
**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): February 25, 2015

LKQ CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

000-50404

(Commission
File Number)

36-4215970

(IRS Employer
Identification No.)

**500 West Madison Street, Suite 2800
Chicago, IL**

(Address of principal executive offices)

60661

(Zip Code)

Registrant's telephone number, including area code: (312) 621-1950

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ 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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers .

(c)(e) On February 25, 2015, the Board of Directors of LKQ Corporation (the “Company”) approved the following matters:

1. An increase in the 2015 base salary of Robert L. Wagman, President and Chief Executive Officer, from \$820,000 to \$920,000.
 2. The execution of a Services Agreement with Mr. Wagman. The term of the Services Agreement (the “Service Term”) commences on the date that Mr. Wagman ceases to be the President and Chief Executive Officer of the Company and ends three years thereafter unless the Service Term is earlier terminated by Mr. Wagman for any reason or by us for Cause (as defined in the Company’s Severance Policy for Key Executives (the “Severance Policy”)). The Services Agreement will be canceled and the Service Term will not commence if, at any time prior to February 26, 2018, Mr. Wagman’s employment with us is terminated by him other than for Good Reason (as defined in the Severance Policy) or by us for Cause. The cash compensation of Mr. Wagman during the Service Term will be one-third of his base salary as of immediately prior to the commencement of the Service Term, and he will also be entitled to continued participation in the employee benefit plans of the Company on substantially the same terms as the executive officers of the Company. During the Service Term, Mr. Wagman will advise us regarding the Company’s operations and business strategy on a part-time basis. In addition, during the five year period beginning on the date the Service Term commences Mr. Wagman will be subject to obligations to not compete with us and to not solicit our customers and employees. These obligations will continue for the full five year period regardless of when the Service Term is terminated. This summary does not purport to be complete and is subject to and qualified in its entirety by reference to Mr. Wagman’s Services Agreement, which is filed as Exhibit 10.1 to this report on Form 8-K and incorporated herein by reference.
 3. The appointment of John S. Quinn as our Chief Executive Officer and Managing Director, LKQ Europe. Mr. Quinn’s annual base compensation in this position will be \$565,000 and his minimum, target and maximum potential annual bonus percentages for the 2015 calendar year under the Company’s Management Incentive Plan will be 50%, 100% and 110% of base salary. In addition, as part of Mr. Quinn’s assignment to Europe, he will receive tax equalization benefits and reimbursement of relocation expenses, losses on the sale of up to two vehicles, housing, home finding assistance, one vehicle lease, family travel between the United States and the United Kingdom, and immigration fees. This summary does not purport to be complete and is subject to and qualified in its entirety by reference to Mr. Quinn’s offer letter relating to his assignment in Europe, which is filed as Exhibit 10.2 to this report on Form 8-K and incorporated herein by reference.
 4. The execution of a Services Agreement with Mr. Quinn. The term of the Services Agreement (the “Service Term”) commences on the date that Mr. Quinn ceases to be an executive officer of the Company and ends three years thereafter unless the Service Term is earlier terminated by Mr. Quinn for any reason or by us for Cause. The Services Agreement will be canceled and the Service Term will not commence if, at any time prior to February 26, 2017, Mr. Quinn’s employment with us is terminated by him other than for Good Reason or by us for Cause. The cash compensation to Mr. Quinn during the Service Term will be one-third of his base salary as of immediately prior to the commencement of the Service Term, and he will also be entitled to continued participation in the employee benefit plans of the Company on substantially the same terms as the executive officers of the Company. During the Service Term, Mr. Quinn will advise us regarding the Company’s operations and business strategy on a part-time basis. In addition, during the five year period beginning on the date the Service Term commences Mr. Quinn will be subject to obligations to not compete with us and to not solicit our customers and employees. These obligations will continue for the full five year period regardless of when the Service Term is terminated. This summary does not purport to be complete and is subject to and qualified in its entirety by reference to Mr. Quinn’s Services Agreement, which is filed as Exhibit 10.3 to this report on Form 8-K and incorporated herein by reference.
 5. The appointment of Dominick Zarcone as our Executive Vice President and Chief Financial Officer. Mr. Zarcone has been the Managing Director and the Chief Financial Officer of Baird Financial Group, a capital markets and wealth management company, and certain of its affiliates from April 2011 to March 2015. He has also served from April 2011 to March 2015 as Treasurer of Baird Funds, Inc., a family of fixed income and equity mutual funds managed by Robert W. Baird & Co. Incorporated, a registered broker/dealer. From February 1995 to April 2011, Mr. Zarcone was a Managing Director of the Investment Banking department of Robert W. Baird & Co. Incorporated. From February
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1986 to February 1995, he was with the investment banking company Kidder, Peabody & Co., Incorporated, most recently as Senior Vice President of Investment Banking. Mr. Zarcone is 56 years of age.

