

**GROUP 1 AUTOMOTIVE, INC.**  
**FINANCE/RISK MANAGEMENT COMMITTEE CHARTER**

The Board of Directors (the “**Board**”) of Group 1 Automotive, Inc. (the “**Company**”) has established the Finance/Risk Management Committee of the Board (the “**Committee**”) with authority, responsibility and specific duties as described in this Finance/Risk Management Committee Charter (the “**Charter**”).

**Purposes**

The purposes of the Committee are to assist the Board in fulfilling its oversight responsibilities across the principal areas of corporate finance and risk management for the Company, including:

1. To review, oversee and report to the Board regarding the Company’s financial status and capital structure, debt and equity financings, compliance with covenants of material debt instruments, cash management and other banking activities, investor/shareholder relations, relationships with various financial constituents, including banks, investment banks and rating agencies, and securities repurchase activities, and authorize transactions related thereto within limits prescribed by the Board;
2. To review and assess risk exposure and insurance related to the Company’s operations, and authorize transactions related thereto within limits prescribed by the Board; and
3. To review capital expenditures and other capital spending plans, including significant acquisitions and dispositions of businesses or assets, and authorize such transactions within limits prescribed by the Board.

**Composition**

The Committee shall consist of at least three members, all of whom are members of the Board. The Board shall appoint the members of the Committee based on the recommendation of the Nominating/Governance Committee of the Board. One of the members shall serve as the chairperson (the “**Chair**”) of the Committee. The Chair of the Committee shall be designated by the Board based on the recommendation of the Nominating/Governance Committee or, if no such designation is made, shall be selected by the affirmative vote of the majority of the Committee.

**Authority and Responsibilities**

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. The Committee may form and delegate some or all of its authority to subcommittees when it deems appropriate. Without limiting the generality of the preceding statements, the Committee shall have the authority, and is entrusted with the responsibility, to do the following actions:

1. The Committee shall have authority to authorize finance-related activities within limits prescribed by the Board. Periodically, the Committee shall review and provide guidance to the full Board and management regarding:
  - the financial status and capital structure of the Company, including long-range financial policies and objectives, dividend policy and dividend actions, plans or programs for the repurchase or redemption of Company securities, capital and debt issuances;
  - the Company's financial strategies, policies, guidelines and procedures, including those related to off balance sheet transactions, hedging transactions, capital and other investments, including investment of the Company's cash reserves and loans or advances to any person; and
  - the Company's compliance with its material debt instruments and credit facilities.
2. The Committee shall have general oversight responsibility for the Company's treasury activities, which shall include an annual review of the Company's principal commercial and banking relationships, including its banking and treasury authorizations.
3. The Committee shall have authority to authorize risk management-related activities within limits prescribed by the Board. In addition, the Committee shall discuss with management the Company's significant financial risk exposures and the actions management has taken to monitor and control such exposures. Periodically, the Committee shall review and provide guidance to the full Board and management regarding:
  - risk exposure related to the Company's operations, including safety, environmental, labor, financial, interest rate, foreign exchange and investment tax planning, contingent liabilities, litigation and other risks which may be material to the Company, and the processes used by management to monitor and mitigate such exposure; and
  - the plans and strategies for the Company's insurance programs, including coverage for business interruption, property and casualty, workers' compensation, fiduciary liability, and directors and officers.
4. The Committee shall provide direction for the assessment of future capital spending and acquisition opportunities, and review capital expenditure plans, including significant acquisitions and dispositions of businesses and assets and other specific capital projects. The Committee shall have authority, where the amount involved, including any obligations assumed (including floorplan debt), is greater than \$15.0 million but does not exceed \$30.0 million (and, in the case of dispositions of assets or businesses or the termination of capital investments,

where the Company's net income in any year would be negatively affected by \$1.0 million or more), to:

- approve acquisitions or dispositions of assets or businesses;
  - make or terminate capital investments, including capital expenditures and investments in other businesses, partnerships, or joint ventures; and
  - issue financial or performance guarantees on behalf of the Company.
5. The Chair of the Committee shall report to the full Board at its next regularly scheduled meeting action taken pursuant to paragraphs 1, 2, 3 and 4 of this Section. If the Audit Committee chairman is not a member of the Committee, the Chair of the Committee shall report to the Audit Committee at its next regularly scheduled meeting the activities of the Committee under paragraphs 3 of this Section as they relate to risk assessment and risk management.
  6. The Committee shall have the sole authority to retain, amend the engagement with, and terminate any independent consultants as it deems necessary to fulfill its responsibilities. The Committee shall have sole authority to approve the consultant's fees and other retention terms and shall have authority to cause the Company to pay the fees and expenses of such consultants. The Committee shall, subject to the Audit Committee pre-approval policy, also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors, to approve the fees and expenses of such outside advisors, and to cause the Company to pay the fees and expenses of such outside advisors.

## **Procedures**

1. ***Meetings.*** The Committee will meet at the call of its Chair, two or more members of the Committee, or the Chairman of the Board. Meetings may, at the discretion of the Committee, include members of the Company's management, independent consultants, and such other persons as the Committee or its Chair may determine. The Committee may meet in person, by telephone conference call, or in any other manner in which the Board is permitted to meet under law or the Company's Bylaws.
2. ***Quorum and Approval.*** A majority of the members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
3. ***Rules.*** The Committee may determine additional rules and procedures, including designation of a Chair *pro tempore* in the absence of the Chair and designation of a secretary of the Committee or any meeting thereof.
4. ***Reports.*** The Committee shall maintain minutes of its meetings and make regular reports to the Board, directly or through the Chair.

5. ***Review of Charter.*** Each year, the Committee shall review the need for changes in this Charter and recommend any proposed changes to the Board for approval.
6. ***Performance Review.*** Each year, the Committee shall review and evaluate its own performance and shall submit itself to the review and evaluation of the Board.
7. ***Fees.*** Each member of the Committee shall be paid the fee set by the Board for his or her services as a member of, or Chair of, the Committee.