall be entitled to: (1) 200% of Base Salary, plus 200% of Target Annual Bonus, payable in a single lump sum; (2) a pro-rated bonus based on Target Annual Bonus for the year in which the Executive's termination of employment occurs, payable in a single lump sum when other Company bonuses are paid for such year, but in no event later than the Bonus Payment Date; and (3) continued participation for the period commencing on the date of Executive's termination of employment and ending on the 24-month anniversary thereof (the "24-Month Period") in health, dental, disability, and life insurance plans at the same level of coverage and Executive contribution as was in effect immediately prior to Executive's termination of employment; *provided, however*, that if (A) any plan pursuant to which such health and dental benefits are provided is not, or ceases prior to the expiration of the 24-Month Period to be, exempt from the application of Section 409A (as defined below) under Treasury Regulation Section 1.409A-1(a)(5), (B) the Company cannot provide the health, dental, disability and/or life insurance benefits without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), or (C) the Company is otherwise unable under applicable law to continue to cover Executive or Executive's dependents under its group health, dental, disability and/or life insurance plans without violating a prohibition on such coverage or

incurring penalties and/or additional taxes as a result of such coverage, then, in any such case, an amount equal to each remaining premium payment shall thereafter be paid to the Executive as currently taxable compensation in substantially equal monthly installments over the 24-Month Period (or the remaining portion thereof). Additionally, all equity and long term incentive awards granted to Executive that have not vested will vest in accordance with the applicable provisions of the applicable incentive plan(s) and award agreement(s). The payment of severance shall be conditioned upon Executive's signing (and not revoking within the revocation period, if any, provided pursuant to the applicable release agreement) of a general release in favor of the Company. Nothing contained herein shall limit or impinge any other rights or remedies of the Company or Executive under any other agreement or plan to which Executive is a party or of which Executive is a beneficiary.

(f) Payment Timing; Separation from Service. Notwithstanding anything to the contrary in this Agreement, (i) the payments under Sections 4(c), (d) or (e) shall be made or commence, as applicable, on the Company's first regular payroll date occurring on or after the thirtieth (30<sup>th</sup>) day following the Executive's Separation from Service (as defined below) (such payroll date, the "First Payroll Date") (with amounts otherwise payable prior to the First Payroll Date paid on the First Payroll Date without interest thereon), and (ii) the payments and benefits provided for in Sections 4(c), (d) and (e) shall only be payable to Executive if and to the extent that Executive's termination of employment constitutes a "separation from service" from the Company within the meaning of Section 409A (as defined below) (a "Separation from Service").

(g) Six-Month Delay. Notwithstanding anything to the contrary in this Agreement, to the extent required to comply with Section 409A (as defined below), no compensation or benefits, including without limitation any amounts payable under Sections 4(c), (d) and (e) hereof, shall be paid to Executive during the six (6)-month period following Executive's Separation from Service if the Company determines that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Internal Revenue Code of 1986, as amended (the "Code"). If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such six (6)-month period (or such earlier date upon which such amount can be paid under Section 409A without resulting in a prohibited distribution, including as a result of the Executive's death), the Company shall pay the Executive a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Executive during such period.

(h) With respect to any of the severance above, Executive shall not be required to mitigate such payments through other employment.

(i) With respect to any of the severance above, Executive understands and agrees that the payment of severance is conditioned upon Executive's compliance with the post-employment restrictive covenants in this Employment Agreement and that such severance payments will immediately cease if Executive violates such covenants. Further, as part of the general release that Executive must sign to receive any severance, Executive agrees that, if included as part of the release, he will re-confirm his commitment to the post-employment restrictive covenants in this Employment Agreement.

(j) Retirement. Executive shall have the right to retire at age 65. Upon retirement, all equity and long-term incentive awards not vested as of the effective retirement date will continue to become vested, and in the case of stock options and stock appreciation rights, exercisable, according to their terms, but without regard to the termination of Executive's employment with the Company on the retirement date.