Mr. Zarcone's compensation will be as follows: 2015 annual base salary of \$500,000; minimum, target and maximum potential bonus percentages for the 2015 calendar year under the Company's Management Incentive Plan of 35%, 50% and 110%, respectively, of base salary; threshold, target and maximum potential payout percentages under the Company's Long Term Incentive Plan for the performance period commencing as of January 1, 2015 and ending on December 31, 2017 of 36%, 71% and 142%, respectively, of base salary at December 31, 2017; a sign-on incentive grant of restricted stock units ("RSUs") under the Company's 1998 Equity Incentive Plan with a value of approximately \$3,000,000 as of his start date (currently scheduled for March 30, 2015) and with other terms and conditions consistent with the RSUs granted to other executive officers, except that 13.33% of the RSU's will vest every six months for three years, and 5.0% of the RSU's will vest every six months thereafter; a 2015 grant of performance-based RSUs with a value of approximately \$1,177,400 as of his start date and with other terms and conditions consistent with the RSUs granted to other executive officers; and participation in our health and welfare benefit plans and retirement savings plans. Mr. Zarcone will be covered by the Company's Severance Policy. We will also enter into our standard Change of Control Agreement and Indemnification Agreement for executive officers with Mr. Zarcone. This summary does not purport to be complete and is subject to and qualified in its entirety by reference to Mr. Zarcone's offer letter, which is filed as Exhibit 10.4 to this report on Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description of Exhibit
10.1	Services Agreement dated as of February 26, 2015 between LKQ Corporation and Robert L. Wagman.
10.2	Offer Letter to John S. Quinn dated February 12, 2015.
10.3	Services Agreement dated as of February 26, 2015 between LKQ Corporation and John S. Quinn.
10.4	Offer Letter to Dominick Zarcone dated February 12, 2015.

SIGNATURE

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.

Dated: March 3, 2015

LKQ CORPORATION

By: /s/ VICTOR M. CASINI

Victor M. Casini

Senior Vice President and General Counsel

SERVICES AGREEMENT

This Services Agreement (the “Agreement”) dated as of this 26th day of February, 2015 between LKQ Corporation, a Delaware corporation (hereinafter referred to as the “Company”), and Robert L. Wagman (hereinafter referred to as “Employee”).

WITNESSETH

WHEREAS, Employee is currently the President and Chief Executive Officer of the Company;

WHEREAS, the Company desires to avail itself of the experience, knowledge and judgment of Employee as a part-time employee for a period of time after Employee is no longer the President and Chief Executive Officer of the Company; and

WHEREAS, Employee is willing to perform certain services for the Company upon the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the Company hereby agrees to employ Employee and Employee hereby agrees to accept such employment upon the following terms and conditions:

1. Term. The “Term” shall mean the period commencing on the date that Employee ceases to be the President and Chief Executive Officer of the Company (the “Commencement Date”) and ending on the earliest of (a) the third year anniversary of the Commencement Date, (b) the death of Employee, (c) Employee’s employment is terminated by Employee for any reason, or (d) Employee’s employment is terminated by the Company for “Cause” (as defined in the Company’s Severance Policy for Key Executives (the “Severance Policy”)); provided, however, that the Term shall not commence and this Agreement shall terminate and have no further force or effect in the event that, prior to the third year anniversary of the date of this Agreement, Employee’s employment is terminated by Employee for any reason other than “Good Reason” (as defined in the Company’s Severance Policy) or by the Company for “Cause” (as defined in the Severance Policy).
 2. Duties and Responsibilities. During the Term, Employee shall be a part-time employee of the Company and shall advise the Company’s Board of Directors and/or Chief Executive Officer regarding the Company’s operations and business strategy. During the Term, the Company shall not require Employee to devote more than three business days per month toward Employee’s duties and responsibilities under this Agreement. After the Term, neither the Company nor Employee shall have any further obligations hereunder except, in the case of Employee, the obligations pursuant to paragraph 4 hereof.
 3. Compensation. During the Term, the Company agrees (a) to pay Employee at an annual rate equal to one-third of Employee’s base salary immediately prior to the Commencement Date, in periodic installments according to the Company’s usual payroll practices, (b) to allow Employee to participate in the employee benefits plans of the Company on substantially the same terms as executive officers of the Company (including the continued right to exercise stock options in accordance with the terms and conditions thereof, the continued vesting of equity awards under the Company’s equity incentive plan, and the continued vesting in outstanding awards under the Company’s long term incentive plan), and (c) to reimburse Employee for reasonable business expenses incurred in connection with the performance of the duties and responsibilities hereunder.
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For a period of five years from the Commencement Date, the Company will provide Employee with D&O insurance coverage and indemnification rights on terms and conditions no less favorable than Employee is provided as of the Commencement Date.

4. Non-Competition and Confidentiality. Employee agrees that:

- (a) During the five year period commencing on the Commencement Date (notwithstanding any earlier termination of the Term in accordance with paragraph 1 hereof), the Employee shall not (i) engage in, represent, furnish consulting services to, be employed by or have any interest in (whether as owner, principal, lender, director, officer, partner, agent, Employee, shareholder, member or otherwise) any business which would be competitive with any business conducted by the Company, *provided, however*, that the Employee may acquire and hold an aggregate of up to two percent of the outstanding shares of any corporation engaged in any such business if such shares are publicly traded in an established securities market, (ii) induce any customer of the Company or its subsidiaries to patronize any such competitive business or otherwise request or advise any such customer to withdraw, curtail or cancel any of its business with the Company or its subsidiaries, or (iii) solicit for employment, or assist any other person in soliciting for employment, any person employed by the Company or any of its affiliates, or (iv) use or disclose, except for the sole benefit of or with the written consent of the Company, any confidential information relating to the business, processes or products of the Company.
- (b) If any provision of Section 4(a), as applied to any party or to any circumstances, is adjudged by a court to be invalid or unenforceable, the same shall in no way affect any other provision or any other part of this Agreement, the application of such provision in any other circumstances or the validity or enforceability of this Agreement. If any such provision, or any part thereof, is held to be unenforceable because of the duration of such provision or the area covered thereby, the parties agree that the court making such determination shall have the power to reduce the duration and/or area of such provision, and/or to delete specific words or phrases, and in its reduced form such provision shall then be enforceable. Upon breach of any provision of Section 4(a), the Company and Employee shall be entitled to injunctive relief, since the remedy at law would be inadequate and insufficient. In addition, they shall be entitled to such damages as they can show they have sustained by reason of such breach.

5. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when deposited in the U.S. Mail in a registered, postage prepaid envelope addressed, if to Employee at Employee's address set forth below, and if to the Company, c/o General Counsel, 500 West Madison Street, Suite 2800, Chicago, Illinois 60661, or to such other addresses as either party shall designate by written notice to the other.

6. Assignment. Employee may not assign Employee's rights or obligations hereunder. The rights and obligations of the Company hereunder shall inure to the benefit of and shall be binding upon its successors and assigns.

7. Code Section 409A

- (a) The Agreement is not intended to constitute a "nonqualified deferred compensation plan" within the meaning of Internal Revenue Code Section 409A ("Section 409A") to the maximum extent possible but in any event shall be interpreted to comply with Section
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409A. In the event this Agreement or any benefit paid under this Agreement to you is deemed to be subject to Section 409A, you consent to the Company's adoption of such conforming amendments as the Company deems advisable or necessary, in its sole discretion (but without an obligation to do so), to comply with Section 409A and avoid the imposition of taxes under Section 409A.

- (b) This Agreement will be interpreted and construed to not violate Section 409A, although nothing herein will be construed as an entitlement to or guarantee of any particular tax treatment to you. While it is intended that all payments and benefits provided under this Agreement to you will be exempt from or comply with Section 409A, the Company makes no representation or covenant to ensure that the payments under this Agreement are exempt from or compliant with Section 409A. The Company will have no liability to you or any other person or entity if a payment or benefit under this Agreement is challenged by any taxing authority or is ultimately determined not to be exempt or compliant. You further understand and agree that you will be entirely responsible for any and all taxes on any benefits payable to you as a result of this Agreement. As a condition of participation in the Agreement, you understand and agree that you will not assert any claims against the Company for reimbursement or payment of any Section 409A additional taxes, penalties and/or interest.
 - (c) Each payment made pursuant to any provision of this Agreement shall be considered a separate payment and not one of a series of payments for purposes of Section 409A. To the extent any nonqualified deferred compensation payment to you could be paid in one or more of your taxable years depending upon you completing certain employment-related actions (such as executing a release of claims), then any such payments will commence or occur in the later taxable year to the extent required by Section 409A.
 - (d) If upon your "separation from service" within the meaning of Section 409A, you are then a "specified employee" (as defined in Section 409A), then solely to the extent necessary to comply with Section 409A and avoid the imposition of taxes under Section 409A, the Company shall defer payment of "nonqualified deferred compensation" subject to Section 409A payable as a result of and within six (6) months following such "separation from service" until the earlier of (i) the first business day of the seventh month following your "separation from service," or (ii) ten (10) days after the Company receives written confirmation of your death. Any such delayed payments shall be made without interest. For avoidance of doubt, any payment whose amount is derived from the value of a Company common share shall be calculated using the value of a common share as of the close of business on the expiration date of the foregoing Section 409A delay period (or as of the close of business on the most recent business day if the foregoing expiration date occurs on a non-business day).
 - (e) Any reimbursement payable to you under this Agreement or pursuant to any plan or arrangement of the Company shall be paid in accordance with the Company's established procedures provided, however, that to the extent necessary to comply with Section 409A, the following requirements will be adhered to: (1) such reimbursement arrangements will provide an objectively determinable nondiscretionary definition of the expenses eligible for reimbursement or of the in-kind benefits to be provided, (2) such reimbursement arrangements will provide for the reimbursement of expenses incurred or for the provision of the in-kind benefits during an objectively and specifically prescribed period (including the lifetime of the service provider), (3) such reimbursement arrangements will provide
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that the amount of expenses eligible for reimbursement, or in-kind benefits provided, during your taxable year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, (4) the reimbursement of an eligible expense will be made on or before the last day of your taxable year following the taxable year in which the expense was incurred, and (5) the right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit. Additionally, to the extent required by Section 409A, an eligible reimbursement expense must be incurred by you no later than the end of the second year following the year in which your separation from service occurs and any reimbursement payments to you must be made not later than the end of the third year following your separation from service (or, in the case of in-kind benefits, by the end of the second year following your separation from service).

8. Complete Agreement. This Agreement embodies the complete agreement and understanding between the parties hereto and supersedes and preempts any prior understandings, agreements, or representations by or among the parties hereto, written or oral, which may have related to the subject matter hereof in any way. Notwithstanding the foregoing, this Agreement does not supersede or preempt Employee's Change of Control Agreement, Indemnification Agreement, or rights under the Severance Policy.

9. Miscellaneous.

(a) This Agreement shall be subject to and governed by the laws of the State of Illinois.

(b) Failure to insist upon strict compliance with any provision(s) hereof shall not be deemed a waiver of such provision (s) or any other provision hereof.

