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) April 12, 2018

AutoWeb, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**1-34761**	**33-0711569**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**
18872 MacArthur Boulevard, Suite 200, Irvine, California		**92612-1400**
(Address of principal executive offices)		**(Zip Code)**

Registrant's telephone number, including area code (949) 225-4500

Not Applicable
(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))

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.

Appointment of Jared Rowe as President, Chief Executive Officer, and Director

On April 12, 2018, at a meeting of the Board of Directors ("**Board**") of AutoWeb, Inc. ("**AutoWeb**" or "**Company**"), the Board appointed Mr. Jared R. Rowe, age 44, to the position of President and Chief Executive Officer effective immediately. Pursuant to the terms of his employment agreement, the Board also appointed Mr. Rowe to the Board as a Class I director effective immediately, with his term to expire at the Company's annual meeting of stockholders in 2020. Mr. Rowe was also appointed to serve as the sole member of the Board's Non-Executive Stock Option Committee, a committee that has the authority to grant up to an aggregate of 50,000 stock options per year to eligible persons who (i) are employed by the Company or its subsidiaries and are not subject to reporting under Section 16(a) of the Securities Exchange Act of 1934, as amended, or (ii) are consultants or service providers to the Company or its subsidiaries.

From July 2017 to April 2018, Mr. Rowe was Senior Operating Executive at Cerberus Capital Management, L.P. ("**Cerberus**"), a leading private investment firm. Prior to his tenure at Cerberus, he was the Chief Executive Officer at YP from September 2016 to June 2017, a partnership between Cerberus and AT&T. From 2010 until 2016, Mr. Rowe was President, Media Solutions Group for Cox Automotive, responsible for integrating AutoTrader, Kelley Blue Book, Dealer.com and Haystack into a single operating business. During his time at Cox Automotive, he was the President of the AutoTrader division from 2014 to 2015, President of Kelley Blue Book division from 2012 to 2014, and held other positions of increasing responsibility in the Cox Automotive organization. He spent ten years, from 2000 to 2010, at FordDirect, a joint venture between Ford Motor Company and its franchised dealers, holding positions within the organization of increasing responsibility that concluded with his appointment as Executive Vice President. Mr. Rowe has a Master of Business Administration from the Stephen M. Ross School of Business at the University of Michigan at Ann Arbor and received his Bachelor of Business Administration from Northwood University.

The Company and Mr. Rowe entered into an employment agreement ("**Rowe Employment Agreement**") dated as of April 12, 2018. Pursuant to the Rowe Employment Agreement, Mr. Rowe will be paid a one-time signing bonus in the amount of $250,000 and will receive a base annual salary of $550,000, which may be increased in the discretion of the Board or the Compensation Committee of the Board ("**Compensation Committee**"). Mr. Rowe is also eligible to receive an annual incentive compensation opportunity targeted at 100% of his base annual salary based upon annual performance goals and achievement of those goals, as established and determined by the Board or the Compensation Committee. Mr. Rowe's incentive compensation payout for calendar year 2018 will equal his actual payout under the Company's 2018 incentive compensation plan based on actual performance for the entire year (but not less than 75% of his target incentive compensation opportunity), prorated for the amount of time Mr. Rowe was employed by the Company in 2018.

During the term of the Rowe Employment Agreement, Mr. Rowe will receive a monthly travel and housing accommodation in the amount of $15,000. In the event that Mr. Rowe elects to relocate to the Irvine, California area, this monthly travel and housing accommodation will cease and the Company will pay actual moving costs and actual sales brokerage fees incurred for the sale of his personal residence. This moving and relocation assistance is not to exceed $200,000 in the aggregate. Additionally, the Company will reimburse Mr. Rowe's reasonable and documented legal fees, not to exceed $50,000, incurred by Mr. Rowe in connection with the negotiation and review of the Rowe Employment Agreement. Mr. Rowe will be entitled to all customary benefits afforded generally to executive employees of the Company.

Within 60 days following the effective date of the Rowe Employment Agreement, Mr. Rowe will have the right to acquire in a direct private placement from the Company up to $1,000,000 in shares ("**Private Placement Shares**") of the Company's common stock, $0.001 par value per share ("**Common Stock**"). The price of the Private Placement Shares will be the closing price of the Common Stock on The Nasdaq Capital Market on the date Mr. Rowe elects to exercise his right to purchase the Private Placement Shares.

If Mr. Rowe's employment is terminated by the Company without cause or by Mr. Rowe with good reason, Mr. Rowe is entitled to: (i) continued monthly payments of his base annual salary for 24 months after the employment termination date; (ii) reimbursement or payment of the premiums for continuation of the medical, dental, and visions benefits under the Consolidated Omnibus Budget Reconciliation Act ("**COBRA**") for a period of 18 months after the employment termination date; and (iii) his annual incentive compensation payout based on actual performance for the entire performance period, prorated for the amount of time Mr. Rowe was employed by the Company prior to the date of termination during such performance period. If Mr. Rowe's employment is terminated by the Company without cause or by Mr. Rowe for good reason upon, or within 18 months following, a change in control of the Company, Mr. Rowe is entitled to: (i) a lump sum payment equal to two (2) times the sum of his base annual salary plus his annual incentive compensation opportunity target; (ii) reimbursement or payment of the premiums for continuation of his medical, dental, and visions insurance benefits under COBRA for a period of 18 months after employment termination; and (iii) his annual incentive compensation payout based on his target annual incentive compensation, prorated for the amount of time Mr. Rowe was employed by the Company prior to the date of termination during such performance period. The Company is not obligated to make additional payments to Mr. Rowe to compensate for his additional tax obligations if Mr. Rowe's compensation is deemed to be excess parachute payments under the Internal Revenue Code. Payment of the severance benefits under the Rowe Employment Agreement is conditioned on Mr. Rowe's execution of a general release in favor of AutoWeb.

As an inducement to enter into employment with the Company, the Company and Mr. Rowe entered into an Inducement Stock Option Award Agreement ("**Rowe Option Award Agreement**") on April 12, 2018 ("**Rowe Options Grant Date**"). Pursuant to the Rowe Option Award Agreement, Mr. Rowe was granted stock options to purchase 1,000,000 shares of Common Stock ("**Rowe Employment Options**"), which shall vest monthly in 36 monthly installments on the first day of each calendar month following the Rowe Options Grant Date. The Rowe Employment Options have an exercise price of $3.26 per share and a term of seven years from the Rowe Options Grant Date. Upon a change in control of the Company or in the event of a termination of Mr. Rowe's employment by the Company without cause or by Mr. Rowe with good reason, all Rowe Employment Options that are unvested will vest. In the event of a termination of Mr. Rowe's employment with the Company by reason of Mr. Rowe's death or disability, the lesser of: (i) 1/3 rd of the total number of Rowe Employment Options and (ii) the total number of unvested Rowe Employment Options will vest upon the date of termination.

The foregoing descriptions of the Rowe Employment Agreement and the Rowe Option Award Agreement are not complete and are qualified in their entirety by reference to the Rowe Employment Agreement and the Rowe Option Award Agreement, which are filed with this Current Report on Form 8-K as Exhibits 10.1 and 10.2, respectively, and are incorporated herein by reference.

Termination of Jeffrey Coats as President and Chief Executive Officer; Resignation as Director

On April 12, 2018, the Board also terminated Mr. Jeffrey H. Coats' employment as President and Chief Executive Officer without cause effective immediately. In connection with the termination of his employment, Mr. Coats also resigned from his position as a member of the Board effective immediately.

In connection with the termination of Mr. Coats' employment and as contemplated by his Second Amended and Restated Employment Agreement dated as of April 3, 2014 (as amended, "**Coats Employment Agreement**"), Mr. Coats will be entitled to certain severance benefits as described in the Coats Employment Agreement, including (i) continued payment of his annual base salary of $550,000 in monthly installments for a period of twelve months after his employment termination date; (ii) reimbursement or payment of the premiums for continuation of his medical, dental and vision insurance benefits under COBRA for a period of 12 months after the employment termination date; and (iii) his annual incentive compensation payout based on actual performance for the entire performance period, prorated for the amount of time Mr. Coats was employed by the Company prior to the date of termination during such performance period. Any stock options or restricted stock awards granted to Mr. Coats that remained unvested as of April 12, 2018 immediately vested in accordance with the terms of the applicable award agreements. Receipt of the foregoing severance payments and benefits is conditioned upon Mr. Coats' execution and delivery to AutoWeb, without revocation, of a separation agreement and release ("**Separation and Release Agreement**"). Among other things, the Separation and Release Agreement provides for a general release by Mr. Coats of any and all claims against the Company.

The foregoing description of the Coats Employment Agreement and the Separation and Release Agreement is not complete and is qualified in its entirety by reference to the Second Amended and Restated Employment Agreement dated as of April 3, 2014 between Company and Jeffrey H. Coats, incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed with the SEC on April 8, 2014 (SEC File No. 001-34761); as amended by Amendment No. 1 dated January 21, 2016, incorporated by reference to Exhibit 10.1 to the January 2016 Form 8-K; and as amended by Amendment No. 2 dated September 21, 2016, incorporated by reference to Exhibit 10.3 to the Form 8-K filed with the SEC on September 26, 2016 (SEC File No. 001-34761).

Effective as of the April 13, 2018 ("**Consulting Services Commencement Date**"), Mr. Coats and the Company entered into a consulting services agreement ("**Consulting Services Agreement**") pursuant to which Mr. Coats will provide transition services to the Company on a consulting basis for a period of 13 months commencing as of the Consulting Services Commencement Date. Mr. Coats will be paid a monthly fee of $22,916.00 for his consulting services. The first 6 months of such monthly fee will be pre-paid to Mr. Coats; provided that if during the first 6 months of the term of the Consulting Services Agreement, Mr. Coats or the Company terminates the Consulting Services Agreement pursuant to its terms, Mr. Coats shall repay a prorated portion of such prepayment. As additional consulting consideration, any post-termination of employment exercise periods for the stock options awarded to Mr. Coats that would not already extend until the second anniversary of the Consulting Services Commencement Date in accordance with the terms of the stock option award agreements for such stock options shall be extended until the second anniversary of the Consulting Services Commencement Date; provided, however, that notwithstanding the foregoing, in no event will the post-termination exercise periods for any stock options extend beyond the original option expiration dates of the stock options.

The foregoing description of the Consulting Services Agreement is not complete and is qualified in its entirety by reference to the Consulting Services Agreement, which is filed with this Current Report on Form 8-K as Exhibit 10.3 and is incorporated herein by reference.

Increase in Base Annual Salary and Amendments to Severance Benefits of Glenn Fuller

On April 12, 2018, the Compensation Committee approved an increase in the base annual salary of Mr. Glenn E. Fuller, the Company's Executive Vice President, Chief Legal and Administrative Officer and Secretary, from $320,250 to $350,250.

Additionally, the Compensation Committee approved amendments to Mr. Fuller's Amended and Restated Severance Agreement dated as of September 9, 2008, as amended ("**Fuller Severance Benefits Agreement**"). The amendments to the Fuller Severance Benefits Agreement now provide that if Mr. Fuller is terminated by the Company without cause or by Mr. Fuller with good reason, Mr. Fuller's severance benefits period is increased from 12 months to 18 months, which would entitle Mr. Fuller to: (i) a lump sum payment equal to 18 months of his base annual salary; and (ii) continuation of this health and welfare insurance benefits for 18 months. In addition, Mr. Fuller will be entitled to receive his annual incentive compensation payout based on actual performance for the entire performance period, prorated for the amount of time Mr. Fuller was employed by the Company prior to the date of termination during such performance period. In connection with the foregoing amendments to the Fuller Severance Benefits Agreement, the Company will no longer be obligated to make additional payments to Mr. Fuller to compensate for his additional tax obligations if Mr. Fuller's compensation is deemed to be excess parachute payments under the Internal Revenue Code.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1	Employment Agreement between Jared R. Rowe and AutoWeb, Inc. dated April 12, 2018
10.2	Inducement Stock Option Award Agreement between Jared R. Rowe and AutoWeb, Inc. dated April 12, 2018
10.3	Consulting Services Agreement between Jeffrey H. Coats and AutoWeb, Inc. dated April 13, 2018

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.

Date: April 18, 2018

AUTOWEB, INC.

By: /s/ Glenn E. Fuller
Glenn E. Fuller, Executive Vice President,
Chief Legal and Administrative Officer and Secretary

Exhibit 10.1

AutoWeb, Inc.

Employment Agreement

This Employment Agreement ("**Agreement**") entered into effective as of April 12, 2018 ("**Effective Date**"), between AutoWeb, Inc., a Delaware corporation ("**AutoWeb**" or "**Company**"), and Jared R. Rowe ("**Executive**"). Executive and AutoWeb are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

Background

AutoWeb wishes to retain the services of Executive, and Executive wishes to be employed by the Company on the terms and subject to the conditions set forth in this Agreement.

In consideration of the foregoing and other good and valuable consideration, receipt of which is hereby acknowledged, the Parties hereby agree as follows.

1. **Definitions**. For purposes of this Agreement, the terms below that begin with initial capital letters within this Agreement shall have the specially defined meanings set forth below (unless the context clearly indicates a different meaning).

(a) "**409A Suspension Period**" shall have the meaning set forth in Section 8.

(b) "**Arbitration Agreement**" means that certain Mutual Agreement to Arbitrate dated as of the Effective Date and entered into by and between AutoWeb and Executive concurrently with the execution and delivery of this Agreement by the Parties.

(c) "**Benefits**" means all Company medical, dental, vision, life and disability plans in which Executive participates under Section 4(b).

(d) "**Board**" means the Company's Board of Directors.

(e) "**Cause**" means the termination of the Executive's employment by Company as a result of any one or more of the following:

(i) any conviction of, or pleading of nolo contendre by, the Executive for any felony or any crime involving moral turpitude;

(ii) any willful misconduct of the Executive which has a materially injurious effect on the business or reputation of the Company and its affiliates;

(iii) Executive engaging in any material act of dishonesty, fraud or misrepresentation with respect to the Company or its affiliates;

(iv) Executive's violation of any federal or state law, rule, regulation or order applicable to the Company or its business or affiliates, which results in material harm to the Company, which violation is not cured within thirty (30) days following written notice from the Company detailing such violation;

(v) a material and continuous failure to perform Executive's employment duties and responsibilities to the Company, which failure continues for thirty (30) days following written notice from the Company detailing the area or areas of such failure, other than such failure resulting from Executive's Disability or ill health.

For purposes of this definition of Cause, no act or failure to act, on the part of the Executive, shall be considered "willful" if it is done, or omitted to be done, by the Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interests of the Company. For purposes of clarity, Executive's termination of employment due to death or Disability is not, by itself, deemed to be a termination by the Company other than for Cause or a resignation for Good Reason.

(f) "**Change in Control**" means the occurrence of any one of the following events:

(i) During any twenty-four (24) month period, individuals who, as of the beginning of such period, constitute the Board ("**Incumbent Directors**") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) will be an Incumbent Director; *provided, however*, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board will be deemed to be an Incumbent Director;

(ii) Any "**person**" (as such term is defined in the Securities Exchange Act of 1934, as amended ("**Exchange Act**"), and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes a "**beneficial owner**" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of the Board ("**Company Voting Securities**"); *provided, however*, that the event described in this Section 1(f)(ii) will not be deemed to be a Change in Control by virtue of any of the following acquisitions: (1) by the Company or any Subsidiary, (2) by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary, (3) by any underwriter temporarily holding securities pursuant to an offering of such securities, (4) pursuant to a Non-Qualifying Transaction, as defined in Section 1(f)(iii), or (5) the acquisition of additional stock by any one person, who owns more than 50% of the total voting power of the stock of the Company prior to such acquisition; or

(iii) The consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its Subsidiaries that requires the approval of the Company's stockholders, whether for such transaction or the issuance of securities in the transaction (a "**Business Combination**"), unless immediately following such Business Combination: (i) more than 50% of the total voting power of (A) the corporation resulting from such Business Combination ("**Surviving Corporation**"), or (B) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors of the Surviving Corporation ("**Parent Corporation**"), is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (ii) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of 50% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (iii) at least a majority of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (i), (ii) and (iii) above is deemed to be a "**Non-Qualifying Transaction**"); or

(iv) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or the consummation of a sale of all or substantially all of the Company's assets *provided, however*, that any such event shall not constitute a Change in Control ("**Liquidation or Asset Sale Event**") (i) if immediately following the consummation of such event more than 50% of the total voting power of (A) the corporation resulting from such event ("**Acquirer Corporation**"), or (B) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors of the Acquirer Corporation ("**Parent Acquirer Corporation**"), is represented by Company Voting Securities that were outstanding immediately prior to such Liquidation or Asset Sale Event (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Liquidation or Asset Sale Event); (ii) the transfer is to a person, that owned, directly or indirectly, 50% or more of the total voting power of the Company prior to the transfer or to an entity, at least 50% of the total voting power of which is owned, directly or indirectly, by such a person.

For purposes of this definition of Change in Control, the term "**Subsidiary**" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if, at the relevant time each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in the chain. For purposes of this definition, the term "corporation" has the meaning prescribed in Section 7701(a)(3) of the Code and the regulations thereunder. Notwithstanding the foregoing, for each payment or benefit pursuant to this Agreement that constitutes deferred compensation under Section 409A of the Code, as defined below, and to the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a Change in Control shall be deemed to have occurred with respect to such payment or benefit only if a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company shall also be deemed to have occurred under Section 409A of the Code.