(k) Parachute Payment Limitation. Notwithstanding anything in this Agreement to the contrary, any severance payments will be reduced to the extent necessary to avoid Section 280G/4999 excise taxes if the net after-tax value of the payments that Executive would receive without the reduction is not more than 10% greater than the net after-tax value of the payments that Executive would receive following the reduction.

(l) Survival. The covenants of Executive in Sections 5, 6, and 7 hereof shall survive the termination of this Agreement and the end of Executive's employment hereunder and shall not be extinguished thereby except as set forth below.

## **5. Agreement Not to Compete.**

Executive agrees that commencing on the date this Agreement is fully executed and continuing through the Applicable Period, he will not (except (i) in regard to completing his employment with his current employer, which he shall in any event terminate before November 3, 2014; or (ii) on behalf of or with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion):

(a) provide services of a leadership, management, executive, operational, or advisory capacity and/or participate in the ownership of or provide financial backing to an automotive dealership that is located within the Area;

(b) provide senior/corporate level leadership, executive, operational, or advisory services to any corporate competitor of the Company who owns or operates one or more automotive dealerships within the Area; and

(c) provide services of a leadership, management, executive, operational, or advisory capacity for anyone or any business whose focus is buying, conglomerating, or otherwise acquiring one or more automotive dealerships that are located within the Area.

For purposes of this Section 5, Executive acknowledges and agrees that the Company conducts business in the Area and that the Area is a reasonable geographic limitation.

Notwithstanding anything to the contrary contained in this Agreement, the Company hereby agrees that the foregoing covenant shall not be deemed breached as a result of the passive ownership by Executive of: (i) less than an aggregate of 5% of any class of stock of a business that competes with the Company; or (ii) less than an aggregate of 10% in value of any instrument of indebtedness of a business that competes with the Company. The Company further agrees that nothing in this Section 5 prohibits Executive from accepting employment from, and performing services for, businesses engaged in the finance industry, and businesses engaged in the manufacturing and/or sale of automobile parts or the provision of automotive service, provided such businesses do not also engage in the retail sale of automobiles within the Area. By way of example, nothing in this Section 5 would prohibit Executive from working with such businesses as American General Finance, NAPA Auto Parts, or Goodyear.

Upon Executive's termination of employment with the Company Executive agrees to re-confirm his commitment to the post-employment restrictive covenants in this Agreement. Executive further agrees that as part of that re-confirmation, the term "Area" and Exhibit A hereto may be amended by the Company, but only to the extent necessary to list the addresses of the Company's headquarters and any automotive dealerships that the Company owns and/or operates as of the Termination Date.

#### **6. Agreement Not to Solicit/Hire Employees.**

Executive agrees that commencing on the Commencement Date, continuing through the Applicable Period, and for an additional one (1) year thereafter, he will not, directly or indirectly, solicit, recruit or hire any employee of the Company (or any person who was an employee of the Company during the 12-month period preceding Executive's date of termination) or encourage any such employee to terminate employment with the Company.

#### **7. Ownership and Protection of Proprietary Information.**

(a) Confidentiality. All Company Information received or developed by Executive while employed by the Company is confidential to and will remain the sole and exclusive property of

the Company. Except to the extent necessary to perform the duties assigned to him by the Company, Executive will hold such Company Information in trust and strictest confidence, and will not use, reproduce, distribute, disclose or otherwise disseminate Company Information or any physical embodiments thereof and may in no event take any action causing or fail to take the action necessary in order to prevent, any Company Information disclosed to or developed by Executive to lose its character or cease to qualify as Confidential Information or Trade Secrets.

(b) Return of Company Property. Upon request by the Company, and in any event upon termination of the employment of Executive with the Company for any reason, Executive will promptly deliver to the Company all property belonging to the Company, including, without limitation and including electronic property of any type, all Company Information (and all embodiments thereof) then in Executive's custody, control or possession.