(c) This Agreement may not be modified except by an agreement in writing executed by the parties hereto.

(d) The invalidity or unenforceability of any provision hereby shall not affect the validity or enforceability of any other provisions

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

LKQ CORPORATION

By: /s/ Victor M. Casini
Name: Victor M. Casini
Title: Senior Vice President and General Counsel

EMPLOYEE

/s/ Robert L. Wagman
Address: _____

February 12, 2015

John S. Quinn
[Home address redacted]

Dear John:

This letter confirms our offer for you to continue your employment with LKQ Corporation while serving in the position of Chief Executive Officer and Managing Director, LKQ Europe. Please note that this offer is confidential and is subject to the approval of the LKQ Board of Directors. The terms and conditions of this offer are as follows:

1. **Compensation** - You will be paid a bi-weekly salary of US\$21,730.77 on regular company payroll dates. Your annual bonus opportunity under the Management Incentive Plan will be the same as your current position with a threshold, target and maximum of 50%, 100% and 110%, respectively. You will continue to participate in the LKQ Corporation Long Term Incentive Plan with a threshold, target and maximum award opportunity of 36%, 71% and 142%, respectively. You will continue to participate in the LKQ Corporation 1998 Equity Incentive Plan and be eligible for grants under this program consistent with your position level and performance. Your participation in such plans is subject to the terms and conditions of the plans, and in the event of any inconsistency between this letter and the plans, the plans will govern. Notwithstanding the foregoing, the terms and conditions of your employment will be, for the duration of your assignment as CEO & Managing Director, LKQ Europe, no less (as a whole) than those in effect for your successor(s) in the position of Chief Financial Officer, LKQ Corporation (except for any sign-on grants of equity or cash payments, if any, paid to your successor(s) in the position of Chief Financial Officer, LKQ Corporation).
 2. **Tax Equalization** - Tax equalization will be provided to you on your total worldwide income on the basis of no state residency in the United States. You will need to meet with a representative from a tax advisor selected by LKQ Corporation (currently Grant Thornton) to review the tax implications of this assignment to you. Allowances and other items provided to you as part of this assignment will be grossed up and then will be tax equalized. During the term of this assignment, the Company will provide annual tax preparation services to you at the Company's expense, and upon completion of the assignment will continue to provide tax services at the Company's expense until such time as foreign tax equalization or return preparation is no longer required.
 3. **Relocation** - During the course of this assignment, you will be required to relocate to the United Kingdom. If you elect to sell your current residence in Clarendon Hills, Illinois, the Company will reimburse your expenses in connection with the sale of this home, including real estate commissions up to a maximum of six percent of the sale price. In addition, this reimbursement will include reasonable and customary fees you incur associated with such sale, including but not limited to title search, tax stamps, survey, etc. Reasonable and customary legal fees incurred as part of this sale will also be reimbursed by the Company. You will be provided a household goods moving allowance of twenty-five thousand dollars (US\$25,000) for the shipment of household goods to your principle residence in the United Kingdom (assignment city) or, if you elect, to your current home in Phoenix, Arizona. You will need to provide receipts for reimbursement of any of these costs and fees, in accordance with the Company's reimbursement policies and requirements.
 4. **Personal Vehicles** - The Company will reimburse you for any loss you incur on sale of up to two vehicles retained at your principal place of residence. Such loss will be limited to the difference between the sale price and Kelly Blue Book retail value. Prior to selling the vehicle(s) at a loss, you must review the sale price with the Senior Vice President, Human Resources, LKQ Corporation.
 5. **Miscellaneous Relocation Allowance** - You will be paid a one-time relocation allowance of one month's base salary to cover the cost of household goods at the assigned location, provided you select an unfurnished property as your principal place of residence. Should you select a furnished property as your principal place of residence, this allowance will be limited to twenty-five thousand dollars (US\$25,000).
 6. **Employee Benefits** - You and your eligible dependents will participate in the International Blue Cross health and welfare program for medical treatment in the assignment country location. When in the United States for medical treatment, you and your eligible dependents will be covered under the Blue Cross health care program you elected as a
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U.S.-based employee. Your dependent daughter will continue coverage on the U.S.-based Blue Cross plan per your election for 2015 and subsequent years based on your benefit election. You will continue to participate in the LKQ Corporation 401(k) and 401(k) Plus Plan.