(g) "**COBRA**" means the Consolidated Omnibus Budget Reconciliation Act, as amended, and the rules and regulations promulgated thereunder.

(h) "**COBRA Continuation Period**" means the up to eighteen-month COBRA continuation period set forth in Section 5(b) and Section 5(c).

(i) "**Code**" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

(j) "**Common Stock**" means the Company's common stock, par value $0.001 per share.

(k) "**Disability**" means either (i) the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan of the Company or any Affiliate.

(l) "**Employment Term**" The term of this Agreement is the period commencing with the Effective Date and ending on the date on which Executive's employment with the Company terminates in accordance with this Agreement or otherwise.

(m) "**Executive's Primary Work Location**" means AutoWeb's headquarters located at 18872 MacArthur Boulevard, Suite 200, Irvine, California 92612-1400.

(n) "**Good Reason**" means any act, decision or omission by the Company without the Executive's consent that: (A) reduces Executive's Annual Base Salary, Target Bonus or Travel and Housing Accommodation Monthly Allowance as in existence as of the date hereof or as of the date prior to any such change, whichever is more beneficial for Executive at the time of the act, decision, or omission by the Company; (B) materially diminishes the Executive's title, authority, duties, or responsibilities from the authority, duties or responsibilities Executive has as the Company's chief executive officer; (C) Executive reporting to anyone other than the Board or, if the Company is acquired, the board of directors of the ultimate parent of the acquiring company; (D) the failure by a successor to assume this Agreement; (E) only if Executive has relocated to the Irvine, California area, either relocates the Executive's place of employment from Executive's Primary Work Location to any other location in excess of a forty (40) mile radius from the Executive's Primary Work Location or requires any such relocation as a condition to continued employment by Company or Successor Company; (F) requires Executive to relocate from Atlanta, GA, or (G) involves or results in any material breach of this Agreement by the Company or Successor Company, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of written notice thereof given by the Executive. Notwithstanding the foregoing, no event shall constitute "Good Reason" unless (i) the Executive first provides written notice to the Company within ninety (90) days of the Executive's knowledge of event(s) alleged to constitute Good Reason, with such notice specifying the grounds that are alleged to constitute Good Reason, and (ii) the Company fails to cure such event(s) within thirty (30) days after Company's receipt of such written notice.

(o) "**Inducement Stock Option Award Agreement**" means the Inducement Stock Option Award Agreement dated as of the Effective Date and entered into by and between AutoWeb and Executive concurrently with the execution and delivery of this Agreement by the Parties, which agreement provides for the grant of options to acquire One Million (1,000,000.00) shares of Common Stock on the terms and conditions set forth in such agreement.

(p) "**Inventions Assignment Agreement**" means the Inventions Assignment Agreement dated as of the Effective Date and entered into by and between AutoWeb and Executive concurrently with the execution and delivery of this Agreement by the Parties.

(q) "**Separation from Service**" or "**Separates from Service**" shall mean Executive's termination of employment, as determined in accordance with Treas. Reg. § 1.409A-1(h). Executive shall be considered to have experienced a termination of employment when the facts and circumstances indicate that Executive and the Company reasonably anticipate that either (i) no further services will be performed for the Company after a certain date, or (ii) that the level of bona fide services Executive will perform for the Company after such date (whether as an employee or as an independent contractor) will permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed by Executive (whether as an employee or independent contractor) over the immediately preceding thirty-six (36) month period (or the full period of services to the Company if Executive has been providing services to the Company for less than thirty six (36) months). If Executive is on military leave, sick leave, or other bona fide leave of absence, the employment relationship between Executive and the Company shall be treated as continuing intact, provided that the period of such leave does not exceed six months, or if longer, so long as Executive retains a right to reemployment with the Company under an applicable statute or by contract. If the period of a military leave, sick leave, or other bona fide leave of absence exceeds six months and Executive does not retain a right to reemployment under an applicable statute or by contract, the employment relationship shall be considered to be terminated for purposes of this Agreement as of the first day immediately following the end of such six-month period. In applying the provisions of this paragraph, a leave of absence shall be considered a bona fide leave of absence only if there is a reasonable expectation that Executive will return to perform services for the Company. For purposes of determining whether Executive has incurred a Separation from Service, the Company shall include the Company and any entity that would be considered a single employer with the Company under Code Section 414(b) or 414(c).

(r) "**Successor Company**" means any successor to AutoWeb or substantially all of AutoWeb's assets.

(s) "**Termination Without Cause**" means termination of Executive's employment with the Company (i) by the Company (a) for any reason other than those reasons expressly set forth in the definition of "Cause," or (b) for no reason at all; or (ii) by Executive for Good Reason within thirty (30) days following the Company's failure to cure the event or events that constitute Good Reason; provided, however, that Executive's Separation from Service in connection with a Change in Control shall not constitute a Termination Without Cause if Executive is offered employment with the Successor Company under terms and conditions, including position, salary and other compensation, and benefits, that would not otherwise provide Executive the right to terminate Executive's employment for Good Reason under this Agreement.

(u) "**Travel and Housing Accommodation Monthly Allowance**" means a monthly allowance of Fifteen Thousand Dollars ($15,000), less applicable tax withholdings, for Executive's (i) personal housing in the Irvine, California area; and (ii) air/ground travel between Atlanta, Georgia and Irvine, California.

2. **Term of Employment**. This Agreement shall govern Executive's employment during the Employment Term. Executive's employment is at will and not for a specified term and may be terminated by the Company or Executive at any time, with or without Cause or Good Reason and with or without prior, advance notice. This "at-will" employment status will remain in effect throughout the Employment Term and cannot be modified except by a written amendment to this Agreement that is executed by both parties (which in the case of the Company, must be executed by the Company's Chairman of the Board or Chief Legal Officer) and that expressly negates the "at-will" employment status. Subject to the terms and conditions set forth in this Agreement, Executive may be entitled to severance and other compensation and benefits upon the occurrence of certain terminations of Executive's employment.

3. **Nature of Duties**.

(a) During Executive's employment under this Agreement, Executive shall be the Company's President and Chief Executive Officer. Executive shall have all of the customary powers and duties associated with such positions, and shall be subject to the Company's written policies, procedures, and approval practices provided to the Executive, including without limitation hiring and employment policies and codes of conduct and ethics as in effect from time to time governing executives of the Company. Executive will perform Executive's duties faithfully and to the best of his ability and will devote Executive's full business efforts and substantially all of his business time to the performance of Executive's duties and responsibilities for the Company, provided that Executive shall be permitted to (i) manage Executive's personal, financial and legal affairs, (ii) participate in trade associations, (iii) serve on the board of directors of up to two for-profit organizations, and (iv) serve on the board of directors of not-for-profit or tax-exempt charitable organizations, in each case, subject to compliance with this Agreement and provided that such activities do not materially interfere with Executive's performance of Executive's duties and responsibilities hereunder. Executive shall report directly to the Board. Executive's primary work location will be at the Executive's Primary Work Location.

(b) Executive will be appointed to be a Board member effective as of the Effective Date, and Executive hereby consents to such appointment and to be a Board member in all Company filings with the Securities and Exchange Commission or other governmental filings. The Company shall cause the nomination of Executive (to the extent that Executive would be up for election at such time) in connection with any subsequent proxy statement or information statement pursuant to which the Company intends to solicit stockholders with respect to the election of directors and to have the Board recommend in connection with such subsequent proxy statement or information statement that the stockholders of the Company vote for the election of Executive. Notwithstanding the foregoing, the nomination, appointment and election of Executive to the Board shall be subject to all legal requirements and the Company's corporate governance standards regarding service as a director of the Company. Upon the termination of Executive's employment for any reason, unless otherwise requested by the Board, Executive will be deemed to have resigned from the Board (and all other positions held at the Company and its affiliates) voluntarily, without any further required action by Executive, as of the end of the Employment Term, and Executive, at the Board's request, will execute any documents necessary to reflect Executive's resignation.

4. **Compensation, Benefits and Expenses**.

(a) As compensation for the services to be rendered by Executive pursuant to this Agreement, the Company hereby agrees to pay Executive a base annual salary ("**Base Annual Salary**") at a rate equal to Five Hundred Fifty Thousand Dollars ($550,000.00) during the Employment Term. Executive's Base Annual Salary shall be reviewed by the Board (or the Compensation Committee thereof) at least annually and may be increased by an amount approved by the Board (or the Compensation Committee thereof) in its sole discretion, and Executive agrees that the Company has not made any promises or guaranty of any increase in Base Annual Salary during the Employment Term. The Company may not reduce Executive's Base Annual Salary during the Employment Term without Executive's prior written consent. The Base Annual Salary shall be paid in substantially equal bimonthly installments, in accordance with the normal payroll practices of the Company. Executive will not receive any compensation for Executive's service as a member of the Company's Board or any of its committees.

(b) Executive shall be eligible to receive, at the time and in the form provided for in the Company's annual incentive compensation plan, an annual incentive compensation opportunity targeted at one hundred percent (100%) of Executive's Base Annual Salary ("**Target Bonus**") based upon annual performance goals and the achievement of those goals, as established and determined at least annually (and consistently with the Company's most recent proxy statement disclosure of the standards for providing cash-based incentive compensation) by the Board or the Compensation Committee of the Board. Such performance goals may include Company-wide performance objectives, divisional or departmental performance objectives, and/or individual performance objectives, as the Board or the Compensation Committee may determine in its discretion. The Company may not reduce Executive's targeted annual incentive compensation opportunity percentage during the Employment Term without Executive's prior written consent. The amount of annual incentive compensation payments, if any, that may be paid to Executive will be: (i) determined in the reasonable discretion of the Board or the Compensation Committee; (ii) paid prior to March 15 of the year following the year for which such bonus is earned, in accordance with the Company's normal payroll practices and be subject to the usual, required tax withholding; and (iii) subject to Executive's continued employment with the Company through December 31 of the year for which the bonus is payable. Executive's bonus for calendar year 2018 will equal Executive's actual payout under the Company's 2018 incentive compensation plan based on actual performance for the entire year (but shall not be less than 75% of Executive's Target Bonus) and prorated for the amount of time Executive was employed by the Company during 2018.

(c) The Company will pay Executive a signing bonus in the amount of Two Hundred Fifty Thousand Dollars ($250,000.00), less applicable tax withholdings, ("**Signing Bonus**"). The Signing Bonus will be paid to Executive within thirty (30) days of the Effective Date. If prior to the first anniversary date of the Effective Date, Executive shall voluntarily terminate Executive's employment with the Company without Good Reason or the Company terminates Executive's employment with the Company for Cause, Executive shall repay the pro-rata portion (determined based on the quotient of the number of days elapsed since the Effective Date and 365) Signing Bonus to the Company within thirty (30) days of the effective date of Executive's termination of employment.

(d) Concurrently with the execution and delivery of this Agreement by the Parties, the Parties have entered into the Inducement Stock Option Award Agreement. Executive will be eligible to receive additional awards of stock options, restricted stock or other equity pursuant to any plans or arrangements the Company may have in effect from time to time. The Board or the Compensation Committee will determine in its discretion whether Executive will be granted any such equity awards and the terms of any such award in accordance with the terms of any applicable plan or arrangement that may be in effect from time to time and consistent with other grants made by the Company.

(e) Executive shall be entitled to all ordinary and customary benefits afforded generally to executive employees of the Company (except to the extent employee contribution may be required under the Company's benefit plans as they may now or hereafter exist), which shall in no event be less than the benefits generally afforded to the other executive employees of the Company as of the date hereof or from time to time, but in any event shall include any qualified or non-qualified pension, profit sharing and savings plans, any death benefit and disability benefit plans, life insurance coverages, any medical, dental, health and welfare plans or insurance coverages, and any stock purchase programs that are adopted or maintained by the Company generally for executive employees of the Company. The Company reserves the right to terminate or change the benefit plans it offers to Company executive employees at any time.

(f) The Company shall pay or reimburse Executive for all reasonable business expenses incurred by Executive while employed under this Agreement that are submitted in accordance with the Company's expense reimbursement policies and procedures. Executive's business expenses shall be subject to review and approval by the Chairman of the Board in accordance with the Company's expense reimbursement policies and procedures.

(g) Each month, during the Employment Term, the Company will pay to Executive the Travel and Housing Accommodation Monthly Allowance. Should Executive elect to relocate to the Irvine, California area, the Travel and Housing Accommodation Monthly Allowance will cease and Company will pay actual moving costs from Atlanta, Georgia to the Irvine, California area plus actual sales brokerage fees incurred for the sale of Executive's residence in Atlanta, Georgia, such moving and relocation assistance not to exceed Two Hundred Thousand Dollars ($200,000.00) in the aggregate. It is expressly understood that at no point during the Employment Term Executive shall be required to relocate from Atlanta, GA area.

(h) Executive shall be covered by the Company's directors and officers insurance policies and directors and officers indemnification agreements on the same basis as the Company's other senior executive officers, as such insurance policies and coverage limits and conditions and such indemnification agreements may exist from time to time.

(i) The Company will pay directly to Skadden, Arps, Slate, Meagher & Flom for reasonable and documented legal fees, not to exceed Fifty Thousand Dollars ($50,000.00) incurred by Executive in the negotiation and review of this Agreement, after the Company's receipt of appropriate documentation with respect to fees.

(j) During the period commencing on the Effective Date and ending on the day before the sixtieth day following the Effective Date, Executive shall have the right to acquire in a direct private placement from the Company up to One Million Dollars ($1,000,000.00) in shares of the Company's common stock, $0.001 per value per share. The price of the shares shall be the closing price of the Company's common stock on The Nasdaq Capital Market on the date Executive elects to exercise Executive's right to purchase the shares, with the purchase of the shares and delivery of the payment for the shares to be made on the date Executive notifies the Company of Executive's exercise of the right to acquire the shares. The exercise of such right, and the Company's obligations to issues the shares shall be subject to compliance with applicable federal and state securities laws, rules and regulations, including the availability of applicable exemptions from registration or qualification, and Executive being employed by the Company at the time of the issuance of the shares, and conditioned on various requirements, including Executive's entering into a customary Company stockholder agreement.

5. **Severance Benefits and Conditions**. All amounts payable hereunder shall be subject to reduction for any employment and withholding taxes that the Company determines are applicable, and shall be subject to any applicable terms and conditions set forth in this Section 5, and this Agreement generally, including without limitation Section 8.

(a) ***Termination Other Than Without Cause***. In the event of Executive's Termination for Cause, resignation without Good Reason, death, Disability, or any reason other than Termination Without Cause, Executive shall be entitled to receive only the following ("**Accrued Amounts**"): (i) any amounts due and owing to Executive as of Executive's employment termination date with respect to any Base Annual Salary, vested and payable bonuses or incentive payments (including with respect to bonuses for the year preceding the year of termination which remain unpaid as of the date of termination), or unreimbursed business expense reimbursements; (ii) any other payments required by applicable law (including payments with respect to accrued and unused vacation, personal, sick and other days); and (iii) any amount accrued and arising from Executive's participation in, or benefits accrued under any employee benefit plans, programs or arrangements, which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs or arrangements. In addition, (1) in case of Executive's termination due to Disability, within 30 days of termination, Executive will receive a lump sum cash payment equal to Executive's Target Bonus and (2) in case of Executive's termination due to death, within 30 days of termination, Executive's estate, will receive a lump sum cash payment equal to Executive's Base Annual Salary minus the amount (but not less than zero) equal to the difference between (i) the amount of life insurance proceeds payable to Executive's beneficiaries under Company-provided life insurance policies and (ii) Executive's Base Annual Salary.

(b) ***Termination Without Cause***. In the event of Executive's Termination Without Cause either before a Change in Control or more than eighteen (18) months after a Change in Control, Executive shall be entitled to (i) the Accrued Amounts; (ii) continued monthly Base Annual Salary for twenty-four (24) months following the date of Executive's Termination Without Cause, at the rate of monthly Base Annual Salary in effect immediately beforehand; (iii) for an eighteen (18) month period, subject to Section 5(d) of this Agreement, Benefits at the levels in effect before employment terminates, including Company-paid COBRA premiums for any insurance that is in effect for Executive and/or Executive's dependents before termination of Executive's employment, and that Executive elects to continue in accordance with COBRA; and (iv) the amount of Executive's annual incentive compensation plan payout under Section 4(b) for the annual incentive compensation plan year in which Executive's date of termination occurred, based on actual performance for the entire performance period and prorated for the amount of time Executive was employed by the Company prior to the date of termination during such plan year.

(c) ***Termination Without Cause related to Change in Control***. In the event of Executive's Termination Without Cause upon or within eighteen (18) months after a Change in Control, Executive shall be entitled to (i) the Accrued Amounts; (ii) a lump sum payment, paid in cash, equal to two (2) times the sum of (1) Executive's Base Annual Salary and (2) Executive's target annual incentive compensation opportunity under Section 4(b), at the rate of Base Annual Salary and the target annual incentive compensation opportunity in effect immediately before such termination; (iii) for the eighteen (18) month period following Executive's Termination Without Cause, subject to Section 5(d) of this Agreement, Benefits at the levels in effect before employment terminates, including Company-paid COBRA premiums for any insurance that is in effect for Executive and/or Executive's dependents before termination of Executive's employment, and that Executive elects to continue in accordance with COBRA; and (iv) Executive's Target Bonus, at the rate of Base Annual Salary and the Target Bonus in effect immediately before such termination, prorated for the amount of time Executive was employed by the Company prior to the date of termination during such plan year.

(d) ***Special Benefits Provisions***.