(c) Protection of Company Information. Executive agrees that: (i) he will protect all Company Information from disclosure and will in no event take any action causing any Company Information to lose its character as Company Information, or fail to take the action necessary in order to prevent any Company Information from losing its status as Company Information; and (ii) he will not, directly or indirectly, use, publish, disseminate or otherwise disclose any Company Information to any third party without the prior written consent of Company, which may be withheld in the Company's absolute discretion.

(d) Survival. The restrictions on Executive's use or disclosure of all Company Information, as set forth in this section, shall apply through the Applicable Period and for an additional one (1) year thereafter and with respect to Trade Secrets shall survive beyond such period for so long as such information qualifies as a Trade Secret by the law of the applicable state.

#### **8. Construction/Enforcement of Post-Employment Covenants.**

Executive agrees that the provisions of Sections 5, 6, and 7 are reasonable and properly required for the adequate protection of the business and the goodwill of the Company. However, if a judicial or arbitration determination is made that any of the provisions of Sections 5, 6, or 7 constitutes an unreasonable or otherwise unenforceable restriction against Executive, such provision(s) shall be modified or severed so as to permit enforcement of the provision(s) to the extent reasonable.



## **9. Violation of Post-Employment Covenants.**

If Executive breaches any provision in Sections 5, 6, and 7, Executive understands and agrees that the Company may stop paying any additional severance pursuant to Section 4 until such time as any dispute over Executive's alleged breaches of Sections 5, 6 and 7 have been resolved, either judicially or otherwise, and demand repayment of 50% of any such severance paid prior to the breach. Any forfeiture or repayment by Executive will not be in lieu of any other remedy provided for herein or injunctive relief ordering Executive to cease violating Executive's obligations or any other equitable relief. To the extent that Executive is determined through agreement or resolution of any pending claim to not have violated any covenant at issue, he shall receive any and all severance that has not been paid under the Agreement.

## **10. No Set-Off.**

The existence of any claim, demand, action or cause of action by Executive against the Company, or any Affiliate of the Company, whether predicated upon this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of any of its rights hereunder. The existence of any claim, demand, action or cause of action by the Company against Executive, whether predicated upon this Agreement or otherwise, shall not constitute a defense to the enforcement by Executive of any of his rights hereunder.

## **11. Notice.**

All notices, requests, demands and other communications required hereunder shall be in writing and shall be deemed to have been duly given if delivered or if mailed, by United States certified or registered mail, prepaid to the party to which the same is directed at the following addresses (or at such other addresses as shall be given in writing by the parties to one another):

If to the Company: Asbury Automotive Group Inc.  
attn. General Counsel  
2905 Premiere Parkway, Suite 300  
Duluth, Georgia 30097

If to Executive: David Hult  
To the most recent address and facsimile number, if  
applicable, of Executive set forth in the personnel  
records of the Company.

Notices delivered in person shall be effective on the date of delivery. Notices delivered by mail as aforesaid shall be effective upon the third calendar day subsequent to the postmark date hereof. Notices made electronically shall be effective on the day they are made.

## **12. Miscellaneous.**

(a) Assignment. Neither this Agreement nor any right of the parties hereunder may be assigned or delegated by any party hereto without the prior written consent of the other party.

(b) Waiver. The waiver by the Company of any breach of this Agreement by Executive shall not be effective unless in writing, and no such waiver shall constitute the waiver of the same or another breach on a subsequent occasion.

(c) Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be adjudicated through binding arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") in Atlanta, Georgia.

