

**Fenix Parts, Inc.**  
**Compensation Committee Charter**  
**(Revised August 29, 2016)**

**Purpose**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Fenix Parts, Inc. (the “Company”) has been established to determine the cash compensation and equity compensation of the Company’s executive officers, administer the Company’s equity plans and other significant employee benefit plans, analyze and recommend compensation for non-executive directors of the Company, and perform such other duties as delegated to the Committee by the Board.

**Executive Compensation Policies**

The Company’s executive compensation policies seek to coordinate executive officers’ compensation with the Company’s performance objectives and business strategy. These policies are intended to attract, motivate and retain executive officers whose contributions are critical to the Company’s long-term success and to reward executive officers for attaining individual and Company objectives that enhance stockholder value.

The Company’s compensation program for executive officers consists of cash compensation and long-term compensation. Cash compensation is paid in the form of a base salary and a cash bonus, and long-term compensation is paid in the form of equity grants that vest over time. Bonuses are intended to provide executive officers with an opportunity to earn additional cash compensation through individual and Company performance. Equity grants are intended to focus executive officers on managing the Company’s business from the perspective of owners with an equity interest and to align their long-term compensation with the benefits realized by our stockholders. Bonuses and equity grants may be based on achieving pre-established targets or goals and/or made in the discretion of the Committee.

**Membership**

The Committee shall be composed of three or more directors, as the Board determines. Each member of the Committee, including a member designated to serve as Committee chair, shall be appointed annually by the Board upon the recommendation of the Nominating and Governance Committee and may be removed by the Board at any time in the Board’s discretion.

Each member of the Committee shall be independent under (i) the applicable standards for independence of the U.S. Securities and Exchange Commission (the “SEC”) and the Nasdaq Global Market, Inc. (“Nasdaq”) (except as those rules may otherwise allow in exceptional circumstances or to phase in compliance in connection with an initial public offering), (ii) the “non-employee director” definition for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (iii) the “outside director” definition for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

In determining whether a director is eligible to serve on the Committee, the Board shall consider all factors specifically relevant to determining whether the director has a relationship to the Company which is material to that director’s ability to be independent from management in connection with the duties of a Committee member, including, but not limited to, (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

## **Responsibilities**

The Committee shall have the following listed responsibilities. In particular, and without limiting the foregoing, the Committee will measure the Chief Executive Officer's performance against each of his/her goals and objectives pursuant to the Company's plans and, after considering the full Board's evaluation of his/her performance, determine the compensation of the Chief Executive Officer. The Company's Chief Executive Officer may not be present during the Committee's deliberations or voting on any portion of his/her compensation. The full Board will review the Compensation Committee's actions. The Committee's listed responsibilities are:

To review on at least an annual basis and to adjust, as deemed necessary based on the Committee's evaluation, the respective base salaries of each of the Company's executive officers.

To determine appropriate cash bonuses, if any, for the Company's executive officers (based upon an applicable percentage of base salary as determined by the Committee), after consideration of success in meeting or exceeding specific individual and Company performance goals and criteria.

To determine appropriate equity awards, if any, for the Company's executive officers after consideration of success in meeting or exceeding specific individual and Company performance goals and criteria.

To approve all executive perquisites and any special benefit plans to be made available to executive officers.

To prepare a report on executive compensation for inclusion in the Company's annual proxy statement.

To review the proposed salary levels and annual adjustments thereto and the incentive compensation plans formulated by the Chief Executive Officer and the annual bonus payments to be made thereunder for officers and key employees of the Company other than the executive officers, and provide input and advice to the Chief Executive Officer with respect to these compensation decisions.

To administer the Company's equity plans and determine and approve grants to employees, directors and other qualified recipients under such plans.

To oversee the implementation and operation of significant employee benefit plans. In this regard, the Committee may designate individuals (or committees of Company personnel) to manage and monitor such employee benefit plans, with the Committee providing broad oversight of such individuals (or committees).

To advise the Board on the compensation for non-employee directors.

To periodically review and assess the adequacy of the Committee's charter and recommend any proposed changes to the Board for approval.

To annually review and approve any compensation clawback or recoupment policy or guidelines applicable to the executive officers of the Company.

To review risk management issues related to short and long term incentive compensation plans for senior executives and other identified employees of the Company.

## **Procedures**

The Committee shall meet as necessary at the call of the chairman or any two members of the Committee. More than fifty percent of the Committee members present and participating in a meeting shall constitute a quorum, and all actions of the Committee at a meeting at which a quorum is present shall be taken by majority vote. A member of the Committee may participate in any meeting of the Committee by a conference telephone call or other means that enable all persons participating in the meeting to hear one another, and participation in this manner shall constitute presence in person at the meeting. The Committee also may act by the unanimous written consent of its members. The Committee shall make regular reports of its proceedings to the Board of Directors.

The members of the Committee shall appoint a secretary of the Committee, who may be one of the members of the Committee or the secretary or an assistant secretary of the Company. The secretary of the Committee shall prepare minutes of the meetings, maintain custody of copies of reports, information and data furnished to and used by the Committee, and generally assist the Committee in connection with preparation of agendas, notices of meetings and other matters.

The Committee shall be entitled to delegate responsibilities to a subcommittee of one or more members of the Committee, who shall report on their activities to the Committee.

## **Authority to Engage Consultant or Adviser**

In carrying out its responsibilities:

- (a) The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall have the sole discretion to retain compensation advisers.
- (b) The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee.
- (c) The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee.
- (d) The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following six factors:
  - (1) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
  - (2) 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;
  - (3) 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;

(4) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;

(5) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and

(6) 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.

Nothing in the preceding provisions shall be construed: (i) to require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the Committee; or (ii) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of the Committee's duties.

The Committee is required to conduct the independence assessment described in the preceding provisions with respect to any compensation consultant, legal counsel or other adviser that provides advice to the Committee, other than in-house legal counsel. However, nothing requires a compensation consultant, legal counsel or other compensation adviser to be independent; the requirement is only that, subject to the exception described in the following paragraph, the Committee considers the six independence factors before selecting or receiving advice from a compensation adviser. The Committee may select, or receive advice from, any compensation adviser that it prefers, including one that is not independent, after considering the six independence factors.

In addition, the Committee is not required to conduct an independence assessment for a compensation adviser that acts in a role limited to either or both of the following activities for which no disclosure is required under Item 407(e)(3)(iii) of SEC Regulation S-K: (i) 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 (ii) providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the adviser and about which the adviser does not provide advice.