(i) With respect to Benefits that are eligible for continuation coverage under COBRA, in the event the Company is unable to continue Executive's and Executive's eligible dependents' (assuming such dependents were covered by Company at the time of termination) participation under the Company's then existing insurance policies for such Benefits, Executive may elect to obtain coverage for such Benefits either by (1) electing COBRA continuation benefits for Executive and Executive's eligible dependents; (2) obtaining individual coverage for Executive and Executive's eligible dependents (if Executive and Executive's eligible dependents qualify for individual coverage); or (3) electing coverage as eligible dependents under another person's coverage (if Executive and Executive's eligible dependents qualify for such dependent coverage), or any combination of the foregoing alternatives. Executive may also initially elect COBRA continuation benefits and later change to individual coverage or dependent coverage for Executive or any eligible dependent of Executive, but Executive understands that if continuation of Benefits under COBRA is not initially selected by Executive or is later terminated by Executive, Executive will not be able to return to continuation coverage under COBRA. The Company shall pay directly or reimburse to Executive the monthly premiums for the benefits or coverage selected by Executive, with such payment or reimbursement not to exceed the monthly premiums the Company would pay assuming Executive timely elected continuation of benefits under COBRA. The Company's obligation to pay or reimburse for the Benefits covered by this Section 5(d) shall terminate upon the earlier of (i) the end of the applicable Company-paid COBRA Continuation Period; and (ii) Executive's employment by an employer that provides Executive and Executive's eligible dependents with coverage substantially similar to such Benefits as provided to Executive and Executive's eligible dependents at the time of the termination of Executive's employment with the Company, provided that Executive and Executive's eligible dependents are eligible for participation in such coverage.

(ii) With respect to Benefits that are not eligible for continuation coverage under COBRA, in the event the Company is unable to continue Executive's participation under the Company's then existing insurance policies for such Benefits, Executive may elect to obtain coverage for such Benefits either by (1) obtaining individual coverage for Executive (if Executive qualifies for individual coverage); or (2) electing coverage as an eligible dependent under another person's coverage (if Executive qualifies for such dependent coverage), or any combination of the foregoing alternatives; provided that any alternative shall be available and implemented only (I) in a manner that neither accelerates nor delays the year in which taxable income arises from the Benefits, and (II) in accordance with Section 409A of the Code. The Company shall pay directly or reimburse to Executive the monthly premiums for the benefits or coverage selected by Executive, with such payment or reimbursement not to exceed the monthly premiums the Company paid for such Benefits at the time of termination of Executive's employment with the Company. The Company's obligation to pay or reimburse for the Benefits covered by this Section 5(d)(ii) shall terminate upon the earlier of (i) the end of the applicable COBRA Continuation Period; and (ii) Executive's employment by an employer that provides Executive with coverage substantially similar to such Benefits as provided to Executive at the time of the termination of Executive's employment with the Company, provided that Executive is eligible for participation in such coverage. Executive acknowledges and agrees that the Company shall not be obligated to provide any Benefits covered by this Section 5(d)(ii) for Executive if Executive does not qualify for coverage under the Company's existing insurance policies for such Benefits, for individual coverage, or for dependent coverage.

(e) **Timing of Cash Severance Payments**.

(i) Payments of Accrued Amounts under Sections 5(a), 5(b) and 5(c) shall be made no later than the payment date required by applicable law or such earlier time specified in this Agreement.

(ii) Subject to Section 8, the satisfaction of the conditions set forth in Section 5(f), and the following sentences of this Section 5(e)(ii), the cash monthly Base Annual Salary continuation payments under Section 5(b) shall be made to Executive in substantially equal bimonthly installments, in accordance with the normal payroll practices of the Company, as provided in Section 4(a). If the period of time covered by the entire allowed Release Consideration Period (as defined in Section 5(f)(ii)) and the entire Release Revocation Period (as defined in Section 5(f)(ii)) (considering such periods consecutively) begins in one calendar year and ends in the following calendar year, the cash monthly Base Annual Salary continuation payments under Section 5(b)(ii) shall commence with the first Company payroll payment date of such following calendar year which is after the date on which the Release became effective and non-revocable in accordance with its terms. In the event commencement of the cash monthly Base Annual Salary continuation payments is delayed as a result of the immediately preceding sentence, then any cash monthly Base Annual Salary continuation payments that would otherwise have been payable before the second tax year but for the immediately preceding sentence, will be deferred and paid in a lump sum along with the first payment made in that second tax year.

(iii) Subject to Section 8, the satisfaction of the conditions set forth in Section 5(f), and the last sentence of this Section 5(e)(iii), the lump sum cash payment under Section 5(c)(ii) and Section 5(c)(iv) shall be made to Executive within five (5) business days after the Release (as defined in Section 5(f)(ii)) becomes effective and non-revocable in accordance with its terms. If the period of time covered by the entire allowed Release Consideration Period (as defined in Section 5(f)(ii)), the entire Release Revocation Period (as defined in Section 5(f)(ii)) and the entire five business day period described above in this Section 5(e)(iii) (considering such periods consecutively) begins in one calendar year and ends in the following calendar year, the lump sum cash payment under Section 5(c)(ii) and Section 5(c)(iv) shall be made to Executive on the first business day of such following calendar year which is five (5) or more business days after the date on which the Release became effective and non-revocable in accordance with its terms.

(iv) Subject to Section 8 and the satisfaction of the conditions set forth in Section 5(f), cash payments or reimbursements for Benefits under Section 5(d), if applicable, shall be made to or on behalf of Executive in monthly installments as provided in Section 5(d).

(v) Subject to Section 8, the satisfaction of the conditions set forth in Section 5(f), and the last sentence of this Section 5(e)(iii), the lump sum cash payment under Section 5(b), clause (iv) shall be made once the Company's board of directors has determined and approved the payouts, if any, under the Company's annual incentive compensation plan for the applicable year and at the same time as payouts are made to other executive officers of the Company who are actively employed by the Company at the time. In any case, the lump sum cash payment under Section 5(b), clause (iv) shall be made no later than two and one-half months after the end of the calendar year in which Executive's Separation from Service occurs, provided that the Release shall have become effective and non-revocable in compliance with its terms prior to expiration of such two and one-half month period. If the period of time covered by the entire allowed Release Consideration Period (as defined in Section 5(f)(ii)), the entire Release Revocation Period (as defined in Section 5(f)(ii)) and the entire five business day period described above in this Section 5(e)(iii) (considering such periods consecutively) begins in one calendar year and ends in the following calendar year, the lump sum cash payment under Section 5(b), clause (iv) shall be made to Executive on the first business day of such following calendar year which is five (5) or more business days after the date on which the Release became effective and non-revocable in accordance with its terms.

(f) Conditions on Severance and Benefits. The amounts and benefits (other than Accrued Amounts) that are payable pursuant to Sections 5(b), 5(c) and 5(d) of this Agreement shall be provided only if:

(i) Executive is compliant, at all times prior to the due date for any payment, with the terms and conditions set forth in Section 6; and

(ii) (A) Executive has executed and delivered to the Company the Separation Agreement and Release substantially in the form attached hereto as Exhibit A ("**Release**") no later than the expiration of the applicable period of time allowed for Executive to consider the Release as set forth in Section 13 of the Release ("**Release Consideration Period**"); (B) Executive has not revoked the Release prior to the expiration of the applicable revocation period set forth in Section 13 of the Release ("**Release Revocation Period**"); and (C) the Release has become effective and non-revocable no later than the cumulative period of time represented by the sum of the maximum Release Consideration Period and the maximum Release Revocation Period. No payments or benefits set forth in Sections 5(b), 5(c) or 5(d) shall be due or payable to, or provided to, Executive if the Release has not become effective and non-revocable in accordance with the requirements of this Section 5(f)(ii).

(iii) If requested by the Company, Executive shall have participated in an exit interview with the Company's Board of Directors or a committee thereof.

(g) Other than the payments and benefits provided for in this Section 5, Executive shall not be entitled to any additional amounts from the Company resulting from a termination of Executive's employment with the Company.

6. **Unauthorized Disclosure; Non-Solicitation; Proprietary Rights**.

(a) ***Unauthorized Disclosure***. Executive agrees and understands that in Executive's position with the Company, Executive will be exposed to and will receive non-public information relating to the confidential affairs of the Company and its affiliates, including, without limitation, employee lists and compensation, technical information, intellectual property, business and marketing plans, strategies, customer information, software, other information concerning the products, promotions, development, financing and expansion plans, business policies and practices of the Company and other non-public forms of information considered by the Company to be confidential and in the nature of trade secrets (including, without limitation, ideas, research and development, know-how, technical data, customer and supplier lists, pricing and cost information and business and marketing plans and proposals) (collectively, "**Confidential Information**"). Executive agrees that at all times during Executive's employment with the Company, except as may be required for Executive to discharge Executive's duties as a director, employee or an officer of the Company, and thereafter, Executive shall not disclose such Confidential Information, either directly or indirectly, to any Person without the prior written consent of the Company and shall not use or attempt to use any such information in any manner other than in connection with Executive's employment with the Company, unless (i) required by law or court order to disclose such information, in which case Executive shall provide the Company with written notice of such requirement as far in advance of such anticipated disclosure as reasonably possible and use Executive's best efforts to consult with the Board prior to such anticipated disclosure; (ii) during the course of or in connection with any actual or potential litigation, arbitration, or other proceeding based upon or in connection with the subject matter of this Agreement or otherwise related to Executive's employment with the Company; (iii) as may be necessary or appropriate to conduct Executive's duties hereunder; (iv) such information has become public other than by reason of a breach by Executive of this Section 6(a); or (v) the information is generally known to persons involved in the Company's trade or business. This confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination of Executive's employment with the Company for any reason, Executive shall promptly deliver to the Company (or, at the Company's option, destroy (and provide a certification of such destruction)) all property, keys, notes, electronic storage media, memoranda, writings, lists, files, reports, customer lists, correspondence, tapes, disks, cards, surveys, maps, logs, machines, technical data and any other tangible product or document which has been produced by, received by or otherwise submitted to Executive during or prior to Executive's employment with the Company, and any copies thereof in Executive's (or capable of being reduced to Executive's) possession, as well as all computers of the Company provided to Executive; provided that nothing in this Agreement or elsewhere shall prevent Executive from retaining and utilizing copies of documents relating to Executive's employment or personal benefits, entitlements and obligations (including employment agreements, confidentiality agreements, stock options award agreements and severance agreements); documents relating to Executive's personal tax obligations; the data and entries from Executive's contacts and calendar; Executive's personal emails; and such other records and documents as may reasonably be approved by the Company (items covered by this proviso are referred to herein as the "**Personal Documents**"). Executive will not disclose to Company, use in connection with performance of his duties to the Company, or induce Company to use any proprietary information or trade secrets of third parties, in each case, with knowledge and intent and in violation of any confidentiality restrictions to which he is subject, unless the Company is specifically authorized by such third parties to obtain or use such proprietary information or trade secrets.

(b) ***Non-Solicitation of Employees***. During Executive's employment with the Company (whether during the term or thereafter) and for a period of twelve (12) months after Executive's termination of employment, Executive shall not (other than in connection with carrying out Executive's responsibilities for the Company) directly or indirectly contact, induce or solicit (or assist any person to contact, induce or solicit) for employment any person who is then or was an employee of the Company within the six (6) month period prior to the date of such contact, inducement or solicitation, provided that nothing in this Section 6(b) shall be deemed to prohibit Executive from (1) providing advice or references for any employee, (2) placing advertisements in newspapers or other media of general circulation advertising employment opportunities, provided that such advertisements are not directed or tailored to Company employees, or (3) hiring persons who respond to such advertisements, provided that they were not otherwise solicited by Executive in violation of this Section 6(b).

(c) ***Interference with Business Relationships***. During Executive's employment with the Company (whether during the Employment Term or thereafter) and for a period of twelve (12) months after Executive's termination of employment, Executive shall not (other than in connection with carrying out Executive's responsibilities for the Company) directly or indirectly contact, induce or solicit (or assist any person to contact, induce or solicit) any customer, client, partner, joint venturer, vendor or supplier of the Company, or any such person who was within six (6) months of the date of contact a customer, client, partner, joint venturer, vendor, or supplier of the Company, to terminate its relationship or otherwise cease doing business in whole or in part with the Company, or directly or indirectly interfere with (or assist any person to interfere with) any material relationship between the Company and any of its customers, clients, partners, joint venturers, vendors or suppliers.

(d) ***No Other Post-Employment Restrictions***. There shall be no contractual or similar restrictions on Executive's right to terminate Executive's employment with the Company, or on Executive's post-employment activities, other than as expressly set forth in this Agreement, the Release and the Inventions Assignment Agreement.

(e) ***Permitted Communications***.

(i) An individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

(ii) Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("**Government Agencies**"). Employee further understands that this Agreement does not limit Employee's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to Company. This Agreement does not limit Executive's right to receive an award for information provided to any Government Agencies.

(f) ***Cooperation in Proceedings***. Subject to reasonable notice and at reasonable times not interfering with Executive's subsequent employment or other business endeavors, for the first thirty-six (36) months following Executive's termination of employment, Executive agrees to assist and cooperate (including, but not limited to, providing information to Company and/or testifying in a proceeding) in the investigation and handling of any internal investigation, legislative matter, or actual or threatened court action, arbitration, administrative proceeding, or other claim involving any matter that arose during the period of Executive's employment. Executive shall be reimbursed for reasonable expenses actually incurred in the course of rendering such assistance and cooperation (including reasonable legal fees and travel expenses). Employee's agreement to assist and cooperate shall not affect in any way the content of information or testimony provided by Employee.

(g) ***Injunctive Relief***. Without limiting the remedies available to the Company, Executive acknowledges that a breach of any of the covenants contained in this Section 6 may result in irreparable injury to the Company for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the Company shall be entitled to seek a temporary restraining order and/or preliminary or permanent injunction, without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach of this Section 6.

7. **Representations**. Each party represents and warrants (i) that such party is not subject to any contract, arrangement, agreement, policy or understanding, or to any statute, governmental rule or regulation, that in any way limits such party's ability to enter into and fully perform such party's obligations under this Agreement (including the agreements the forms of which are appended hereto); (ii) that such party is able without restrictions to enter into and fully perform such party's obligations under this Agreement (including the agreements of which forms are appended hereto); and (iii) that, upon the execution and delivery of this Agreement by both parties, this Agreement shall be such party's valid and binding obligation, enforceable against such party in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally. The Company represents and warrants that it is fully authorized by action of the Board, and by actions of any other Person whose authorization is required, to enter into this Agreement and to perform its obligations under it.

8. **Taxes**.

(a) All payments made pursuant to this Agreement will be subject to withholding of applicable taxes. The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively, "Section 409A of the Code") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. Notwithstanding anything in this Agreement to the contrary, any compensation or benefits payable under this Agreement that is considered nonqualified deferred compensation under Section 409A of the Code and is designated under this Agreement as payable upon Executive's termination of employment shall be payable only upon Executive's Separation from Service. To the extent that any reimbursements under this Agreement are subject to Section 409A of the Code, any such reimbursements payable to Executive shall be paid to Executive no later than December 31 of the year following the year in which the expense was incurred; provided, that Executive submits Executive's reimbursement request promptly following the date the expense is incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, other than medical expenses referred to in Section 105(b) of the Code, and Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit. Executive's right to receive any installment payments under this Agreement, including any continuation salary payments that are payable on Company payroll dates, shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A of the Code. Except as otherwise permitted under Section 409A of the Code, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A of the Code. If, at the time of Executive's Separation from Service under this Agreement, Executive is a "specified employee" (within the meaning of Section 409A of the Code), any amounts that constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code that become payable to Executive on account of Executive's Separation from Service (including any amounts payable pursuant to the preceding sentence) will not be paid until after the end of the sixth calendar month beginning after Executive's Separation from Service ("**409A Suspension Period**"). Within 14 calendar days after the end of the 409A Suspension Period, Executive shall be paid a lump sum payment in cash equal to any payments delayed because of the preceding sentence. Thereafter, Executive shall receive any remaining benefits as if there had not been an earlier delay. Each payment or benefit payable under this Agreement is intended to constitute a separate payment for purposes of Section 409A of the Code.

(b) (i) For purposes of this Section 8(b), the following terms shall have the following meanings:

(A) "**Base Amount**" means the average of Executive's W-2 wages from the Company for the five (5) calendar years completed immediately prior to the calendar year in which the Section 280G Event occurred as determined in accordance with Code Section 280G(b)(3) and the regulations thereunder. Any W-2 wages for a partial year of employment will be annualized, in accordance with the frequency which such wages are paid during such partial year, before inclusion in Base Amount;

(B) "**Parachute Payment**" has the meaning set forth in Section 280G(b)(2) of the Code; and

(C) "**Section 280G Event**" means a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of the Company's assets, within the meaning of Section 280G(b)(2)(A)(i) of Code and the regulations hereunder.