Any party who desires to submit a claim to arbitration in accordance with this Section shall file its demand for arbitration with AAA within sixty (60) days of the event or incident giving rise to the claim. A copy of said demand shall be served on the other party in accordance with the notice provisions in Section 9 of this Agreement. The parties agree that they shall attempt in good faith to select an arbitrator by mutual agreement within twenty (20) days after the responding party's receipt of the demand for arbitration. If the parties do not agree on the selection of an arbitrator within that timeframe, the selection shall be made pursuant to the rules from the employment law panels of arbitrators maintained by the AAA. In any arbitration brought pursuant to this paragraph, the Company and Executive will each pay 50% of the costs of arbitration, including any administrative costs and arbitrator fees.

By the Company: \_\_\_\_ (a Company officer should initial here)

By Executive: \_\_\_\_ (Executive should initial here)

The arbitrator's award shall be final and non-appealable except to the extent permitted by the Federal Arbitration Act. Nothing in this Subsection shall prevent the parties from settling any dispute or controversy by mutual agreement at any time. Moreover, this Subsection shall not preclude or restrict the Company from seeking and obtaining injunctive relief and damages in a court of competent jurisdiction in relation to matters regarding Executive's obligations under Sections 5, 6, and 7.

(d) Applicable Law. This Agreement shall be construed and enforced under and in accordance with the laws of the State of Delaware.

(e) Entire Agreement. This Agreement embodies the entire agreement of the parties hereto relating to the subject matter hereof and supersedes all earlier written or oral agreements, including but not limited to the Company's offer letter dated October 16, 2014.

(f) Amendment. This Agreement may not be modified, amended, supplemented or terminated except by a written instrument executed by the parties hereto.

(g) Severability. Each of the covenants and agreements hereinabove contained shall be deemed separate, severable and independent covenants, and in the event that any covenant shall be declared invalid by any court of competent jurisdiction, such invalidity shall not in any manner affect or impair the validity or enforceability of any other part or provision of such covenant or of any other covenant contained herein.

(h) Captions and Section Headings. Except as set forth in Section 1 hereof, captions and section headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

(i) Code Section 409A.

(i) General. To the extent applicable, this Agreement shall be interpreted and applied consistent and in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder ("Section 409A"). If, however, the Company determines that any compensation or benefits payable under this Agreement may be or become subject to Section 409A, the Company may in its sole discretion adopt such amendments to this Agreement or to adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take such other actions, as the Company determines necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of such compensation and benefits, or (ii) comply with the requirements of Section 409A; *provided, however*, that this Section 12(i) shall not create any obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action.

(ii) Separate Payments. Any right to a series of installment payments pursuant to this Agreement is to be treated as a right to a series of separate payments. To the extent permitted under Section 409A, any separate payment or benefit under this Agreement or otherwise shall not be deemed "nonqualified deferred compensation" subject to Section 409A and Section 4(l)

hereof to the extent provided in the exceptions in Treasury Regulation Section 1.409A-1(b)(4), Section 1.409A-1(b)(9) or any other applicable exception or provision of Section 409A.

(iii) Taxable Reimbursements. To the extent that any payments or reimbursements provided to Executive under this Agreement are deemed to constitute compensation to which Treasury Regulation Section 1.409A-3(i)(1)(iv) would apply, such payments or reimbursements shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during Executive's lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit.

*[signature page follows]*

IN WITNESS WHEREOF, the Company and Executive have each executed and delivered this Agreement as of the date below.

On behalf of the Company:

By: /s/ Craig T. Monaghan  
Craig T. Monaghan  
President and Chief Executive Officer  
ASBURY AUTOMOTIVE GROUP, INC.