7. **Allowances** - During the course of your assignment, you will receive a Goods & Services allowance, including a monthly housing allowance for a residence with three bedrooms and two bathrooms in an “executive area” of London. This calculation will be based on an Efficient Purchaser Index for the area selected. Your allowances will have an offset for an assumed housing cost in the U.S. The Company will confirm the amount of this allowance separately.
 8. **Company Vehicle** - You will be provided a Company vehicle for your use during the course of this assignment. The Company will pay the monthly lease cost, initial down payment (up to three months), insurance, parking and fuel for business. For this assignment you will be leased a luxury vehicle such as a Mercedes Benz or BMW, which you may select. You are permitted to use the vehicle for personal use and will be taxed as appropriate for any non-business use mileage. Your spouse will be authorized to drive this vehicle.
 9. **Home Finding Assistance** - You will receive an allowance not to exceed five thousand dollars (\$5,000) for your expenses associated with locating a principle residence in the United Kingdom. In the event you are required to pay a fee to an agent for the rental of your primary residence in the United Kingdom, such fee will be reimbursed as well.
 10. **Home Leave** - You and your spouse will be eligible for an annual home leave allowance. The Company will reimburse you for round trip business class travel between the assigned location and Chicago, Illinois or Phoenix, Arizona. In the event you elect not to return to either of these locations for home leave, the Company will pay you the equivalent amount in cash for your use as you elect. In addition to the annual home leave above, your spouse may travel up to two additional times per year on a similar basis.
 11. **Dependent Child Travel** - As your daughter will not accompany you on this assignment, the Company will reimburse you for up to a maximum of four trips in a twelve month period for her travel between the U.S. and the assigned expatriate location. This travel will be reimbursed at an economy/coach fare and will be based on the fare level between Chicago, Illinois and London, England.
 12. **Immigration** - You and your eligible dependents will be reimbursed for immigration fees associated with obtaining any necessary visas, work permits, residency permits, etc. and any cost to maintain U.S. green card status for you and your dependents. All immigration paperwork must be completed and approved by the immigration authorities at the assigned expatriate location prior to the start of the assignment.
 13. **Physical Examination** - You and your eligible dependents are recommended to complete physical examinations prior to the start of the assignment. Results of the exam will not be shared with the Company. The Company will reimburse you for reasonable and customary fees associated with such exams. Prior to commencing the exams, you are required to obtain the approval of the Senior Vice President, Human Resources, LKQ Corporation regarding the costs of such exams.
 14. **Vacation and Holiday Allowance** - You will continue to earn PTO under the LKQ Corporation policy with an additional two weeks allowance annually and will follow the holiday schedule in the assigned country.
 15. **Compassionate Leave** - In the event of a seriousness illness or death of an immediate family member (spouse, child, parent, brother, sister, parent in-law, brother or sister in-law, or grandparent), the Company will reimburse you and your eligible dependents for round trip business class air fare between the assigned city location and the city of your family member. In the event of the death of one your eligible dependents (spouse or daughter), the Company will reimburse you and your surviving dependents round trip business class air fare between the assigned expatriate location and your destination city.
 16. **Repatriation** - Upon completion of the assignment, the Company will reimburse you and your eligible dependents for business class air fare between the assigned expatriate location and Chicago, Illinois or Phoenix, Arizona. The Company will also provide you with a household goods moving allowance of up to US\$25,000 for the shipment of household goods from your UK residence to your US residence. In the event that you elect to relocate to a city other than Phoenix, Arizona, the Company will provide you with an allowance not to exceed US\$5,000 for your expenses associated with finding housing in the US following the completion of your assignment.
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17. **Employment Agreement** - Upon the completion of your expatriate assignment you will be provided an agreement under which you will provide services regarding financial matters involving the Company, including but not limited to the Company's annual and quarterly financial statements and the Company's capital structure. The agreement will be for a three-year term commencing on your repatriation (or a later date if mutually agreed) to include provisions for continued participation in LKQ Corporation health and welfare plans, continued opportunity to exercise vested options in accordance with their original terms and continued vesting of equity. If necessary, you will be deemed "retired" for purposes of the LKQ Corporation Long Term Incentive Plan upon completion of your assignment as Chief Executive Officer and Managing Director, LKQ Europe, provided that you comply with the restrictive covenants in such agreement.
18. **Transition** - This appointment is to be effective on or about March 30, 2015 subject to approval by the Board of Directors of the Company; provided, however, that you will continue your current responsibilities until a replacement Chief Financial Officer for LKQ Corporation is hired. You may commute between your residence in Chicago, Illinois or Phoenix, Arizona until you relocate to the assigned country, and commuting costs (air fare, hotels, car rentals, etc.) will be reimbursed under the LKQ Business Travel Policy.
19. **Governing Law and Choice of Forum** - This agreement, the terms of your assignment, and your ongoing relationship with LKQ Corporation during your assignment will be governed by Illinois law. Any action, suit, dispute or other proceeding arising out of or relating to this agreement or your services provided pursuant to this agreement is subject to the exclusive jurisdiction of the State or federal courts located in the City of Chicago, County of Cook, State of Illinois.

I look forward to your positive response to this offer. Upon acceptance of this offer, we will submit the proposal to the LKQ Board of Directors.

Sincerely,

/s/ Robert L. Wagman

Robert L. Wagman

President and Chief Executive Officer

SERVICES AGREEMENT

This Services Agreement (the "Agreement") dated as of this 26th day of February, 2015 between LKQ Corporation, a Delaware corporation (hereinafter referred to as the "Company"), and John S. Quinn (hereinafter referred to as "Employee").