(ii) Notwithstanding anything to the contrary contained herein, in the event that any payment or benefit received or to be received by Executive from the Company under this Agreement or any other agreement or arrangement between the Executive and the Company (including, but not limited to, any stock option rights, stock grants, and other cash and noncash compensation amounts that are treated as payments under Section 280G), all as determined on a pre-tax basis (collectively, "**Payments**") would constitute a Parachute Payment, then the Accountants (as defined below) shall promptly calculate (A) the aggregate after-tax amount of Payments that would be retained by Executive if the full pre-tax amount of the Payments ("**Full Amount**") were paid to Executive and Executive paid all applicable taxes imposed on the Full Amount (including, without limitation, any excise taxes imposed on such Payments under Code Section 4999) and (B) the aggregate after-tax amount of Payments that would be retained by Executive if the pre-tax amount of the Payments paid to Executive were equal to only 2.99 times Executive's Base Amount ("**Reduced Amount**") and Executive paid all applicable taxes imposed on the Reduced Amount (which taxes would exclude excise taxes under Code Section 4999 because the Payments would not constitute Parachute Payments as a result of the aggregate present value of the Payments being limited to 2.99 times Executive's Base Amount). The Accountants shall promptly deliver a copy of such calculations to the Company and Executive. The Company shall then pay to or for the benefit of Executive whichever of (I) the Full Amount of pre-tax Payments or (II) the Reduced Amount of pre-tax Payments, would result in Executive retaining the greater aggregate after-tax amount of Payments, after taking into account the total taxes that would be imposed on the Full Amount of pre-tax Payments or the Reduced Amount of pre-tax Payments, as applicable. The present value of the Payments will be determined in accordance with the provisions of Code Section 280G(d)(4) and the regulations thereunder.

(iii) Any determination required under this Section 8(b) shall be made in writing by an independent firms of certified public accountant selected by the Company ("Accountants") and approved by Executive, which approval shall not be unreasonably withheld, delayed or conditioned. The written determination of the Accountants so selected and approved shall be delivered promptly to the Company and Executive and, absent manifest mathematical errors, shall be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8(b), the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive shall promptly furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 8(b). The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 8(b).

(iv) If Executive's Payments are reduced by reason of this Section 8(b) and it is later established, pursuant to a final determination of a court, arbitrator or a proceeding before the Internal Revenue Service or other taxing authority, that Executive could have received a greater amount of Payments without resulting in an excise tax under Code Section 4999, then the Company shall promptly thereafter (but in no event later than the end of the calendar year in which such determination is rendered) pay Executive the aggregate additional amount which could have been paid without resulting in such an excise tax as soon as practicable, less any employment and withholding taxes that the Company determines are applicable.

(vi) The Company and Executive agree to cooperate generally and in good faith with respect to (A) the review and determinations to be undertaken by the Accountants as set forth in this Section 8(b) and (B) any audit, claim or other proceeding brought by the Internal Revenue Service or other taxing authority to review or contest or otherwise related to the determinations of the Accountants as provided for in this Section 8(b), including any claim or position taken by the Internal Revenue Service or any other taxing authority that, if successful, would require the payment by Executive of any additional excise tax under Code Section 4999, over and above the amounts of excise tax established under the procedure set forth in this Section 8(b).

(v) Any reduction in Payments pursuant to this Section 8(b) shall be effected in the following order (unless Executive, to the extent permitted without violating Section 409A of the Code and the regulations thereunder, elects another method of reduction by written notice to the Company prior to the Section 280G Event): (A) any cash severance payments, (B) any other cash amounts payable to Executive, (C) any health and welfare or similar benefits valued as parachute payments, (D) acceleration of vesting of any stock options or stock appreciation rights for which the exercise price exceeds the then fair market value of the underlying stock, in order of the option tranches with the largest Section 280G parachute value (as determined pursuant to the regulations under Section 280G), (E) acceleration of vesting of any equity award that is not a stock option or stock appreciation right and (F) acceleration of vesting of any stock options or stock appreciation rights for which the exercise price is less than the fair market value of the underlying stock (a "**spread**") in such manner as would yield the largest remaining spread value for Executive as of the date of the Section 280G Event.

9. **Dispute Resolution**. Any controversy or claim arising out of, or related to, this Agreement, or the breach thereof, shall be governed by the terms of the Arbitration Agreement.

10. **Entire Agreement**. All oral or written agreements or representations express or implied, with respect to the subject matter of this Agreement are set forth in this Agreement. This Agreement, and the agreements annexed hereto as Exhibit A, contain the entire understanding between the parties hereto and supersedes any prior employment or change-in-control protective agreement between the Company or any predecessor and Executive, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to Executive of a kind elsewhere. No provision of this Agreement shall be interpreted to mean that Executive is subject to receiving fewer benefits than those available to Executive without reference to this Agreement.

11. **Notices**. Except as otherwise provided in this Agreement, any notice, approval, consent, waiver or other communication required or permitted to be given or to be served upon any person in connection with this Agreement shall be in writing. Such notice shall be personally served, sent by fax or email, or sent prepaid by either registered or certified mail with return receipt requested or Federal Express and shall be deemed given (i) if personally served or by Federal Express, when delivered to the person to whom such notice is addressed, (ii) if given by fax or email, when sent with answer-back confirmed, or (iii) if given by mail, two (2) business days following deposit in the United States mail. Any notice given by fax or cable shall be confirmed in writing.

If to the Company:

AutoWeb, Inc.
18872 MacArthur Boulevard
Irvine, California 92612-1400
Facsimile: (949) 608-3614
Attn: Executive Vice President, Chief Legal and Administrative Officer and Secretary

If to the Executive:

To Executive's latest home address on file with the Company

12. **No Waiver**. No waiver, by conduct or otherwise, by any party of any term, provision, or condition of this Agreement, shall be deemed or construed as a further or continuing waiver of any such term, provision, or condition nor as a waiver of a similar or dissimilar condition or provision at the same time or at any prior or subsequent time.

13. **Amendment to this Agreement**. No modification, waiver, amendment, discharge or change of this Agreement, shall be valid unless the same is in writing and signed by the party against whom enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

14. **Enforceability; Severability**. If any provision of this Agreement shall be invalid or unenforceable, in whole or in part, such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed exercised from this Agreement, as the case may require, and this Agreement shall be construed and enforced to the maximum extent permitted by law as if such provision had been originally incorporated herein as so modified or restricted, or as if such provision had not been originally incorporated herein, as the case may be.

15. **Governing Law**. This Agreement and the relationship of the parties hereto shall be construed and enforced in accordance with the law of the State of California without giving effect to such State's choice of law rules. This Agreement is deemed to be entered into entirely in the State of California.

16. **No Third Party Beneficiaries**. Except as otherwise set forth in this Agreement, nothing contained in this Agreement is intended nor shall be construed to create rights running to the benefit of third parties.

17. **Successors of the Company**. The rights and obligations of the Company under this Agreement shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company, including any Successor Company. This Agreement shall be assignable by the Company in the event of a merger or similar transaction in which the Company is not the surviving entity, or a sale of all or substantially all of the Company's assets.

18. **Rights Cumulative**. The rights under this Agreement, or by law or equity, shall be cumulative and may be exercised at any time and from time to time. No failure by any party to exercise, and no delay in exercising, any rights shall be construed or deemed to be a waiver thereof, nor shall any single or partial exercise by any party preclude any other or future exercise thereof or the exercise of any other right.

19. **No Right or Obligation of Employment**. Executive acknowledges and agrees that nothing in this Agreement shall confer upon Executive any right with respect to continuation of employment by the Company, nor shall it interfere in any way with Executive's right or the Company's right to terminate Executive's employment at any time, with or without Cause.

20. **Interpretation**. Every provision of this Agreement is the result of full negotiations between the Parties, both of whom have either been represented by counsel throughout or otherwise been given an opportunity to seek the aid of counsel. Each Party hereto further agrees and acknowledges that it is sophisticated in legal affairs and has reviewed this Agreement in detail. Accordingly, no provision of this Agreement shall be construed in favor of or against any Party hereto by reason of the extent to which any such Party or its counsel participated in the drafting thereof. Captions and headings of sections contained in this Agreement are for convenience only and shall not control the meaning, effect, or construction of this Agreement. Time periods used in this Agreement shall mean calendar periods (i.e., days, months, and years) in the State of California, USA, unless otherwise expressly indicated. The English language shall apply to any interpretation of this Agreement. Except as otherwise provided or if the context otherwise requires, whenever used in this Agreement, (i) any noun or pronoun shall be deemed to include the plural and the singular as well as the masculine, feminine, and neuter genders, (ii) the terms "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation," (iii) the word "or" shall be inclusive and not exclusive, (iv) all references to Articles, Sections, subsections, preambles, or recitals, refer to the Articles, Sections, subsections, preamble, and recitals of this Agreement, and all references to Schedules refer to the Schedules attached to this Agreement or delivered with this Agreement, as appropriate, and all references to Exhibits refer to the Exhibits attached to this Agreement, each of which is made a part of this Agreement for all purposes, (v) the terms "hereunder," "hereof," "hereto," and words of similar import shall unless otherwise stated be deemed references to this Agreement as a whole and not to any particular Article, Section, or other provision hereof, (vi) the terms "dollars" or "$" means United States dollars, (vii) reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or modified through the date hereof in accordance with the terms thereof and includes all addenda, exhibits, and disclosure schedules thereto, (viii) any reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and (ix) any reference to any governmental authority includes any designee thereof or successor thereto. In the event of any inconsistency between the statements made in the body of this Agreement and those contained in the Schedules (other than an express exception to a specifically identified statement), those in this Agreement shall control. Any disclosures in any Schedule or in any other transaction document of any information that is not required under the terms hereof or thereof to be disclosed herein or therein shall not change or diminish the disclosure requirements herein or therein.

21. **Legal and Tax Advice**. Executive acknowledges that: (i) the Company has encouraged Executive to consult with an attorney and/or tax advisor of Executive's choosing (and at Executive's own cost and expense) in connection with this Agreement, and (ii) Executive is not relying upon the Company for, and the Company has not provided, legal or tax advice to Executive in connection with this Agreement. It is the responsibility of Executive to seek independent tax and legal advice with regard to the tax treatment of this Agreement and the payments and benefits that may be made or provided under this Agreement and any other related matters. Executive acknowledges that Executive has had a reasonable opportunity to seek and consider advice from Executive's counsel and tax advisors.

22. **Counterparts; Facsimile or PDF Signature**. This Agreement may be executed in counterparts, each of which will be deemed an original hereof and all of which together will constitute one and the same instrument. This Agreement may be executed by facsimile, PDF signature, or other electronic means by either Party, and any such signature shall be deemed originals and binding for all purposes hereof, without delivery of an original signature being thereafter required.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY HAS ADVISED EXECUTIVE TO OBTAIN INDEPENDENT LEGAL COUNSEL OF EXECUTIVE'S CHOOSING TO ADVISE EXECUTIVE REGARDING THIS AGREEMENT AND ATTACHED EXHIBITS, AND THEIR TERMS AND CONDITIONS. EXECUTIVE HAS HAD A REASONABLE OPPORTUNITY TO SEEK THAT ADVICE AND HAS IN FACT OBTAINED SUCH ADVICE FROM INDEPENDENT LEGAL COUNSEL SELECTED BY EXECUTIVE. EXECUTIVE ACKNOWLEDGES THAT THE TERMS OF THIS AGREEMENT ARE FAIR AND REASONABLE TO EXECUTIVE. BY EXECUTING THIS AGREEMENT, EXECUTIVE IS CONSENTING TO THE TERMS OF THIS AGREEMENT.

[Remainder of page intentionally left blank; Signature page follows.]

IN WITNESS WHEREOF, the Company and Executive have executed and entered into this Agreement effective as of the date first shown above.

AutoWeb, Inc.

By: /s/ Michael J. Fuchs

Michael J. Fuchs
Chairman of the Board

Executive

By: /s/ Jared R. Rowe

Jared R. Rowe

EXHIBIT A

SEPARATION AND RELEASE AGREEMENT

It is hereby agreed by and between you, Jared R. Rowe (for yourself, your spouse, family, agents and attorneys) (jointly, "**You**" or "**Executive**"), and AutoWeb, Inc., its predecessors, successors, affiliates, directors, employees, shareholders, fiduciaries, insurers, employees and agents (jointly, "**Company**"), as follows:

1. **Separation of Employment**. You acknowledge that your employment with the Company ended effective [_____], 20[__] ("**Employment Termination Date**"), and that You will perform no further duties, functions or services for the Company subsequent to the Employment Termination Date. You have resigned or hereby resign from all officer and director positions You held with the Company or any of its subsidiaries effective as of the Employment Termination Date. This Separation and Release Agreement ("**Release**") is entered into in connection with that certain Employment Agreement dated effective as of April 12, 2018 by and between the Company and Executive ("**Employment Agreement**").

2. **Release Consideration**. In exchange for your promises and obligations in this Release and the Employment Agreement, including the release of claims set forth below, if You sign and do not revoke this Release and this Release becomes effective, the Company will pay You the amounts, and will provide the benefits, due to You under the Employment Agreement, minus legally required federal, state and local payroll deductions and withholdings. Payment of any monetary amount provided for in this Section 2 will be made within the time periods required by the Employment Agreement (except for payments or benefits that will be paid or provided over time as provided therein) and, if no time is specified, within 5 business days after this Release becomes effective.

3. **Acknowledgement of Receipt of Amounts Due**. You acknowledge and agree that You have received all, and that the Company does not owe You any additional, payments, benefits or other compensation as a result of your employment with the Company or your separation from employment with the Company, including, but not limited to, wages, commissions, bonuses, vacation pay, severance pay, expenses, fees, or other compensation or payments of any kind or nature, other than those amounts or benefits, if any, payable or to be provided to You after the date hereof pursuant to the Employment Agreement after Your termination of employment.

4. **Return of Company Property**. Except for Personal Documents (as defined in the Employment Agreement), You represent and warrant that You have returned to the Company any and all documents, software, equipment (including, but not limited to, computers and computer-related items), and all other materials or other things in your possession, custody, or control which are the property of the Company, including, but not limited to, Company identification, keys, computers, cell phones, and the like, wherever such items may have been located; as well as all copies (in whatever form thereof) of all materials relating to your employment, or obtained or created in the course of your employment with the Company. You hereby represent that, other than those materials You have returned to the Company pursuant to this Section 4 and other than Personal Documents, You have not copied or caused to be copied, and have not transferred or printed-out or caused to be transferred or printed-out, any software, computer disks, e-mails or other documents other than those documents generally available to the public, or retained any other materials originating with or belonging to the Company.

5. **Confidentiality and Non-Solicitation/Interference**. You agree that Section 6 of the Employment Agreement remains in effect pursuant to its terms.

6. **Nondisparagement**. You and the Company (solely with respect to its executive officers and members of the Company's board of directors) agree that neither party nor anyone acting on their behalf or at their direction will disparage, denigrate, defame, criticize, impugn or otherwise damage or assail the reputation or integrity of the other party publicly or privately to any third party, including without limitation (i) to any current or former employee, officer, director, contractor, supplier, customer, or client; (ii) any prospective or actual purchaser of the equity interests or business partner; or (iii) to any person or entity in the automotive industry, automotive marketing, advertising or other services, or the automotive press. Nothing in this Section 6 shall preclude any party from making truthful statements that are reasonably necessary to comply with applicable law, rule, regulation, order or legal process, including public disclosure obligations under applicable federal and state securities laws, rules or regulations or applicable stock exchange rules, or to defend or enforce their respective rights under this Release.

7. **Unconditional and General Release of Claims.**

(a) In consideration for the payment and benefits provided for in Section 2, and notwithstanding the provisions of Section 1542 of the Civil Code of California, You unconditionally release and forever discharge the Company, and the Company's current, former, and future, solely in their capacity as such, controlling shareholders, subsidiaries, affiliates, related companies, predecessor companies, divisions, directors, trustees, officers, employees, agents, attorneys, successors, and assigns (and the current, former, and future controlling shareholders, directors, trustees, officers, employees, agents, and attorneys of any such subsidiaries, affiliates, related companies, predecessor companies, and divisions) (all of the foregoing released persons or entities being referred to herein as "**Company Releasees**"), from any and all claims, complaints, demands, actions, suits, causes of action, obligations, damages and liabilities of whatever kind or nature, whether known or unknown, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the date of execution of this Release, that arise out of or in any way relate to your employment or your separation from employment with the Company.

The Company agrees that the consideration provided by this Agreement represents settlement in full of all outstanding obligations owed to the Company by You or your heirs, family members, executors, agents, and assigns, solely in their capacity as such, (collectively, the "**Executive Releasees**"), and notwithstanding the provisions of Section 1542 of the Civil Code of California, Company unconditionally releases and forever discharges You and the other Executive Releasees, from any and all claims, complaints, demands, actions, suits, causes of action, obligations, damages and liabilities of whatever kind or nature, whether known or unknown, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the date of execution of this Release, that arise out of or in any way relate to your employment or your separation from employment with the Company.

(b) You acknowledge and agree that the foregoing unconditional release includes, but is not limited to, (i) any claims for salary, bonuses, commissions, equity, compensation (except as specified in this Agreement), wages, penalties, premiums, severance pay, vacation pay or any benefits under the Employee Retirement Income Security Act of 1974, as amended; (ii) any claims of harassment, retaliation or discrimination; (iii) any claims based on any federal, state or governmental constitution, statute, regulation or ordinance, including, without limitation, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Age Discrimination in Employment Act, the Americans With Disabilities Act, Section 1981 of the Civil Rights Act of 1866, the California Fair Employment and Housing Act, the California Family Rights Act, the Family and Medical Leave Act, the California Constitution, the California Labor Code, the California Industrial Welfare Commission Wage Orders, the California Government Code, the Worker Adjustment and Retraining Notification Act; (iv) whistleblower claims, claims of breach of implied or express contract, breach of promise, misrepresentation, negligence, fraud, estoppel, defamation, infliction of emotional distress, violation of public policy, wrongful or constructive discharge, or any other employment-related tort, and any claims for costs, fees, or other expenses, including attorneys' fees; and (v) any other aspect of your employment or the termination of your employment.