Date: October 23, 2014

On behalf of Executive:

By: /s/ David W. Hult  
David W. Hult

Date: October 23, 2014

## **Exhibit A**

As used in the Amended and Restated Employment Agreement, “Area” means a 50-mile radius from any of the following addresses:

Corporate Headquarters  
2905 Premiere Parkway NW  
Duluth, GA 30097

3902 W. Wendover Avenue  
Greensboro, NC 27407

3900 W. Wendover Avenue  
Greensboro, NC 27407

3633 W. Wendover Avenue  
Greensboro, NC 27407

3908 W. Wendover Avenue  
Greensboro, NC 27407

3604 W. Wendover Avenue  
Greensboro, NC 27407

3710 W. Wendover Avenue  
Greensboro, NC 27407

1001 Southpoint Auto Park Blvd  
Durham, NC 27713

8710 W. Broad Street  
Richmond, VA 23294

12100 Midlothian Turnpike  
Midlothian, VA 23113

8704 W. Broad Street  
Richmond, VA 23294

1295 Richmond Road  
Charlottesville, VA 22911

256 Swain Street  
Fayetteville, NC 28303-7297

436 N. McPherson Church Road  
Fayetteville, NC 28303

3466 US Highway 1  
Princeton, NJ 08540

3630 Quaker Bridge Road  
Hamilton, NJ 08619

11003 Atlantic Blvd.  
Jacksonville, FL 32225

10600 Atlantic Blvd.  
Jacksonville, FL 32225

10859 Philips Hwy.  
Jacksonville, FL 32256

10880 Philips Hwy.  
Jacksonville FL 32256

11340 Philips Hwy.  
Jacksonville, FL 32256

7245 Blanding Blvd.  
Jacksonville, FL 32244

11051 South Orange Blossom Trail  
Orlando, FL 32837-9255

2655 N. Volusia Avenue  
Orange City, FL 32763-2214

2677 N. Volusia Avenue  
Orange City, FL 32763-2214

2308 S. Woodland Blvd.  
Deland, FL 32720-7709

4500 US 1 South  
Ft. Pierce, FL 34982

4429 US 1 South  
Ft. Pierce, FL 34982

4450 US 1 South  
Ft. Pierce, FL 34982

5400 South US Highway 1  
Fort Pierce, FL 34982-7370

2925 US Highway 1 S  
St Augustine, FL 32086

9210 Adamo Drive  
Tampa, FL 33619

1728 W. Brandon Blvd.  
Brandon, FL 33511

3800 W. Hillsborough Avenue  
Tampa, FL 33614



4400 N. Dale Mabry Hwy.  
Tampa, FL 33614

4600 N. Dale Mabry Hwy.  
Tampa, FL 33614

3800 W. Hillsborough Avenue  
Tampa, FL 33614

31200 US Highway 19N  
Palm Harbor, FL 34684

9207 Adamo Dr.  
Tampa, FL 33619

4197 Jonesboro Road  
Union City, GA 30291

1355 Cobb Parkway South  
Marietta, GA 30060-6542

2750 Cobb Parkway SE  
Smyrna, GA 30080

980 Mansell Road  
Roswell, GA 30076

10995 Westside Parkway  
Alpharetta, GA 30009

1550 Mansell Road  
Alpharetta, GA 30009

11100 Alpharetta Hwy.  
Roswell, GA 30076

1431 Cobb Parkway South  
Marietta, GA 30060

1606 Church Street  
Decatur, GA 30033

2020 Cobb Parkway S.  
Marietta, GA 30060

1625 Church Street  
Decatur, GA 30033

1609 Church Street  
Decatur, GA 30033

11130 Alpharetta Hwy.  
Roswell, GA 30076

7969 Mall Parkway  
Lithonia, GA 30038 (add)

7849 Mall Parkway  
Lithonia, GA 30038

945 Iris Drive SE  
Conyers, GA 30094

3700 West Airport Freeway  
Irving, TX 75062

4051 West Plano Parkway  
Plano, TX 75093

3333 West Plano Parkway  
Plano, TX 75075

13553 US Highway 183 North  
Austin, TX 78750

11911 Gulf Freeway  
Houston, TX 77034

1601 N. Dallas Parkway  
Frisco, TX 75034

4400 Landers Road  
North Little Rock, AR 72117-2526

6030 Landers Road  
Sherwood, AR 72117-1939

4336 Landers Road  
North Little Rock, AR 72117

1500 N. Shackleford Road  
Little Rock, AR 72211

#1 Commercial Center Drive  
Little Rock, AR 72210

5703 Landers Road  
North Little Rock, AR 72117

201 Octavia Drive  
Brandon, MS 39042

6080 I-55 North Frontage Road  
Jackson, MS 39211

108 Gray-Daniels Blvd.  
Brandon, MS 39042

104 Gray-Daniels Blvd.  
Brandon, MS 39042

1791 W. Government Street  
Brandon, MS 39042