WITNESSETH

WHEREAS, Employee is currently the Chief Executive Officer and Managing Director, LKQ Europe;

WHEREAS, the Company desires to avail itself of the experience, knowledge and judgment of Employee as a part-time employee for a period of time after Employee is no longer the Executive Vice President of European Operations of the Company; and

WHEREAS, Employee is willing to perform certain services for the Company upon the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the Company hereby agrees to employ Employee and Employee hereby agrees to accept such employment upon the following terms and conditions:

1. Term. The "Term" shall mean the period commencing on the date that Employee ceases to be an executive officer of the Company (the "Commencement Date") and ending on the earliest of (a) the third year anniversary of the Commencement Date, (b) the death of Employee, (c) Employee's employment is terminated by Employee for any reason, or (d) Employee's employment is terminated by the Company for "Cause" (as defined in the Company's Severance Policy for Key Executives (the "Severance Policy")); provided, however, that the Term shall not commence and this Agreement shall terminate and have no further force or effect in the event that, prior to the second year anniversary of the date of this Agreement, Employee's employment is terminated by Employee for any reason other than "Good Reason" (as defined in the Company's Severance Policy) or by the Company for "Cause" (as defined in the Severance Policy).
 2. Duties and Responsibilities. During the Term, Employee shall be a part-time employee of the Company and shall advise the Company's Board of Directors and/or Chief Executive Officer regarding the Company's operations and business strategy. During the Term, the Company shall not require Employee to devote more than three business days per month toward Employee's duties and responsibilities under this Agreement. After the Term, neither the Company nor Employee shall have any further obligations hereunder except, in the case of Employee, the obligations pursuant to paragraph 4 hereof.
 3. Compensation During the Term. During the Term, the Company agrees (a) to pay Employee at an annual rate equal to one-third of Employee's base salary immediately prior to the Commencement Date, in periodic installments according to the Company's usual payroll practices, (b) to allow Employee to participate in the employee benefits plans of the Company on substantially the same terms as executive officers of the Company (including the continued right to exercise stock options in accordance with the terms and conditions thereof, the continued vesting of equity awards under the Company's equity incentive plan, and the continued vesting in outstanding awards under the Company's long term incentive plan), and (c) to reimburse Employee for reasonable business expenses incurred in connection with the performance of the duties and responsibilities hereunder. For a period of five years from the Commencement Date, the Company will provide Employee with D&O insurance coverage and indemnification rights on terms and conditions no less favorable than Employee is provided as of the Commencement Date.
 4. Non-Competition and Confidentiality. Employee agrees that:
 - (a) During the five year period commencing on the Commencement Date (notwithstanding any earlier termination of the Term in accordance with paragraph 1 hereof), the Employee shall not (i) engage in, represent,
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furnish consulting services to, be employed by or have any interest in (whether as owner, principal, lender, director, officer, partner, agent, Employee, shareholder, member or otherwise) any business which would be competitive with any business conducted by the Company, *provided, however*, that the Employee may acquire and hold an aggregate of up to two percent of the outstanding shares of any corporation engaged in any such business if such shares are publicly traded in an established securities market, (ii) induce any customer of the Company or its subsidiaries to patronize any such competitive business or otherwise request or advise any such customer to withdraw, curtail or cancel any of its business with the Company or its subsidiaries, or (iii) solicit for employment, or assist any other person in soliciting for employment, any person employed by the Company or any of its affiliates, or (iv) use or disclose, except for the sole benefit of or with the written consent of the Company, any confidential information relating to the business, processes or products of the Company.

(b) If any provision of Section 4(a), as applied to any party or to any circumstances, is adjudged by a court to be invalid or unenforceable, the same shall in no way affect any other provision or any other part of this Agreement, the application of such provision in any other circumstances or the validity or enforceability of this Agreement. If any such provision, or any part thereof, is held to be unenforceable because of the duration of such provision or the area covered thereby, the parties agree that the court making such determination shall have the power to reduce the duration and/or area of such provision, and/or to delete specific words or phrases, and in its reduced form such provision shall then be enforceable. Upon breach of any provision of Section 4(a), the Company and Employee shall be entitled to injunctive relief, since the remedy at law would be inadequate and insufficient. In addition, they shall be entitled to such damages as they can show they have sustained by reason of such breach.

5. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when deposited in the U.S. Mail in a registered, postage prepaid envelope addressed, if to Employee at Employee's address set forth below, and if to the Company, c/o General Counsel, 500 West Madison Street, Suite 2800, Chicago, Illinois 60661, or to such other addresses as either party shall designate by written notice to the other.

6. Assignment. Employee may not assign Employee's rights or obligations hereunder. The rights and obligations of the Company hereunder shall inure to the benefit of and shall be binding upon its successors and assigns.

7. Code Section 409A

- (a) The Agreement is not intended to constitute a "nonqualified deferred compensation plan" within the meaning of Internal Revenue Code Section 409A ("Section 409A") to the maximum extent possible but in any event shall be interpreted to comply with Section 409A. In the event this Agreement or any benefit paid under this Agreement to you is deemed to be subject to Section 409A, you consent to the Company's adoption of such conforming amendments as the Company deems advisable or necessary, in its sole discretion (but without an obligation to do so), to comply with Section 409A and avoid the imposition of taxes under Section 409A.
 - (b) This Agreement will be interpreted and construed to not violate Section 409A, although nothing herein will be construed as an entitlement to or guarantee of any particular tax treatment to you. While it is intended that all payments and benefits provided under this Agreement to you will be exempt from or comply with Section 409A, the Company makes no representation or covenant to ensure that the payments under this Agreement are exempt from or compliant with Section 409A. The Company will have no liability to you or any other person or entity if a payment or benefit under this Agreement is challenged by any taxing authority or is ultimately determined not to be exempt or compliant. You further understand and agree that you will be entirely responsible for any and all taxes on any benefits payable to you as a result of this Agreement. As a condition of participation in the Agreement, you understand and agree that you will not assert any claims against the Company for reimbursement or payment of any Section 409A additional taxes, penalties and/or interest.
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(c) Each payment made pursuant to any provision of this Agreement shall be considered a separate payment and not one of a series of payments for purposes of Section 409A. To the extent any nonqualified deferred compensation payment to you could be paid in one or more of your taxable years depending upon you completing certain employment-related actions (such as executing a release of claims), then any such payments will commence or occur in the later taxable year to the extent required by Section 409A.