(c) For the purpose of implementing a full and complete release, each party expressly acknowledges and agrees that this Release resolves all claims either party may have against the other party or the Company Releasees or Executive Releasees as of the date of this Release, including but limited to claims that either party did not know or suspect to exist in such party's favor at the time of the execution of this Release. Each party expressly waives any and all rights which such party may have under the provisions of Section 1542 of the California Civil Code or any similar state or federal statute. Section 1542 provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

(d) This Release will not waive the Employee's rights to indemnification under the Company's certificate of incorporation or by-laws or, if applicable, any written agreement between the Company and the Employee, or under applicable law.

(e) You hereby certify that You have not experienced a job-related illness or injury for which You have not already filed a claim.

(f) This Release does not waive or release rights or claims arising after You sign this Release.

(g) This Release does not waive any rights of either party under the Employment Agreement, Inventions Assignment Agreement, any stock option or other equity award agreements that are intended to survive, or which are payable after, termination of Your employment.

8. **Covenant Not to Sue.** A "covenant not to sue" is a promise not to sue in court. This covenant differs from a general release of claims in that, besides waiving and releasing the claims covered by this Release, You represent and warrant that You have not filed, and agree that You will not file, or cause to be filed or maintained, any judicial complaint, lawsuit or demand for arbitration involving any claims You have released in this Release, and You agree to withdraw any judicial complaints, lawsuits or demands for arbitration You have filed, or were filed on your behalf, prior to the effective date of this Release. Still, You may sue to enforce this Release. You agree if You breach this covenant, then You must pay the legal expenses incurred by incurred by any Releasee in defending against your suit, including reasonable attorneys' fees, or, at the Company's option, return everything paid to You under this Agreement. In that event, the Company shall be excused from making any further payments or continuing any other benefits otherwise owed to You under paragraph 2 of this Agreement. Furthermore, You give up all rights to individual damages in connection with any administrative or court proceeding with respect to your employment with or termination of employment from, the Company. You also agree that if You are awarded money damages, You will assign your right and interest to such money damages (i) in connection with an administrative charge, to the relevant administrative agency; and (ii) in connection with a lawsuit or demand for arbitration, to the Company.

9. **No Reemployment.** You acknowledge and agree that the Company has no obligation to employ You or offer You employment in the future and You shall have no recourse against the Company if it refuses to employ You or offer You employment. If You do seek re-employment, then this Release shall constitute sufficient cause for the Company to refuse to re-employ You. Notwithstanding the foregoing, the Company has the right to offer to re-employ You in the future if, in its sole discretion, it chooses to do so.

10. **No Admission of Liability**. This Release does not constitute an admission that the Company or any other Releasee has violated any law, rule, regulation, contractual right or any other duty or obligation.

11. **Severability**. Should any provision of this Release be declared or be determined by any court or arbitrator to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected, and said illegal or invalid part, term, or provision shall be deemed not to be part of this Release.

12. **Governing Law**. This Release is made and entered into in the State of California and shall in all respects be interpreted, enforced, and governed under the law of that state, without reference to conflict of law provisions thereof.

13. **Interpretation**. The language of all parts in this Release shall be construed as a whole, according to fair meaning, and not strictly for or against any party. The captions and headings contained in this Agreement are for convenience only and shall not control the meaning, effect, or construction of this Agreement.

14. **Knowing and Voluntary Agreement**. You have carefully reviewed this Release and understand the terms and conditions it contains. By entering into this Release, You are giving up potentially valuable legal rights. You specifically acknowledge that You are waiving and releasing any rights You may have under the ADEA. You acknowledge that the consideration given for this waiver and release is in addition to anything of value to which You were already entitled. You acknowledge that You are signing this Release knowingly and voluntarily and intend to be bound legally by its terms.

15. **Protected Communications**:

(a) An individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

(b) You understand that nothing contained in this Agreement limits your ability to file a charge or complaint with the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("**Government Agencies**"). You further understand that this Agreement does not limit your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Agreement does not limit your right to receive an award for information provided to any Government Agencies.

16. **Entire Agreement**. You hereby acknowledge that no promise or inducement has been offered to You, except as expressly stated in this Release and in the Employment Agreement, and You are relying upon none. This Release and the Employment Agreement represent the entire agreement between You and the Company with respect to the subject matter hereof, and supersede any other written or oral understandings between the parties pertaining to the subject matter hereof and may only be amended or modified with the prior written consent of You and the Company.

17. **Arbitration.** Any controversy or claim arising out or, or related to, this Release Agreement, or the breach thereof, shall be governed by the terms of the Arbitration Agreement (as defined in the Employment Agreement).

18. **Period for Review and Consideration/Revocation Rights**. You understand that You have twenty-one (21) days after this Release has been delivered to You by the Company to decide whether to sign this Release, although You may sign this Release at any time within the twenty-one (21) day period. If You do sign it, You also understand that You will have an additional seven (7) days after the date You deliver this signed Release to the Company and to change your mind and revoke this Release, in which case a written notice of revocation must be delivered to the Company's Chief Legal Officer, AutoWeb, Inc., 18872 MacArthur Blvd. Suite 200, Irvine, California 92612-1400, on or before the seventh (7th) day after your delivery of this signed Release to the Company (or on the next business day if the seventh calendar day is not a business day). You understand that this Release will not become effective or enforceable until after that seven (7) day period has passed. If You revoke this Release, this Release shall not be effective or enforceable as to any rights You may have under this Release. In the event that You revoke this Release, You will not be entitled to the payments and benefits specified in Section 2.

19. **Advice of Attorney and Tax Advisor**. Employee acknowledges that: (i) the Company has advised Employee to consult with an attorney and/or tax advisor of Employee's choosing (and at Employee's own cost and expense) before executing this Release, and (ii) Employee is not relying upon the Company for, and the Company has not provided, legal or tax advice to Employee in connection with this Release. It is the responsibility of Employee to seek independent tax and legal advice with regard to the tax treatment of this Release and the payments and benefits that may be made or provided under this Release and any other related matters. Employee acknowledges that Employee has had a reasonable opportunity to seek and consider advice from Employee's attorney and tax advisors.

PLEASE READ CAREFULLY. THIS RELEASE INCLUDES A GENERAL RELEASE OF ALL CLAIMS, KNOWN AND UNKNOWN. YOU MAY NOT MAKE ANY CHANGES TO THE TERMS OF THIS RELEASE THAT ARE NOT AGREED UPON BY THE COMPANY IN WRITING. ANY CHANGES SHALL CONSTITUTE A REJECTION OF THIS RELEASE BY EMPLOYEE.

Dated:

_____
Jared R. Rowe

Dated:

AUTOWEB, INC.

By: _____
(Officer Name)
(Title)

Exhibit 10.2

AUTOWEB, INC.

Inducement Stock Option Award Agreement

(Non-Qualified Stock Options)

THESE OPTIONS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND OTHER APPLICABLE STATE SECURITIES LAWS WITH RESPECT TO SUCH SECURITY IS THEN IN EFFECT, OR SUCH REGISTRATION UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS IS NOT REQUIRED DUE TO AVAILABLE EXEMPTIONS FROM SUCH REGISTRATION. SHOULD THERE BE ANY REASONABLE UNCERTAINTY OR GOOD FAITH DISAGREEMENT BETWEEN THE COMPANY AND OPTIONEE AS TO THE AVAILABILITY OF SUCH EXEMPTIONS, THEN OPTIONEE SHALL BE REQUIRED TO DELIVER TO THE COMPANY AN OPINION OF COUNSEL (SKILLED IN SECURITIES MATTERS, SELECTED BY OPTIONEE AND REASONABLY SATISFACTORY TO THE COMPANY) IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH AN AVAILABLE EXEMPTION UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS.

This Inducement Stock Option Award Agreement ("**Agreement**") is entered into effective as of the Grant Date set forth on the signature page to this Agreement ("**Grant Date**") by and between AutoWeb, Inc., a Delaware corporation ("**Company**"), and the person set forth as Optionee on the signature page hereto ("**Optionee**").

Optionee has not previously been an employee or director of Company. Company has determined to offer employment to Optionee, and as an inducement material to Optionee's decision to accept such employment offer, Company determined to grant Optionee the Options under the terms and conditions set forth herein.

This Agreement and the stock options granted hereby have not been granted pursuant to Company's Amended and Restated 2014 Equity Incentive Plan ("**Plan**"), but certain capitalized identified herein and not defined herein shall have the same meanings as defined in the Plan.

This Agreement is the Inducement Stock Option Award Agreement referred to in the Employment Agreement ("**Employment Agreement**") entered into effective as of April 12, 2018, between the Company and Optionee.

1. **Grant of Options**. Subject to Optionee's commencement of employment with Company, Company hereby grants to Optionee non-qualified stock options ("**Options**") to purchase the number of shares of common stock of Company, par value $0.001 per share, set forth on the signature page to this Agreement ("**Shares**"), at the exercise price per Share set forth on the signature page to this Agreement ("**Exercise Price**"). The Options are not intended to qualify as incentive stock options under Section 422 of the Code (as such term is defined in the Plan).

2. **Term of Options**. Unless the Options terminate earlier pursuant to the provisions of this Agreement, the Options shall expire on the seventh (7^{th}) anniversary of the Grant Date ("**Option Expiration Date**").

3. **Vesting**. The Options shall become vested and exercisable in accordance with the vesting schedule set forth on the signature page to this Agreement. No installments of the Options shall vest after Optionee's termination of employment for any reason.

4. **Exercise of Options**.

(a) ***Manner of Exercise***. To the extent vested, the Options may be exercised, in whole or in part, by delivering written notice to Company in accordance with Section 9(f) in such form as Company may require from time to time, or at the direction of Company, through the procedures established with Company's third party option administration service. Such notice shall specify the number of Shares subject to the Options as to which the Options are being exercised and shall be accompanied by full payment of the Exercise Price of such Shares in a manner permitted (which the Committee hereby authorizes if permitted by applicable law, rule, regulation or order at the time of exercise) under the terms of Section 5.5 of the Plan (as if these Options had been granted under the Plan) (including through broker assisted Option exercise), except that payment in whole or in part in a manner set forth in clauses (ii), (iii) or (iv) of Section 5.5(b) of the Plan (as if these Options had been granted under the Plan), may only be made with the consent of the Committee (as such term is defined in the Plan). The Options may be exercised only in multiples of whole Shares, and no fractional Shares shall be issued.

(b) ***Issuance of Shares***. Upon exercise of the Options and payment of the Exercise Price for the Shares as to which the Options are exercised and satisfaction of all applicable tax withholding requirements, Company shall issue to Optionee the applicable number of Shares in the form of fully paid and nonassessable Shares.

(c) ***Withholding***. No Shares will be issued on exercise of the Options unless and until Optionee pays to Company, or makes satisfactory arrangements with Company for payment of, any federal, state, local or foreign taxes required by law to be withheld in respect of the exercise of the Options. Optionee may remit withholding payment following Option exercise through the use of broker assisted Option exercise. Optionee hereby agrees that Company may withhold from Optionee's wages or other remuneration the applicable taxes. At the discretion of Company, the applicable taxes may be withheld in kind from the Shares otherwise deliverable to Optionee on exercise of the Options, up to Optionee's minimum required withholding rate or such other rate determined by the Committee that will not trigger a negative accounting impact.

(d) ***Compliance with Securities Trading Policy***. Shares issued upon exercise of the Options may only be sold, pledged or otherwise transferred in compliance with Company's securities trading policies generally applicable to officers, directors or employees of Company as long as Optionee is subject to such securities trading policy.

(e) ***Limitation on Number of Resales or Transfers of Shares***. The number of Shares that may be resold or transferred to the public or through any public securities trading market at any time may not exceed (i) for any one sale or transfer order, twenty-five percent (25%) of the Average Daily Volume; and (ii) for all sales or transfer volume in any calendar week, twenty-five percent (25%) of the Weekly Volume. For purposes of this Section 4(e), (i) "**Average Daily Volume**" will be determined once at the beginning of each calendar quarter for application during such quarter based on an averaging of the daily volume of sales of Company Common Stock as reported by The NASDAQ Capital Market (provided that if Company's Common Stock is not then listed on The NASDAQ Capital Market, as reported by such trading market on which the Common Stock is traded) for each trading day over the 90-trading day period preceding such determination; and (ii) "**Average Weekly Volume**" is calculated by multiplying the Average Daily Volume by the number of trading days in the calendar week preceding the proposed sale or transfer of Shares.

5. **Termination of Options**.

(a) ***Termination Upon Expiration of Option Term***. The Options shall terminate and expire in their entirety on the Option Expiration Date. In no event may Optionee exercise the Options after the Option Expiration Date, even if the application of another provision of this Section 5 may result in an extension of the exercise period for the Options beyond the Option Expiration Date.

(b) **Termination of Employment**.

(i) ***Termination of Employment Other Than Due to Death, Disability or Cause***.

(1) Optionee may exercise the vested portion of the Options for a period of one hundred and eighty (180) days (but in no event later than the Option Expiration Date) following any termination of Optionee's employment with Company, either by Optionee or Company, other than in the event of a termination of Optionee's employment by Company for Cause, voluntary termination by Optionee without Good Reason or by reason of Optionee's death or Disability. In the event the termination of Optionee's employment is by Company without Cause or by Optionee for Good Reason, the unvested Options shall become fully vested on the date of termination.

(2) In the event of a voluntary termination of employment with Company by Optionee without Good Reason, (i) unvested Options as of the date of termination shall immediately terminate in their entirety and shall thereafter not be exercisable to any extent whatsoever; and (ii) Optionee may exercise any portion of the Options that are vested as of the date of termination for a period of ninety (90) days (but in no event later than the Option Expiration Date) following the date of termination.

(3) To the extent Optionee is not entitled to exercise the Options at the date of termination of employment, or if Optionee does not exercise the Options within the time specified in this Agreement for post-termination of employment exercises of the Options, the Options shall terminate.

(4) For purposes of this Agreement, the terms "**Cause**", "**Disability**" and "**Good Reason**" shall have the meanings ascribed to them in the Employment Agreement.

(ii) ***Termination of Employment for Cause***. Upon the termination of Optionee's employment by Company for Cause, unless the Options have earlier terminated, the Options (whether vested or not) shall immediately terminate in their entirety and shall thereafter not be exercisable to any extent whatsoever; provided that Company, in its discretion, may, by written notice to Optionee given as of the date of termination, authorize Optionee to exercise any vested portion of the Options for a period of up to thirty (30) days following Optionee's termination of employment for Cause, provided that in no event may Optionee exercise the Options beyond the Option Expiration Date.

(iii) ***Termination of Optionee's Employment By Reason of Optionee's Death***. In the event Optionee's employment is terminated by reason of Optionee's death, unless the Options have earlier terminated, the number of unvested Options on the date of termination that is equal to the lesser of (i) one-third (1/3rd) of the total number of Options granted under this Agreement; and (ii) the total number of unvested Options on the date of termination shall become immediately and fully vested as of the date of such termination. To the extent vested as of the date of termination, Options may be exercised at any time within one hundred and eighty (180) days following the date of termination (but in no event later than the Option Expiration Date) by Optionee's executor or personal representative or the person to whom the Options shall have been transferred by will or the laws of descent and distribution, but only to the extent Optionee could exercise the Options at the date of termination.

(iv) ***Termination of Optionee's Employment By Reason of Optionee's Disability***. In the event Optionee's employment is terminated by reason of Optionee's Disability, unless the Options have earlier terminated, the number of unvested Options on the date of termination that is equal to the lesser of (i) one-third (1/3rd) of the total number of Options granted under this Agreement; and (ii) the total number of unvested Options on the date of termination shall become immediately and fully vested as of the date of such termination. In the event that Optionee ceases to be an employee by reason of Optionee's Disability, unless the Options have earlier terminated, Optionee (or Optionee's attorney-in-fact, conservator or other representative on behalf of Optionee) may, but only within one hundred and eight (180) days following the date of such termination of employment (and in no event later than the Option Expiration Date), exercise the Options to the extent Optionee was otherwise entitled to exercise the Options at the date of such termination of employment.

(c) ***Change in Control***. In the event of a Change in Control, the effect of the Change in Control on the Options shall be determined by the applicable provisions of the Plan (including, without limitation, Article 11 of the Plan), provided that (i) all Options will vest upon the occurrence of a Change in Control and any vested Options (either vested prior to the Change in Control or accelerated by reason of this Section 5(c)) may be exercised for a period of twenty-four (24) months after the date of any termination (other than for Cause) of employment (but in no event later than the Option Expiration Date); and (ii) any portion of the Options which vests and becomes exercisable pursuant to this Section 5(c)) as a result of such Change in Control will (1) vest and become exercisable on the day prior to the date of the Change in Control if Optionee is then employed by Company or a Subsidiary and (2) is subject to provisions of Section 11.2(c) of the Plan. For purposes of Section 11.2(a) of the Plan, the Options shall not be deemed assumed or substituted by a successor company (or continued by Company if it is the ultimate parent entity after the Change in Control) if the Options are not assumed, substituted or continued with equity securities of the successor company or Company, as applicable, that are publicly-traded and listed on an exchange in the United States and that have voting, dividend and other rights, preferences and privileges substantially equivalent to the Shares. Notwithstanding the foregoing provisions of this Section 5(c), if on the date of the Change in Control the Fair Market Value of one Share is less than the Exercise Price per Share, then the Options shall terminate as of the date of the Change in Control except as otherwise determined by the Committee. For purposes of this Section 5(c), the term "**Change in Control**" shall have the meaning ascribed to such term in the Employment Agreement.