6060 I-55 North Frontage Road  
Jackson, MS 39211

755 N. New Ballas  
Creve Coeur, MO 63141

11858 Olive Blvd.  
Creve Coeur, MO 63141

11830 Olive Blvd.  
Creve Coeur, MO 63141

777 Decker Lane  
Creve Coeur, MO 63141

11910 Olive Blvd.  
Creve Coeur, MO 63141

2660 Laurens Road  
Greenville, SC 29607

2686 Laurens Road  
Greenville, SC 29607

2668 Laurens Road  
Greenville, SC 29607

2712 Laurens Road  
Greenville, SC 29607

951 Technology Drive  
O'Fallon, MO 63368

1207 East Brandon Blvd.  
Brandon, FL 33511



**Investors May Contact:**

Matt Pettoni  
VP & Treasurer  
(770) 418-8219  
ir@asburyauto.com

**Reporters May Contact:**

Kristi Griggs  
Communications Liaison  
(336) 285-0210  
pr@asburyauto.com

**Asbury Automotive Group Appoints David Hult  
as its Executive Vice President and Chief Operating Officer**

DULUTH, Ga., Oct. 23, 2014 /PRNewswire/ -- Asbury Automotive Group, Inc. (NYSE: ABG), (the "Company") one of the largest automotive retail and service companies in the U.S., announced that David W. Hult will join the company as its Executive Vice President and Chief Operating Officer effective November 3, 2014.

"David brings a wealth of auto retail industry knowledge with a proven track record to his new position. He will be responsible for providing leadership to the managers and associates in our stores while also continuing the development of our operational initiatives," said President and CEO Craig Monaghan. "I am thrilled about David joining our team and am certain that his contributions will lead to further success for our organization."

After serving our country in the US Army, David started his career as a retail sales associate and his success led to rapid advances within the industry. He has been an operator at the General Manager level as well as the regional level for a number of large dealership groups. In addition to his most recent position as Chief Operating Officer at RLJ McLarty Landers, Hult has extensive experience in multiple aspects of the industry including fixed operations, marketing and all levels of variable operations. His experience includes time with both large private organizations as well as a number of years with public automotive retail companies including Group 1 Automotive and Penske Automotive Group.

As part of Asbury's long-term executive succession planning process and in connection with David's appointment, Michael Kearney will step down from his position of COO and continue in his role of Executive Vice President until he retires in March of 2015. "I look forward to working closely with David to ensure a smooth transition. David brings with him years of experience and training that will ensure our continued success. We are excited about having David as our new Chief Operating Officer," said EVP and COO Michael Kearney.

**About Asbury Automotive Group**

Asbury Automotive Group, Inc. ("Asbury"), a Fortune 500 company headquartered in Georgia, is one of the largest automotive retailers in the U.S. Asbury operates 81 dealerships, encompassing 102 franchises for the sale and servicing of 29 domestic and foreign brands of vehicles. Asbury also operates 24 collision repair centers and two stand-alone used vehicle stores. 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.

SOURCE Asbury Automotive Group, Inc.

PR Contact: Kristi Griggs, Asbury Communications Liaison, 336-285-0210 Ext 105, [pr@asburyauto.com](mailto:pr@asburyauto.com) Investor Contact: Matt Pettoni, VP & Treasurer, 770-418-8219, [ir@asburyauto.com](mailto:ir@asburyauto.com)