(d) If upon your "separation from service" within the meaning of Section 409A, you are then a "specified employee" (as defined in Section 409A), then solely to the extent necessary to comply with Section 409A and avoid the imposition of taxes under Section 409A, the Company shall defer payment of "nonqualified deferred compensation" subject to Section 409A payable as a result of and within six (6) months following such "separation from service" until the earlier of (i) the first business day of the seventh month following your "separation from service," or (ii) ten (10) days after the Company receives written confirmation of your death. Any such delayed payments shall be made without interest. For avoidance of doubt, any payment whose amount is derived from the value of a Company common share shall be calculated using the value of a common share as of the close of business on the expiration date of the foregoing Section 409A delay period (or as of the close of business on the most recent business day if the foregoing expiration date occurs on a non-business day).

(e) Any reimbursement payable to you under this Agreement or pursuant to any plan or arrangement of the Company shall be paid in accordance with the Company's established procedures provided, however, that to the extent necessary to comply with Section 409A, the following requirements will be adhered to: (1) such reimbursement arrangements will provide an objectively determinable nondiscretionary definition of the expenses eligible for reimbursement or of the in-kind benefits to be provided, (2) such reimbursement arrangements will provide for the reimbursement of expenses incurred or for the provision of the in-kind benefits during an objectively and specifically prescribed period (including the lifetime of the service provider), (3) such reimbursement arrangements will provide that the amount of expenses eligible for reimbursement, or in-kind benefits provided, during your taxable year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, (4) the reimbursement of an eligible expense will be made on or before the last day of your taxable year following the taxable year in which the expense was incurred, and (5) the right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit. Additionally, to the extent required by Section 409A, an eligible reimbursement expense must be incurred by you no later than the end of the second year following the year in which your separation from service occurs and any reimbursement payments to you must be made not later than the end of the third year following your separation from service (or, in the case of in-kind benefits, by the end of the second year following your separation from service).

1. Complete Agreement. This Agreement embodies the complete agreement and understanding between the parties hereto and supersedes and preempts any prior understandings, agreements, or representations by or among the parties hereto, written or oral, which may have related to the subject matter hereof in any way. Notwithstanding the foregoing, this Agreement does not supersede or preempt Employee's Change of Control Agreement, Indemnification Agreement, Offer Letter dated February 12, 2015 relating to Employee's European assignment, or rights under the Severance Policy.

2. Miscellaneous. (a) This Agreement shall be subject to and governed by the laws of the State of Illinois.

(b) Failure to insist upon strict compliance with any provision(s) hereof shall not be deemed a waiver of such provision (s) or any other provision hereof.

(c) This Agreement may not be modified except by an agreement in writing executed by the parties

hereto.

(d) The invalidity or unenforceability of any provision hereby shall not affect the validity or enforceability of any other provisions.

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

LKQ CORPORATION

By: /s/ Victor M. Casini
Name: Victor M. Casini
Title: Senior Vice President and General Counsel

EMPLOYEE

 /s/ John S. Quinn
Address: _____

February 12, 2015

Dominick Zarcone
[Home address redacted]

Dear Nick,

I am delighted to offer you the position of **Chief Financial Officer & Executive Vice President** of LKQ Corporation (LKQ). In this position you will report to me and will be located in our corporate office in Chicago, Illinois. Please note that this offer is confidential and is subject to the approval of the LKQ Board of Directors. Details of this offer are as follows:

Base Salary : Your bi-weekly base salary will be \$19,230.77 (\$500,000 annually) less required state and federal tax withholding and any other deductions you authorize to be withheld from your pay.

Annual Bonus Plan : You will be a participant in the LKQ Management Incentive Plan (MIP) with a bonus opportunity of 35% at threshold, 50% at target and 110% at maximum. Awards under this program are calculated as a percentage of your annual base salary for the bonus year. Awards under this program are based on the EPS (earnings per share) goals established by the Compensation Committee each year, although the Committee has the discretion to use other metrics. Payments, if any, under this program are normally paid in the first quarter following the end of the bonus plan year. Notwithstanding the foregoing, all bonus awards are subject to the terms of the MIP, including but not limited to the right of LKQ to modify this program at its discretion, including but not limited to participant bonus opportunity and goals for the program.

Long Term Incentive Plan : You will be a participant in the LKQ Corporation Long Term Incentive Plan (LTIP) with an earnings opportunity of 36% at threshold, 71% at target and 142% at maximum. Upon employment with the Company you will participate in the Plan for the existing performance period January 1, 2015 through December 31, 2017. Payments, if any, under this Plan are in cash and are calculated based on the performance of LKQ measured by the growth of our earnings per share, revenue and return on equity from the base year (2014) to the final year of the performance period (2017). The amount of your performance award will equal your base salary at the end of the performance period multiplied by a percentage that depends on the performance of LKQ over the three year performance period. Provided the Company meets the goals established under this Plan and you are an employee of LKQ at the end of the performance period, you will receive a payment in the first quarter of 2018. It is currently anticipated that a new three-year performance period and related metrics will be established in each following year. Notwithstanding the foregoing, all long term incentive awards are subject to the terms of the LTIP, including but not limited to the right of LKQ to modify this program at its discretion, including but not limited to participant award opportunity and goals for the program.