(d) ***Extension of Exercise Period***. Notwithstanding any provisions of this Section 5 to the contrary, if following termination of employment or service the exercise of the Options or, if in conjunction with the exercise of the Options, the sale of the Shares acquired on exercise of the Options, during the post-termination of service time period set forth in the paragraph of this Section 5 applicable to the reason for termination of service would, in the determination of the Company, violate any applicable federal or state securities laws, rules, regulations or orders (or any Company policy related thereto), including its securities trading policy), the running of the applicable period to exercise the Options shall be tolled for the number of days during the period that the exercise of the Options or sale of the Shares acquired on exercise would in the Company's determination constitute such a violation; *provided, however*, that in no event shall the exercisability of the Options be extended beyond the Option Expiration Date.

(e) ***Adjustments***. The number of Options may be subject to adjustment as provided in Section 12.2 of the Plan (as if the Options had been granted under the Plan).

(f) ***Other Governing Agreements or Plans***. The provisions of this Section 5 regarding the acceleration of vesting of Options and the extension of the exercise period for Options following a Change in Control or a termination of Participant's employment with Company shall be superseded and governed by the provisions, if any, of a written employment or severance agreement between Participant and Company or a severance plan of Company covering Participant, including a change in control severance agreement or plan, to the extent such a provision (i) is specifically applicable to option awards or grants made to Participant and (ii) provides for the acceleration of Options vesting or for a longer extension period for the exercise of the Options in the case of a Change in Control or a particular event of termination of Participant's employment with Company (e.g., an event of termination governed by Section 5(b)(i)) to this Agreement than is provided in the provision of this Section 5 applicable to a Change in Control or to the same event of employment termination; *provided, however*, that in no event shall the exercisability of the Options be extended beyond the Option Expiration Date.

(g) ***Forfeiture upon Engaging in Detrimental Activities***. If, at any time within the twelve (12) months after the earlier of (i) Optionee exercises any portion of the Options; or (ii) the effective date of any termination of Optionee's employment by Company or by Optionee for any reason, Optionee engages in any willful misconduct during the course of Optionee's employment by Company or any Subsidiary that directly results in an accounting restatement by Company due to material noncompliance by Optionee with any financial reporting requirement under applicable securities laws, whether such restatement occurs during or after Optionee's employment by Company or any Subsidiary, then (x) the Options shall terminate effective as of the date on which Optionee engaged in or engages in that activity or conduct, unless terminated sooner pursuant to the provisions of this Agreement, and (y) the amount of any gain realized by Optionee from exercising all or a portion of the Options at any time following the date that Optionee engaged in any such activity or conduct or is terminated for Cause, as determined as of the time of exercise, shall be forfeited by Optionee and shall be paid by Optionee to Company, and recoverable by Company, within sixty (60) days following such termination date of the Options. For purposes of this Section 5(g), no act or failure to act, on the part of the Executive, shall be considered "willful" if it is done, or omitted to be done, by the Executive in good faith and with the reasonable belief that Executive's action or omission was in the best interests of the Company.

(h) ***Reservation of Committee Discretion to Accelerate Option Vesting and Extend Option Exercise Window***. The Committee reserves the right, in its sole and absolute discretion, to accelerate the vesting of the Options and to extend the exercise window for Options that have vested (either in accordance with the terms of this Agreement or by discretionary acceleration by the Committee) under circumstances not otherwise covered by the foregoing provisions of this Section 5; provided that in no event may the Committee extend the exercise window for Options beyond the Option Expiration Date. The Committee is under no obligation to exercise any such discretion and may or may not exercise such discretion on a case-by-case basis.

6. **Non-Registered Option and Shares**.

(a) ***Restrictions***. Optionee hereby acknowledges that the Options and any Shares that may be acquired upon exercise of the Options pursuant hereto are, as of the date hereof, not registered: (i) under the Securities Act of 1933, as amended ("**Securities Act**"), on the ground that the issuance of the Options and the underlying shares is exempt from registration under Section 4(2) of the Securities Act as not involving any public offering or, with respect to Options, because the grant of the Options alone may not constitute an offer or sale of a security under the Securities Act until such time as the Options are exercised or exercisable or (ii) under any applicable state securities law because the grant of the Options does not involve any public offering or is otherwise exempt under applicable state securities laws, and (iii) that Company's reliance on the Section 4(2) exemption of the Securities Act and under applicable state securities laws is predicated in part on the representations hereby made to Company by Optionee. Optionee represents and warrants that Optionee is acquiring the Options and will acquire the Shares for investment for Optionee's own account, with no present intention of reselling or otherwise distributing the same. Notwithstanding the foregoing, if Option is them outstanding, prior to the first anniversary of Grant Date, the Company shall file a Registration Statement on Form S-8 with respect to the Shares.

(b) ***Resales***. If, at the time of issuance of Shares upon exercise of the Options, no registration statement is in effect with respect to such Shares under applicable provisions of the Securities Act and other applicable securities laws, Optionee hereby agrees that Optionee will not sell, transfer, offer, pledge or hypothecate all or any part of the Shares unless and until Optionee shall first have given notice to Company describing such sale, transfer, offer, pledge or hypothecation and there shall be available exemptions from such registration requirements that exist. Should there be any reasonable uncertainty or good faith disagreement between Company and Optionee as to the availability of such exemptions, then Optionee shall be required to deliver to Company (1) an opinion of counsel (skilled in securities matters, selected by Optionee and reasonably satisfactory to Company) in form and substance satisfactory to Company to the effect that such offer, sale, transfer, pledge or hypothecation is in compliance with an available exemption under the Securities Act and other applicable securities laws, or (2) an interpretative letter from the Securities and Exchange Commission to the effect that no enforcement action will be recommended if the proposed offer, sale, transfer, pledge or hypothecation is made without registration under the Securities Act. Company may at its election require that Optionee provide Company with written reconfirmation of Optionee's investment intent as set forth in Section 6(a) with respect to the shares. The shares issued upon exercise of the Options shall bear a legend reading substantially as follows:

"THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND OTHER APPLICABLE STATE SECURITIES LAWS WITH RESPECT TO SUCH SECURITY IS THEN IN EFFECT, OR SUCH REGISTRATION UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS IS NOT REQUIRED DUE TO AVAILABLE EXEMPTIONS FROM SUCH REGISTRATION. SHOULD THERE BE ANY REASONABLE UNCERTAINTY OR GOOD FAITH DISAGREEMENT BETWEEN THE COMPANY AND OPTIONEE AS TO THE AVAILABILITY OF SUCH EXEMPTIONS, THEN OPTIONEE SHALL BE REQUIRED TO DELIVER TO THE COMPANY AN OPINION OF COUNSEL (SKILLED IN SECURITIES MATTERS, SELECTED BY OPTIONEE AND REASONABLY SATISFACTORY TO THE COMPANY) IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH AN AVAILABLE EXEMPTION UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS."

(c) ***Compliance with Laws***. The exercise of the Option and the issuance of the Shares upon such exercise shall be subject to compliance by Company and Optionee with all applicable requirements of law, rules, regulations or orders relating thereto and with all applicable rules and regulations of any stock exchange or securities trading market on which the Shares may be listed for trading at the end of such exercise and issuance.

(d) ***Regulatory Approvals***. The inability of Company to obtain approval from any regulatory body having authority deemed by Company to be necessary to the lawful issuance and sale of any Shares pursuant to the Options shall relieve Company of any liability with respect to the nonissuance or sale of the Shares as to which such approval shall not have been obtained. However, Company shall use its best efforts to obtain all such applicable approvals.

7. **Miscellaneous**.

(a) ***No Rights of Stockholder***. Optionee shall not have any of the rights of a stockholder with respect to the Shares subject to this Agreement until such Shares have been issued upon the due exercise of the Options.

(b) ***Nontransferability of Options***. The Options shall be nontransferable or assignable except to the extent expressly provided in the Plan (as if the Options had been granted under the Plan). Notwithstanding the foregoing, Optionee may by delivering written notice to Company in a form provided by or otherwise satisfactory to Company, designate a third party who, in the event of Optionee's death, shall thereafter be entitled to exercise the Options. This Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

(c) ***Severability***. If any provision of this Agreement shall be held unlawful or otherwise invalid or unenforceable in whole or in part by a court of competent jurisdiction, such provision shall (i) be deemed limited to the extent that such court of competent jurisdiction deems it lawful, valid and/or enforceable and as so limited shall remain in full force and effect, and (ii) not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

(d) ***Governing Law, Jurisdiction and Venue***. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware other than its conflict of laws principles. The parties agree that in the event that any suit or proceeding is brought in connection with this Agreement, such suit or proceeding shall be brought in the state or federal courts located in New Castle County, Delaware, and the parties shall submit to the exclusive jurisdiction of such courts and waive any and all jurisdictional, venue and inconvenient forum objections to such courts.

(e) ***Headings***. The headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(f) ***Notices***. All notices required or permitted under this Agreement shall be in writing and shall be sufficiently made or given if hand delivered or mailed by registered or certified mail, postage prepaid. Notice by mail shall be deemed delivered on the date on which it is postmarked.

Notices to Company should be addressed to:

AutoWeb, Inc.
18872 MacArthur Blvd., Suite 200
Irvine, CA 92612-1400
Attention: Chief Legal Officer

Notices to Optionee should be addressed to Optionee at Optionee's address as it appears on Company's records.

Company or Optionee may by writing to the other party designate a different address for notices. If the receiving party consents in advance, notice may be transmitted and received via telecopy or via such other electronic transmission mechanism as may be available to the parties. Such notices shall be deemed delivered when received.

(g) ***Agreement Not an Employment Contract***. This Agreement is not an employment or service contract, and nothing in this Agreement or in the granting of the Options shall be deemed to create in any way whatsoever any obligation on Optionee's part to continue as an employee of Company or any Subsidiary or on the part of Company or any Subsidiary to continue Optionee's employment or service as an employee.

(h) ***Counterparts***. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement but all of which, taken together, shall constitute one and the same Agreement binding on the parties hereto. The signature of any party hereto to any counterpart hereof shall be deemed a signature to, and may be appended to, any other counterpart hereof.

(i) ***Administration***. The Committee shall have the power to interpret this Agreement and to adopt such rules for the administration, interpretation and application of this Agreement as are consistent with this Agreement and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee (including determinations as to the calculation, satisfaction or achievement of performance-based vesting requirements, if any, to which the Options are subject) shall be final and binding upon Optionee, Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to this Agreement.

(j) ***Policies and Procedures***. Optionee agrees that Company may impose, and Optionee agrees to be bound by, Company policies and procedures with respect to the ownership, timing and manner of resales of shares of Company's securities, including without limitation, (i) restrictions on insider trading; (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by officers, directors and affiliates of Company following a public offering of Company's securities; (iii) stock ownership or holding requirements applicable to officers and/or directors of Company; and (iv) the required use of a specified brokerage firm for such resales.

(k) ***Entire Agreement; Modification***. This Agreement contains the entire agreement between the parties with respect to the subject matter contained herein and may not be modified except as provided herein or in a written document signed by each of the parties hereto and may be rescinded only by a written agreement signed by both parties.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the Grant Date.

Grant Date:	April 12, 2018
Total Options Awarded:	1,000,000
Exercise Price Per Share:	$ 3.26
Vesting Schedule:	

Beginning on the first day of the first calendar month following the calendar month in which the Grant Date occurred, the Options shall vest in thirty-six (36) approximately equal monthly installments of whole Options (i.e., no fractional Options shall vest) on the first day of each calendar month over thirty-six (36) calendar months immediately following Grant Date.

Company

AutoWeb, Inc., a Delaware corporation

By: /s/ Glenn E. Fuller
Glenn E. Fuller, Executive Vice President,
Chief Legal and Administrative Officer and Secretary

Optionee

/s/ Jared R. Rowe
Jared R. Rowe

Exhibit 10.3

CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement ("**Agreement**") is entered into effective as of the effective date set forth on the signature page to this Agreement ("**Effective Date**") by and between AutoWeb, Inc., a Delaware corporation ("**Company**"), and the individual identified as the consultant on the signature page to this Agreement ("**Consultant**").

Background

The Company is engaged in the business of providing internet marketing services for the automotive industry. Consultant was formerly employed by the Company as its President and Chief Executive Officer until April 12, 2018 ("**Employment Termination Date**"). The Company wishes to engage Consultant to provide the transition services described herein on a consulting basis, and Consultant wishes to be engaged to provide such transition services.

In consideration of the covenants and agreements set forth herein, the parties hereto agree as follows.

ARTICLE I
CONSULTING SERVICES

1.1 **Consulting Services**. The Company hereby engages Consultant to perform the transition services ("**Consulting Services**") set forth on the Consulting Services Schedule attached hereto as Exhibit A ("**Consulting Services Schedule**"), and Consultant hereby accepts the engagement, upon the terms and conditions hereinafter set forth. The parties acknowledge that in deciding to engage Consultant, the Company has relied solely on the experience, expertise and reputation of Consultant. All Consulting Services are to be provided solely by the Consultant and no other employees of or contractors for Consultant.

1.2 **Term**. The engagement of Consultant hereunder shall commence effective as of the Effective Date and shall continue for a period of thirteen (13) months until the thirteenth month anniversary of the Effective Date ("**Agreement Expiration Date**"). This Agreement may be terminated prior to the Agreement Expiration Date (i) by Consultant for any reason, with or without cause, upon thirty (30) days prior written notice to Company; or (ii) by either party by reason of a material breach of this Agreement by the other party upon thirty (30) days prior written notice detailing the breach by the breaching party and breaching party fails to cure such breach within thirty (30) days following such written notice. The period commencing with the Effective Date and ending on the earlier of (i) the Agreement Expiration Date and (ii) the effective date of any termination of this Agreement by a party prior to the Agreement Expiration Date in accordance with the provisions of this Section 1.2 is referred to herein as the "**Consulting Term**." The provisions of Sections 1.5, Articles III and IV shall survive any termination of this Agreement.

1.3 **Standards of Care and Conduct**. In the performance of the Consulting Services under this Agreement, Consultant shall adhere to those fiduciary standards, ethical practices and standards of care and competence which are customary for professionals rendering consulting and advisory services of the type provided for in this Agreement. In performing the Consulting Services, Consultant shall comply with (i) all applicable laws, rules, regulations and order; (ii) reasonable instructions and directions from the Company; and (iii) the Company's Code of Conduct and other similar policies. Consultant shall avoid engaging in any consulting, employment or other business arrangements with third parties that may constitute or give rise to a conflict of interest with respect to the Company's engagement of Consultant or in the provision of the Consulting Services. Consultant represents and warrants to the Company that Consultant currently does not have any such arrangements that constitute or may give rise to a conflict of interest, and Consultant shall disclose to Company any proposed arrangements that constitute or may give rise to a conflict of interest conflicts of interest prior to entering into any such arrangement. The Company may at its discretion (i) request Consultant to terminate any arrangement that the Company believes does or may constitute a conflict of interest for Consultant in connection with Consultant's engagement by the Company or in the performance of the Consulting Services; or (ii) if Consultant does not terminate such arrangement, terminate this Agreement. Consultant represents and warrants that Consultant's entering into this Agreement and performing the Consulting Services will not conflict with or constitute a breach of any other agreements or obligations Consultant has with or to any third party.

1.4 **Independent Contractor**.

(a) Consultant will perform all Consulting Services as an independent contractor and not as an employee of the Company. Consultant acknowledges and agrees that Consultant is a self-employed independent contractor and that nothing in this Agreement shall be considered to create an employer-employee relationship between the Company and Consultant. Consultant is not eligible to receive and will not receive or participate in any compensation or employee benefit plans or arrangements of any type in which employees of the Company may participate, including but not limited to, any (i) retirement, pension, savings, profit-sharing or other similar plans or arrangements; (ii) any stock option, stock purchase or other equity participation plans or arrangements; (iii) any long-term or short-term bonus or other compensation plans or arrangements; (iv) sick pay, paid non-working holidays, or paid vacations or leave days; (v) overtime; (vi) any life, accident, disability, health or dental insurance or reimbursement plans or arrangements; and (vii) workers' compensation. If Consultant is found, by a court of competent jurisdiction to be an "employee" of the Company, notwithstanding the foregoing, Consultant voluntarily waives any and all rights, if any, to all such compensation or benefits.

(b) As an independent contractor, Consultant is solely responsible for the payment of any and all self-employment taxes and/or assessments imposed on account of the payment of compensation to, or the performance of the Consulting Services by, Consultant pursuant to this Agreement, including, without limitation, any state, federal or foreign unemployment insurance tax, income tax, Social Security (FICA) payments, and disability insurance taxes. The Company shall not, by reason of Consultant's status as an independent contractor and the representations contained herein, make any withholdings or payments of said taxes or assessments with respect to compensation paid Consultant hereunder; provided, however, that if required by law or any governmental agency, the Company shall withhold any such taxes or assessments from the compensation due Consultant, and any such withholding shall be for Consultant's account and shall not be reimbursed by the Company to Consultant. Consultant expressly agrees to treat any compensation earned under this Agreement as self-employment income for federal and state tax purposes, and to make all payments of federal and state income taxes, unemployment insurance taxes, and disability insurance taxes as, when, and to the extent the same may become due and payable with respect to such self-employment compensation earned under this Agreement.

(c) Consultant is not an agent of the Company. Unless otherwise directed by the Company in writing, Consultant is not authorized to (i) waive any right or to incur, assume, or create any debt, obligation, contract, or release of any kind whatsoever in the name or on behalf of the Company or any affiliated entity nor (ii) to hold Consultant out as an employee or agent of the Company or any affiliated entity or to make any statement or representation that Consultant has any such authority.

(d) Consultant shall maintain adequate general liability, errors and omissions and other insurance covering Consultant as required by applicable law, rule or regulation (e.g., workers' compensation).

(e) Consultant represents and warrants to the Company that Consultant is authorized to provide the Consulting Services under applicable laws, rules and regulations.

(f) Consultant shall comply with all applicable laws, rules and regulations in the performance of the Consulting Services, and on request, Consultant shall furnish the Company with appropriate assurances or certificates of compliance.

(e) Consultant shall retain the right to determine the method, details and means of performing the Consulting Services.

1.5 **Indemnification**.

(a) Each party to this Agreement will defend, indemnify and hold harmless the other party and each of its parent company, affiliate companies, officers, directors, employees and agents against and in respect of any loss, debt, liability, damage, obligation, claim, demand, fines, penalties, forfeitures, judgment, or settlement of any nature or kind, known or unknown, liquidated or unliquidated, including without limitation all reasonable costs and expenses incurred (legal, accounting or otherwise) (collectively, "**Damages**") arising out of, resulting from or based upon any claim, action or proceeding by any third party, including any governmental or regulatory body, alleging facts or circumstances constituting a breach of the obligations, representations or warranties of the indemnifying party set forth in this Agreement.

(b) If a party entitled to indemnification under this Section 1.5 (an "**Indemnified Party**") makes an indemnification request to the other party, the Indemnified Party shall permit the other party (the "**Indemnifying Party**") to control the defense and disposition or settlement of the matter at its own expense; provided, however, that the Indemnifying Party may not enter into any settlement thereof with the Indemnified Party's prior written consent (not to be unreasonably withheld or delayed) unless the Indemnified Party is fully and unconditionally released from such claims without any admission of liability and the Indemnified Party is not subject to any injunctive or other equitable relief or other obligations. The Indemnified Party shall be permitted to participate in such defense and represent itself at its own expense with counsel of its own choosing. The Indemnified Party shall notify the Indemnifying Party promptly of any claim for which Indemnifying Party is responsible and shall cooperate with the Indemnifying Party in every commercially reasonable way to facilitate defense of any such claim; provided that the Indemnified Party's failure to notify Indemnifying Party shall not diminish Indemnifying Party's obligations under this Section 1.5 except to the extent that Indemnifying Party is materially prejudiced as a result of such failure.

ARTICLE II
CONSULTING CONSIDERATION AND EXPENSES

2.1 **Consulting Fees**. In consideration for the performance of the Consulting Services, Consultant shall receive the fees and other consideration set forth on the Consulting Services Schedule ("**Consulting Consideration**").

2.2 **Expenses**. Except as may otherwise be set forth on the Consulting Services Schedule, (i) the Consulting Consideration payable to Consultant include any and all costs, fees and expenses which may be incurred by Consultant in its performance of the Consulting Services; and (ii) Consultant shall not be reimbursed for any costs or expenses unless authorized by the Company in writing in advance of Consultant incurring the costs, fees or expenses. As to expenses for which the Company will reimburse Consultant as set forth on the Consulting Services Schedule, the Company shall pay or reimburse Consultant for all reasonable and authorized business expenses incurred by Consultant while engaged under this Agreement so long as said expenses have been incurred for and promote the business of the Company and are normally and customarily incurred by consultants performing similar consulting services in the same or similar market. As a condition to reimbursement under this Section 2.2, Consultant shall furnish to the Company adequate records and other documentary evidence required by federal and state statutes and regulations for the substantiation of each expenditure. Consultant must submit proper documentation for each such expense within thirty (30) days after the date that Consultant incurs such expense, and the Company will reimburse Consultant for all eligible expenses within thirty (30) days thereafter. Consultant acknowledges and agrees that failure to furnish the required documentation may result in the Company denying all or part of the expense for which reimbursement is sought.

2.3 **Payments**. Payment of Consulting Fees and approved costs and expenses shall be made on a monthly basis in accordance with the Company's customary accounts payable practice.

2.4 **Reporting**. Concurrently with the execution and delivery of this Agreement, the Consultant has provided Company with a completed IRS Form W-9 for Consultant. The Company will provide Consultant with an IRS Form 1099 each year reflecting the payments made to Consultant under this Agreement.

ARTICLE III
CONFIDENTIALITY AND PROPRIETARY RIGHTS

3.1 **Confidential Information**.

(a) Consultant acknowledges and agrees that the Company has developed and uses and will develop and use Confidential Information and that Consultant will have access to and will participate in the creation or development of Confidential Information in the performance of the Consulting Services. All Confidential Information shall be and remain the sole property of the Company notwithstanding that Consultant may participate in the creation or development of the Confidential Information. For purposes of this Agreement, the term "**Confidential Information**" shall mean all Company business methods, techniques, plans, and know-how; budgets, financing and accounting techniques and projections; advertising, proposals, applications, marketing materials and concepts; customer files and other non-public information regarding customers; methods for developing and maintaining business relationships with customers, suppliers, vendors, and partners; customer and prospect lists; procedure manuals; employees and personnel information.

(b) Consultant shall maintain the confidentiality of the Confidential Information and shall not (i) disclose to any other person or entity Confidential Information in any manner or for any purpose; or (ii) use Confidential Information in any manner or for any purpose which is directly or indirectly in competition with or injurious or adverse to the Company.

(c) Upon termination of this Agreement for any reason, Consultant will promptly surrender to the Company all copies of Confidential Information in Consultant's possession or under Consultant's control, whether any such Confidential Information was prepared by Consultant or by others.

(d) The obligations of Consultant under this Section 3.1 shall continue during the term of this Agreement and for a period of five (5) years after termination of this Agreement; provided that in the case of Confidential Information constituting trades secrets, the obligations shall continue for as long as such Confidential Information remains trade secrets.

3.2 **Ownership of Intellectual Property**.

(a) (i) All Intellectual Property, whether or not patentable or copyrightable, made, conceived, written, developed or first reduced to practice by Consultant, whether solely or jointly with others, during the period of Consultant's engagement by the Company under this Agreement or prior to the Effective Date and which result from the performance of the Consulting Services or similar services performed for the Company or any predecessor company or business, shall be the sole and exclusive property of the Company. To the extent Consultant may retain any interest in any such Intellectual Property by operation of law or otherwise, Consultant hereby irrevocably assigns and transfers to the Company all of Consultant's entire right, title and interest in and to all such Intellectual Property. All copyrights and copyrightable material shall be deemed works for hire, and the Company shall have all right, title and interest in such material, including all moral rights, and shall be the author thereof for all purposes under applicable copyright laws. For purposes of this Agreement, the term "**Intellectual Property**" shall mean all inventions, improvements, discoveries, ideas, designs, software, trademarks, trade names, copyrights and copyrightable subject matter, patents, know-how, mask works, programs, documents, data, trade secrets and Confidential Information.

(ii) Without limiting the generality of the forgoing provisions of this Section 3.2(a), all articles, documents, reports, manuals, programs, software or computer programs and components thereof, and any other deliverables or work products arising from or related to the Consulting Services or similar services or similar services performed for the Company or any predecessor company or business prior to the Effective Date ("**Materials**") developed or authored by Consultant for the Company under this Agreement or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date, are to be considered Works Made for Hire as that term is defined in Section 101 of the Copyright Act (17 U.S.C. §101) and are and shall be the sole and exclusive property of the Company. Consultant agrees that any and all proprietary rights to the Materials developed hereunder or prior to the Effective Date, including, but not limited to, patent, copyright, trademark and trade secret rights, to the extent they are available, are the sole and exclusive property of the Company, free from any claim or retention of rights thereto on the part of Consultant or any employee or agent of Consultant, as of the Effective Date of this Agreement.

(b) To the extent that any Materials or Intellectual Property developed, authored, created or produced under this Agreement or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date may not be considered Works Made for Hire, or to the extent that Section 3.2(a)(i) or Section 3.2(a)(ii), is declared invalid either in substance or purpose, in whole or in part, Consultant hereby assigns and agrees to irrevocably assign, transfer, grant, convey and relinquish exclusively to the Company, any and all of Consultant's right, title and interest, including ownership of copyright and/or patent rights to any material developed by Consultant under this Agreement or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date without consideration beyond the mutual promises set forth in this Agreement and the payment of fees as provided for by this Agreement. All right, title and interest of every kind and nature, whether now known or unknown, in and to the copyrights, patents, ideas and creations created, written and developed by either Consultant or the Company in the course of providing the Consulting Services under and pursuant to this Agreement or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date, shall be the exclusive property of the Company for any and all purposes and uses, and Consultant shall have no right, title or interest of any kind or nature in or to such material. As part of this Agreement, Consultant agrees to do all things necessary to protect this assignment, including but not limited to, executing an assignment of Consultant's copyright and/or patent interests in the Material and Intellectual Property created, authored and/or developed pursuant to this Agreement or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date.

(c) Consultant represents and warrants that all Materials and Intellectual Property produced under this Agreement or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date were and shall be of original authorship by Consultant or that Consultant has the legal right to convey the entire right, title and interest in such Materials and Intellectual Property as is contemplated by this Agreement. Consultant further represents and warrants no other person, firm, corporation or entity has any rights or interest in the Materials and Intellectual Property Consultant submits or has submitted to the Company or under the provision of similar services performed for the Company or any predecessor company or business prior to the Effective Date. Consultant further warrants that its execution and performance of this Agreement, including, but not limited to, the tangible or intangible products produced as a result of it, shall not infringe upon or violate any patent, copyright, trade secret or other proprietary right of any third party and shall not constitute a defamation or invasion of the right of privacy or publicity.

(d) Consultant hereby appoints the Company, for the period of Consultant's engagement by the Company, and for five years thereafter, as Consultant's attorney-in-fact for the purpose of executing, in Consultant's name and on Consultant's behalf, such instruments or other documents as may be necessary to transfer, confirm and perfect in the Company the rights Consultant has granted to the Company pursuant to this Section 3.2.

(e) Consultant will assist the Company to obtain for its own benefit patents, copyrights and/or trademarks thereon in any and all jurisdictions as may be designated by the Company, and Consultant will execute when requested, patent, trademark and/or copyright applications and assignments thereof to the Company or persons designated by the Company, and any other lawful documents deemed necessary by the Company to carry out the purposes of this Agreement. Consultant will further assist the Company in every way to enforce any patents, copyrights, trade secrets, and other intellectual property rights of the Company, including, without limitation, testifying in any suit or proceeding involving any of the Intellectual Property or executing any documents deemed necessary by the Company, all without further consideration, but at the expense of the Company.

(f) The obligations and undertakings stated in this Section 3.2 shall continue beyond the termination of Consultant's engagement by the Company, but if Consultant is called upon to render such assistance after the termination of Consultant's engagement, then Consultant shall be entitled to a reasonable per diem fee in addition to reimbursement of any out-of-pocket expenses incurred at the request of the Company.

3.3 **Prohibition on Interference with Relationships**. During the term of this Agreement and for a period of three (3) years thereafter, Consultant shall not, directly or indirectly, without the Company's prior written consent, solicit any person or entity having contractual or other business relationships with the Company, including without limitation, any customer or client, lessee, supplier, business partner or independent contractor, for the purpose of having such person or entity terminate or modify such person's or entity's contractual and/or business relationship with the Company, nor shall Consultant interfere with any of such contractual or business relationships.

3.4 **Prohibition on Solicitation of Company Employees**. During the term of this Agreement and for a three (3)-year period following termination or expiration of this Agreement, Consultant will not directly or indirectly, without the Company's prior written consent, (i) solicit or recruit any of the Company's employees to leave the employ of the Company; or (ii) hire as an employee or engage as an independent contractor, any employee of the Company.

3.5 **Covenants Reasonable**. The parties hereto agree that the nature and duration of the covenants set forth in this Article III are reasonable under the circumstances. In the event any court or arbitrator determines that the nature of any covenant or the duration of any covenant, or both, are unreasonable and to that extent is unenforceable, the parties agree that such covenant shall remain in full force and effect to the greatest extent and duration as would not render the covenant unenforceable.

3.6 **Cooperation and Assistance**. Consultant agrees to reasonably assist and cooperate (including, but not limited to, providing information to the Company and/or testifying in a proceeding) in the investigation and handling of any internal investigation, legislative matter, or actual or threatened court action, arbitration, administrative proceeding, or other claim involving any matter that arose during Consultant's period of employment by the Company or during the Term of this Agreement. Consultant's agreement to assist and cooperate shall not affect in any way the content of information or testimony provided by Consultant.

3.7 **Right to Injunctive and Equitable Relief**. Consultant's obligations under this Article III are of a special and unique character which gives them a special value to the Company. The Company cannot be reasonably or adequately compensated in damages in an action at law in the event Consultant breaches such obligations. Therefore, Consultant expressly agrees that the Company shall be entitled to injunctive and other equitable relief in the event of such breach in addition to any other rights or remedies which the Company may possess at law or in equity. The obligations of Consultant and the rights and remedies of the Company under this Article III are cumulative and in addition to, and not in lieu of, any obligations, rights or remedies created by applicable law, including without limitation, applicable copyright and patent laws and laws relating to misappropriation or theft of trade secrets or confidential information.

ARTICLE IV
GENERAL PROVISIONS

4.1 **Notices**. Any notice required or permitted under this Agreement will be considered to be effective in the case of (i) certified mail, when sent postage prepaid and addressed to the party for whom it is intended at its address of record, three (3) days after deposit in the mail; (ii) by courier or messenger service, upon receipt by recipient as indicated on the courier's receipt; or (iii) upon receipt of an Electronic Transmission by the party that is the intended recipient of the Electronic Transmission. The record addresses, facsimile numbers of record, and electronic mail addresses of record for the parties are set forth below, for the Company, or on the Consulting Services Schedule, for Consultant and may be changed from time to time by notice from the changing party to the other party pursuant to the provisions of this Section 4.1.

If to the Company:

AutoWeb, Inc.
18872 MacArthur Blvd., Suite 200
Irvine, California 92612-1400
Attention: Legal Department
Facsimile No.: 949.862.1323

If to Consultant: As set forth on the Consulting Services Schedule

For purposes of this Section 4.1, "**Electronic Transmission**" means a communication (i) delivered by facsimile, telecommunication or electronic mail when directed to the facsimile number of record or electronic mail address of record, respectively, which the intended recipient has provided to the other party for sending notices pursuant to this Agreement and (ii) that creates a record of delivery and receipt that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

4.2 **Entire Agreement**. This Agreement constitutes the entire agreement of the parties and supersedes all prior written or oral and all contemporaneous oral agreements, understandings, and negotiations between the parties with respect to the subject matter hereof. Notwithstanding the foregoing, this Agreement is not intended by the parties to supersede, and does not supersede, any prior or contemporaneous agreements or understandings entered into by the parties in connection Consultant's prior employment with the Company or the termination of such employment, including without limitation that certain Employee Confidentiality Agreement dated as of April 26, 2010 between Company and Consultant, that certain Mutual Agreement To Arbitrate dated April 26, 2010 between Company and Consultant and that certain Confidential Separation and Release Agreement dated as of the Effective Date between Company and Consultant, all of which agreements remain in full force and effect in accordance with their terms.

4.3 **Modifications, Amendments, Waivers and Extensions**. This Agreement may not be modified, changed or supplemented, nor may any obligations hereunder be waived or extensions of time for performance granted, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. No waiver of any default or breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding default or breach thereof or of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.

4.4 **Governing Law**. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to conflicts or choice of laws, of the State of California applicable to agreements made and to be performed wholly within the State of California.

4.5 **Partial Invalidity**. Any provision of this Agreement which is found to be invalid or unenforceable by any court in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability, and the invalidity or unenforceability of such provision shall not affect the validity or enforceability of the remaining provisions hereof.

4.6 **Dispute Resolution, Forum**.

(a) The parties consent to and agree that any dispute or claim arising hereunder shall be submitted to binding arbitration in Orange County, California, and conducted in accordance with the Judicial Arbitration and Mediation Service ("**JAMS**") rules of practice then in effect or such other procedures as the parties may agree in writing, and the parties expressly waive any right they may otherwise have to cause any such action or proceeding to be brought or tried elsewhere. The parties hereunder further agree that (i) any request for arbitration shall be made in writing and must be made within a reasonable time after the claim, dispute or other matter in question has arisen; provided however, that in no event shall the demand for arbitration be made after the date that institution of legal or equitable proceedings based on such claim, dispute or other matter would be barred by the applicable statue(s) of limitations; (ii) the appointed arbitrator must be a former or retired judge or attorney at law with at least ten (10) years experience in commercial matters; (iii) costs and fees of the arbitrator shall be borne by both parties equally, unless the arbitrator or arbitrators determine otherwise; (iv) depositions may be taken and other discovery may be obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings; and (v) the award or decision of the arbitrator, which may include equitable relief, shall be final and judgment may be entered on such award in accordance with applicable law in any court having jurisdiction over the matter.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(c) The parties acknowledge and agree that money damages may not be a sufficient remedy for a breach of certain provisions of this Agreement, including but not limited to, Article III, and accordingly, a non-breaching party may be entitled to specific performance and injunctive relief as remedies for such violation. Accordingly, notwithstanding the other provisions of this Section 4.6, the parties agree that a non-breaching party may seek relief in a court of competent jurisdiction for the purposes of seeking equitable relief hereunder, and that such remedies shall not be deemed to be exclusive remedies for a violation of the terms of this Agreement but shall be in addition to all other remedies available to the non-breaching party at law or in equity.

(d) In any action, arbitration or other proceeding by which one party either seeks to enforce its rights under this Agreement or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, and subject to Section 4.6(a), reasonable costs and expenses incurred to resolve such dispute and to enforce any final judgment.