Equity Program : As a senior executive of the Company, you will be eligible to participate in the LKQ Corporation 1998 Equity Incentive Plan (EIP) under which you will receive annual grants of equity awards, currently Restricted Stock Units ("RSUs"). For 2015, the value of the RSUs issued will equal \$1,177,400 and the actual number of RSUs issued will be based on the average of the high and low sales prices of the Company's common stock on the NASDAQ Global Select Market your first day of employment. For future years, it is currently anticipated that the nominal value of RSUs issued will be generally consistent with past amounts for the CFO position and the exact number of RSUs will be determined pursuant to the terms of the EIP. Each RSU will convert into one share of LKQ common stock on the applicable vesting date. The vesting schedule of the RSU grants is subject to the discretion of the Compensation Committee. The 2015 RSU executive officer grants are subject to two vesting conditions, each of which must be satisfied: (a) time-based vesting equal to 16.67% of the total number of RSUs every six months; and (b) a performance-based condition of positive fully-diluted earnings per share of the Company (subject to adjustment for certain extraordinary items) for any of the first five fiscal years ending after the grant date. Notwithstanding the foregoing, all RSUs are subject to the terms of the EIP, including but not limited to the right of LKQ to modify this program at its discretion, including but not limited to participant award opportunity and goals for the program.

Sign-On Incentive: On or about your start date, you will receive an additional grant of RSUs under the EIP with a value equal to \$3,000,000. The actual number of RSUs issued will be based on the average of the high and low sales prices of the Company's common stock on the NASDAQ Global Select Market your first day of employment. These RSUs will vest with respect to (a) 13.33% of the total RSUs (rounded to the nearest whole number) every six months over a total of the first three years following the grant date, and (b) 5.0% of the total RSUs (rounded to the nearest whole number) every six months thereafter over a total of two additional years. Should you voluntarily leave the employment of the Company prior to the end of

the five years, all unvested amounts shall be forfeited. Should you be released from employment with the Company for reasons other than for “cause,” or if you die or become disabled (as defined in the EIP), all unvested RSUs shall immediately vest.

Severance Policy and Change of Control Agreement: As Chief Financial Officer, you will be covered by the LKQ Corporation Severance Policy for Key Executives (the terms of which are summarized in and a copy of which is attached as Exhibit 10.1 to the Current Report on Form 8-K filed by LKQ with the SEC on July 28, 2014), and LKQ would enter into with you a Change of Control Agreement in substantially the form of agreement attached as Exhibit 10.3 to the July 28, 2014 8-K.

Employee Benefits (Health & Welfare) : Upon completion of ninety days of employment you will become eligible to participate in the LKQ benefits program that includes medical, dental, disability, vision and life insurance. A program guide summarizing these benefits is enclosed for your review. You will be contacted by our employee benefits department on the enrollment process and the benefits available to you and your eligible dependents. In the event you need to elect COBRA coverage from your current employer until LKQ employee benefits are effective, this cost will be reimbursed to you.

Retirement Savings Plan : You will be eligible to enroll in our qualified 401(k) plan immediately after six months of employment. Prior to reaching six months, you will receive a welcome packet from Wells Fargo with enrollment instructions. You will be 100% vested in employer contributions after four years of service. Due to IRS regulations on the contributions of highly-compensated employees, your contributions to our qualified 401(k) plan would be capped at 4.5% of your salary. However, LKQ offers an alternative retirement option through our nonqualified “Plus Plan,” which enables you to contribute up to 100% of your salary and 100% of your bonus, pretax. You will be eligible to participate in the nonqualified plan at the start of your employment with LKQ and will receive an “Enrollment Announcement” upon your arrival at LKQ.

PTO (Paid Time Off) : You will be eligible for 18 days of PTO under our paid time off program. Details on this program are summarized in the enclosed Benefits Enrollment Guide.

Pre-Employment Requirements: It is important to inform you that this offer of employment is contingent upon your satisfying all of our pre-employment requirements, including but not limited to satisfactory completion of a pre-employment substance screen, and acceptable background check for which you will need to complete a separate authorization. Also, you must complete an I-9 Employment Eligibility Verification within three business days of your first day of work.

Employment at Will : Your employment with LKQ is at-will, meaning that either party may terminate the relationship at any time with or without cause and with or without notice. Your signature below indicates acceptance of this position and acknowledgment that this is an at-will employment relationship.

Representation by You: You represent that you are free to accept employment with LKQ without any contractual restrictions, express or implied, of any kind (including, without limitation, obligations to prior employers or investors, including any non-compete, non-solicitation or confidentiality obligations).

I look forward to your positive response to this offer. Upon acceptance of this offer, we will submit the proposal to the LKQ Board of Directors and you will be contacted by Bob Alberico, Senior Vice President, Human Resources who will assist you through our pre-employment process. Should you have any questions on the pre-employment process or the terms of this offer please call Bob at [telephone number redacted].

Sincerely,

Robert Wagman
President and Chief Executive Officer
LKQ Corporation

Cc: R. Alberico
V. Casini

Accepted and agreed to:

/s/ Dominick Zarcone

Dominick Zarcone