(e) No remedy conferred on either party by any of the specific provisions of this Agreement is intended to be exclusive of any other remedy, and each and every remedy will be cumulative and will be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of one or more remedies by a party will not constitute a waiver of the right to pursue other available remedies.

4.7 **Interpretation**. Titles and headings of sections of this Agreement are for convenience of reference only and shall not affect the construction of any provision of this Agreement. No provision of this Agreement shall be construed in favor of or against any party by reason of the extent to which the party or the party's counsel participated in the drafting hereof.

4.8 **Assignment**. This Agreement and the rights, duties, and obligations hereunder may not be assigned or delegated by any party without the prior written consent of the other party. Any assignment or delegation of rights, duties, or obligations hereunder made without the prior written consent of the other party shall be void and be of no effect. Notwithstanding the foregoing provisions of this Section 4.8, the Company may assign or delegate its rights, duties and obligations hereunder to any person or entity controlling, controlled by, or under common control with the Company or any person or entity which acquires substantially all of the business or assets of the Company.

4.9 **Successors and Assigns**. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties and their respective permitted successors and assigns.

4.10 **Counterparts**. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument. Signatures on this Agreement may be communicated by facsimile or PDF transmission and shall be binding upon the parties transmitting the same.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first written above.

Effective Date: April 13, 2018

Company

AutoWeb, Inc.

By: /s/ Glenn E. Fuller
Glenn E. Fuller
EVP, Chief Legal and Administrative
Officer and Secretary

"**Consultant"**

Jeffrey H. Coats

/s/ Jeffrey H. Coats
Jeffrey H. Coats

Exhibit A
Consulting Services Schedule

Consultant Name: Jeffrey H. Coats

Consultant Contact Information for Notice Purposes: Jeffrey H. Coats
[Personal Residence Address Redacted]

Consulting Services: Consultant will make himself available on an as-needed basis (subject to reasonable notice and at reasonable times not interfering with Consultant's subsequent employment with any new employer), to provide, and will provide, transition support services for the Company's chief executive, governmental reporting, strategic transactions and investor relation functions and such other related areas as may be requested by the Company's Chief Executive Officer or Board of Directors.

Consulting Time: The Company and Consultant shall agree in advance upon the number of hours to be spent by Consultant in the performance of the Consulting Services, which agreement may be in the form of a "not to exceed" number of hours during weekly or monthly periods or hours specified for individual projects. In no event shall Consultant exceed the agreed upon hours without Company's prior written approval.

The Company and Consultant shall agree in advance upon the number of hours to be spent by Consultant in the performance of the Consulting Services, which agreement may be in the form of a "not to exceed" number of hours during weekly or monthly periods or hours specified for individual projects. In no event shall Consultant be required or permitted to perform services under this Agreement at a level during any monthly period that is greater than twenty percent (20%) of the average level of service that Consultant performed for the Company during the 36-month period immediately preceding the Termination Date. The parties acknowledge that during the 36-month period immediately preceding the Termination Date, Consultant worked an average of approximately 60 hours per week for the Company.

Consulting Consideration: As consideration for the performance of the commitments and obligations made by Consultant in this Agreement, the Company and Consultant agree as follows:

1. **Consulting Fees**. The Company will pay Consultant a monthly consulting fee equal to Twenty-two Thousand Nine Hundred Sixteen Dollars ($22,916.00) ("**Monthly Consulting Fee**") An amount equal to One Hundred Thirty-seven Thousand Four Hundred Ninety-six Dollars ($137,496.00) ("**Prepaid Monthly Consulting Fee**"), representing the first six months of the Monthly Consulting Fee ("**Prepaid Fee Period**"), shall be prepaid to Consultant within five (5) business days of the Effective Date. If prior to the end of the Prepaid Fee Period, Consultant or Company terminate this Consulting Agreement in accordance with the termination provisions of Section 1.2, Consultant shall repay the amount of the Prepaid Monthly Consulting Fee that equals the total of the Prepaid Monthly Consulting Fee, prorated based on the number of days in the Prepaid Fee Period remaining after the effective date of the termination over the total number of days in the Prepaid Fee Period.

2. **Stock Options**.

(a) Any of the stock options to purchase common stock of the Company listed below that were awarded to Consultant during Consultant's employment by the Company ("**Employment Stock Options**")

(b) Any post-employment termination exercise windows for Employment Stock Options that are vested as of the end of the Consulting Term shall be tolled during the Consulting Term and shall not commence running until the end of the Consulting Term; provided, however, that in no event will the post-termination exercise windows extend beyond the original expiration dates of the Employee Stock Options as set forth in the stock option award agreements for such Employee Stock Options. Notwithstanding the foregoing, in no event shall any Employee Stock Options shall be exercisable after the original expiration dates of the Employee Stock Options as set forth in the stock option award agreements for such Employee Stock Options.

(c) The applicable provisions of the stock option award agreements for the Employee Stock Options are hereby amended to provide for the vesting continuation and post-termination exercise window tolling as set forth in clauses (a) and (b) of this paragraph 2.

Grant Name	Grant Date	Grant Price	Original Options Granted	Options Vested as of Employment Termination Date	Options Unvested as of Employment Termination Date	Original Post Termination of Employment Exercise Window	Expire Date
11/03/2008 NQ $0.77 00SO	11/3/2008	$3.85	1,000	1,000	0	May exercise for a period of three (3) months following termination as a member of the Board	11/3/2018
04/03/2009 NQ $0.35 00SO	4/3/2009	$1.75	63,226	30,736	0	May exercise for a period of two (2) years following termination (options will expire prior to 2 year post-term exercise period)	4/3/2019
04/03/2009 NQ $0.35 01RO	4/3/2009	$1.75	36,775	36,775	0	May exercise for a period of two (2) years following termination (options will expire prior to 2 year post-term exercise period)	4/3/2019
04/03/2009 NQ $0.35 04RO	4/3/2009	$1.75	100,000	100,000	0	May exercise for a period of two (2) years following termination (options will expire prior to 2 year post-term exercise period)	4/3/2019
1/10/12 NQ $0.78 10IP Performance	1/10/2012	$3.90	37,692	37,692	0	May exercise for a period of 90 days following termination	1/10/2019
1/24/13 NQ $4.00 10IP Performance	1/24/2013	$4.00	22,500	22,500	0	May exercise for a period of 90 days following termination	1/24/2020
1/21/14 NQ $17.64 10IP	1/21/2014	$17.64	50,000	50,000	0	May exercise for a period of 90 days following termination	1/21/2021
3/17/14 NQ $14.32 10IP	3/17/2014	$14.32	37,000	37,000	0	May exercise for a period of 12 months following termination	3/17/2021
1/23/15 NQ $10.20 2014IP	1/23/2015	$10.20	30,000	30,000	0	May exercise for a period of 90 days following termination	1/23/2022
1/21/16 NQ $17.09 2014 IP	1/21/2016	$17.09	150,000	150,000*	0	May exercise for a period of 12 months following termination	1/21/2023
1/21/16 NQ $17.09 2014 IP - Market Performance	1/21/2016	$17.09	100,000	100000*	0	May exercise for a period of 12 months following termination	1/21/2023

* Options accelerated due to termination without cause.

Consultant acknowledges that Consultant shall continue to be governed by and subject to the Company's Securities Trading Policy during the Consulting Term.

Company Equipment and Use and Access to Company Systems

During the Term, the Company, in its discretion, may make available to Consultant a Company-standard laptop computer for use in providing the Consulting Services. All such Company equipment shall be returned to the Company at the end of the Term or at any time upon request by the Company. Consultant agrees that Consultant will comply with all Company policies and procedures, including those set forth below, regarding the use of Company equipment and systems as if Consultant were employed by the Company:

Information Security and Consumer Privacy

The Company has implemented IT Policies and Procedures to ensure reasonable controls are in place to assure confidentiality of and to safeguard sensitive and proprietary information. It is the responsibility of every employee to understand and follow these IT Policies and Procedures. Any Policy violations, whether or not resulting in the compromise of sensitive information or the degradation of computing systems, may be subject the employee to disciplinary action up to and including termination of employment, **and** may also be subject the employee to criminal prosecution.

Company Tools

The Company entrusts employees with the use of computers, electronic mail, telephones, mail, written documentation, and similar property. These items are provided to the employees to assist with the efficient operations of the Company. Therefore, all records, files, software, data, and electronic communications contained in these systems also are the property of the Company.

Communications Systems

The Company's communication systems, including computers, handheld devices, networks, telephones, voice mail, instant messaging, and all data, files, and applications, are the property of the Company. All materials and information created, transmitted or stored on or through these systems are the property of the Company, they are not private, and may be accessed by authorized personnel at any time. Users should not have any expectation of privacy with respect to such materials and information. Company communication systems hardware, and any data collected, downloaded and/or created on Company communication systems as described above is the exclusive property of the Company and may not be copied or transmitted to any outside party without prior written management approval or used for any purpose not directly related to the business of the Company.

Upon termination of employment, no employee shall remove any software or data from Company-owned computers unless the employee's supervisor and Human Resources have given authorization. Any unauthorized access or use of the Company computer or other communication systems is strictly prohibited.

The Company reserves the right to assign and/or change "passwords" and personal codes for voice mail, e-mail, and computer. The use of passwords to limit access to these systems is only intended to prevent unauthorized access to these systems and records. Additionally, these systems are subject to inspection, search and/or monitoring by Company personnel for any number of business reasons. Accordingly, these systems and equipment should not be used to transmit confidential personal messages.

System Integrity

Because files or programs introduced from external sources may expose the Company to malicious software such as viruses, employees are not permitted to connect personal computing devices to the Company network, download from the Internet files or software programs including freeware or shareware, or use personal disks or copies of software or data in any form on any Company computer without written authorization from the IT Operations Supervisor or in accordance with IT Policies and Procedures.

Any employee who introduces a virus into the Company's system via use of unauthorized software or data shall be deemed guilty of gross negligence and/or willful misconduct and will be held responsible for the consequences (in accordance with applicable law), as well as be subject to disciplinary action, up to and including termination of employment.

Employees are prohibited from using Company communication systems in any way that may be disruptive, embarrassing or offensive to others, including, but not limited to, the transmission of sexually explicit messages or cartoons, ethnic or racial slurs, or anything that may be construed as harassment or disparagement of others. The Company's Policy Against Sexual Harassment and Other Workplace Harassment applies to e-mail usage and other communications systems usage.

To ensure that electronic and telephone communication systems and business equipment are being used properly and in compliance with this policy and for other business purposes, the Company, without notice, may periodically access, display, copy or listen to any information, files, data, message(s), or communication(s) sent, received, created, or stored through or in its system(s), at any time, in accordance with applicable law.

E-mail Etiquette

Employees should use e-mail to deliver messages in the same professional and courteous business manner they would other messages and correspondence.

Internet Usage

Internet Usage includes, without limitation, accessing the World Wide Web, Instant Messaging, Internet email and chat rooms.

It is the nature of our business to allow Internet usage in daily activities. However, access to the Internet is provided for business purposes. Employees are not to access the Internet for personal reasons during Company time. Employees found to be abusing this tool may be disciplined, up to and including termination of employment.

The Company may monitor Internet use, including reviewing the list of sites accessed by any individual terminal. Your Internet use is not private. No employee should have any expectation of privacy regarding Internet usage. The Company reserves the right to inspect an employee's computer anytime or to use monitoring software in order to monitor Internet and computer use.

All employees are prohibited from accessing or attempting to access any sites that contain sexual, vulgar, derogatory, harassing or offensive material. Unauthorized use of the Internet, including connecting, posting, or downloading sexually-oriented information, engaging in computer-hacking and related activities, and attempting to disable or compromise the security of information contained in the Company's communications systems, is strictly prohibited.

Using the Internet to commit or participate in acts that could be considered sexual harassment, racial harassment, religious harassment or any other form of prohibited or illegal harassment is strictly prohibited. The Company's Policy Against Sexual Harassment and Other Workplace Harassment applies to Internet use.

The Internet should not be used to post, distribute, participate in or exchange offensive jokes, chain letters, pyramid schemes or other similar matter. Some specific examples of prohibited uses include but are not limited to:

- Sending confidential or copyrighted materials without prior authorization.
- Soliciting personal business opportunities, or personal advertising.
- Gambling of any kind.
- Day trading, or otherwise purchasing or selling stocks, bonds or other securities or transmitting, retrieving, downloading or storing messages or images related to the purchase or sale of stocks, bonds or other securities.

BLOGS AND ON-LINE DISCUSSIONS

Personal Blog Guidelines

AutoWeb Personal Blog Guidelines have been developed for employees who maintain personal blogs that contain postings about AutoWeb's business, products, or fellow employees and the work that they do. They are also applicable to employees who post about the Company on the blogs of others or during employees' participation in on-line forums (such as chat rooms, message boards, and discussion groups). The guidelines outline the legal implications of blogging about the Company and discussing the Company in on-line forums and also include recommended practices to consider when posting about AutoWeb. We encourage employees who want to blog or participate in on-line forums to think carefully about what they intend to publish. You should avoid comments about managers or co-workers that are disrespectful, critical, or could be construed as harassing or discriminatory in nature. Verify your facts before you publish. You should not discuss the Company's customers or vendors without their explicit prior approval (and you should work through your supervisor to obtain such approval if necessary). If your blog or post concerns the Company or your job, you should prominently display a disclaimer stating that you are expressing only personal opinions that are not endorsed by and do not represent the opinion or viewpoints of the Company.

Legal Liability

You are legally responsible for anything you post on your blog. Individual bloggers can be held personally responsible for any commentary deemed to be defamatory, obscene, proprietary, or libelous whether they pertain to AutoWeb, its employees, or other people. For those reasons, bloggers should exercise caution with regard to exaggeration, colorful language, guesswork, obscenity, copyrighted materials, legal conclusions, and derogatory remarks or characterizations. In short, when you blog on your blog or the blog of others or participate in on-line forums, you post at your own risk! Outside parties can pursue legal actions against you for your postings.

Company Privileged Information

Remember that blogs and other media may be public and accessible to third parties, including the Company's competitors, vendors and customers. Any and all confidential, proprietary, trade secret information or material non-public information about the Company as outlined in the Confidential and Proprietary Information and Inventions Agreement or its personnel is off-limits and cannot be published. In addition, AutoWeb logo and trademarks cannot be used, and you may not publish AutoWeb policies, strategies, or any non-pubic financial information, product offerings, or similarly private information.

Press Inquiries

Blog postings may generate media coverage. If a member of the media contacts you about an AutoWeb related blog posting or requests AutoWeb information of any kind, please refer the matter to the Corporate Public Relations Department.

Please remember that the Company may monitor blogs or Company-related chat rooms or discussion groups. If you fail to abide by the above guidelines or the Company's policies, you may be subject to legal or disciplinary action by the Company or others. If you have any questions or concerns about this policy, please contact the Human Resources Department.

INSTANT MESSAGES

The Company e-mail systems are the preferred method of business communication because they comply with our needs for record keeping. Not all of the instant messaging systems are tracked and documented as required by SOX for business communications. Therefore, if you are giving directions, directing activities, communicating changes to business processes or any other actions that have a business impact, please use the e-mail system so that we have appropriate records retention and audit trails.

Violation of this policy may result in disciplinary action, up to and including termination of employment. Please contact the Human Resources Department with any questions regarding this policy.

USER FILE STORAGE

Our "Path to Profitability" includes controlling our infrastructure costs by managing our resources effectively. As our online file space grows, so does the cost of storing, maintaining, and backing up all of this data. The Company is always looking for ways to be more efficient with resources, but we will need your help and cooperation to be successful! The following plan outlines our approach to manage e-mail resources, but the same philosophy applies to all online file storage.

- All users have an allocated amount of storage on the e-mail servers.
- All users have an allocated amount of storage on the file server for business related material (home directory).
- Any accounts using more than their allotted space will be restricted immediately.
- Personal picture and music files must not be placed on the system.
- Users may contact the Service Desk for assistance with setting up storage options such as achiving .pst files and other business required data.
- Users are prohibited from storing any copyrighted, patented, or non-business files on their local PC or home directory. This includes, but is not limited to, MP3 files, movies, sound clips, and pictures.
- Non-secure files relating to job function and needing to be shared should be placed in an appropriate department or public folder.
- Storing consumer or customer information on local PCs or backup media that is not in accordance with IT Policies or Procedures is strictly prohibited.
- When any assistance is needed please email "HelpMe@AutoWeb.com" and the Service Desk will assist you.

Keep in mind that there is no personal or private use of computer equipment in the work environment. All computer resources are the property of the Company and may be monitored by authorized personnel at anytime. Employees should have no expectation of privacy with respect to the Company's computer systems.

PERSONAL TELEPHONE CALLS AND USE OF COMPANY SUPPLIES

We have a limited number of telephone lines at the Company, and it is essential that we keep those lines open for business calls. Therefore, we ask our employees to refrain from making or receiving personal calls except, of course, in emergencies.

All employees are also asked to use their personal long distance calling card or personal credit card when making personal long distance calls.

Personal use of Company owned property, such as office supplies, postage, etc., are prohibited. Use your common sense when using Company owned property.

Enforcement

Violations of this policy may result in disciplinary action, up to and including termination of employment. Employees who damage the Company's computer system through its unauthorized use may additionally be liable for the costs resulting from such damage. Employees who misappropriate copyrighted or confidential and proprietary information, or who distribute harassing messages or information, also may be subject to criminal prosecution and/or substantial civil monetary damages.