



## **Corporate Governance and Nominations Committee Charter**

**AUTOBYTEL INC.**

### **CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE CHARTER Amended and Restated Effective as of June 23, 2010**

The Board of Directors ("**Board**") of Autobyte Inc. ("**Company**") has adopted the following Charter of the Corporate Governance and Nominations Committee ("**Charter**"). This Charter is subject to modification from time to time by the Board as the Board may deem appropriate in the best interests of the Company or as required by applicable laws.

#### **1. Corporate Governance and Nominations Committee Purposes**

The purposes of the Corporate Governance and Nominations Committee are to:

- Recommend to the Board changes in the size of the Board;
- Identify individuals qualified to become Directors, and to select, or recommend to the Board, the Director nominees for the each annual meeting of stockholders; and
- Review periodically issues and developments related to corporate governance and, as appropriate, make recommendations to the Board of Directors with respect to corporate governance standards.

#### **2. Independence Requirements**

Each of the member of the Corporate Governance and Nominations Committee must be an "independent director" as defined in Rule 5605(a)(2) of the Listing Rules of the NASDAQ Stock Market.

#### **3. Appointment to Corporate Governance and Nominations Committee**

The Board appoints members of the Corporate Governance and Nominations Committee. The Corporate Governance and Nominations Committee does not have authority to delegate its responsibilities to a subcommittee, unless first approved by the Board in accordance with applicable law and the Bylaws of the Company.

#### **4. Removal From Corporate Governance and Nominations Committee**

The Board may remove members of the Corporate Governance and Nominations Committee, with or without cause, including removal for failure to satisfy the independence requirement set forth in Section 2 of this Charter. A member of the Corporate Governance and Nominations Committee will automatically cease to be a member of the Corporate Governance and Nominations Committee upon his or her death or his or her resignation, removal or failure to be reelected as a member of the Board.

#### **5. Chairperson of Corporate Governance and Nominations Committee**

The Chairperson of the Corporate Governance and Nominations Committee is generally appointed by the Board. In the absence of such an appointment, the Corporate Governance and Nominations Committee may appoint a Chairperson.

- The Chairperson of the Corporate Governance and Nominations Committee must be selected from the members of the Corporate Governance and Nominations Committee.
- The Chairperson of the Corporate Governance and Nominations Committee presides at all meetings of the Corporate Governance and Nominations Committee that he or she attends. In the absence of the Chairman, the members of the Corporate Governance and Nominations Committee may select from among themselves a chairperson *pro tempore*.

#### **6. Corporate Governance and Nominations Committee Meetings**

The Corporate Governance and Nominations Committee must hold meetings in accordance with the Bylaws of the Company.

## **7. Committee Structure and Charters**

The Corporate Governance and Nominations Committee should periodically review the purposes, structure, and operations the various committees of the Board and may make recommendations to the Board regarding the creation of additional committees or the elimination of committees not required by the Company's Bylaws or the listing standards of the NASDAQ Stock Market (or such other securities exchange listing standards applicable to the Company). The Corporate Governance and Nominations Committee may also review the charters of other committees of the Board and may make recommendations regarding the amendment of those charters.

## **8. Nomination of Director Candidates**

The Corporate Governance and Nominations Committee is responsible for nominating, or recommending the nomination of, individuals for election by the stockholders of the Company at each annual meeting of stockholders:

- Before each annual meeting of stockholders, the Corporate Governance and Nominations Committee should identify candidates to serve on the Board and carry out the duties and responsibilities of the Board under applicable law.
- The Corporate Governance and Nominations Committee also has primary responsibility for identifying, reviewing and evaluating candidates to be considered by the Board to fill vacancies on the Board.
- The identification of Director candidates and the nomination or recommendation of Director nominees may be from among the incumbent Directors and/or any other persons as the Corporate Governance and Nominations Committee may identify. The Corporate Governance and Nominations Committee may conduct appropriate inquiries into the background and qualifications of potential Director candidates and has the authority, in its sole discretion, to retain and terminate any search firm (and approve such search firm's fees and other retention terms) to assist in the identification and vetting of such Director candidates. The Corporate Governance and Nominations Committee also has the authority to adopt, or recommend for adoption by the Board, guidelines or other procedures for the submission by stockholders of potential candidates for nomination by The Corporate Governance and Nominations Committee or the Board.
- In determining whether to nominate or recommend the nomination by the Board, the Corporate Governance and Nominations Committee must consider the past attendance at meetings and assess an incumbent Director's participation in, and contributions to, the activities of the Board.
- If the Company is legally required by contract or otherwise to provide third parties with the ability to nominate Directors (for example, preferred stock rights to elect directors upon a dividend default, stockholder agreements, and management agreements), the recommendation and nomination of such Directors need not be subject to the foregoing.

## **9. Recommendation of Committee Members**

The Corporate Governance and Nominations Committee must recommend Directors to be appointed to the committees of the Board.

- After due consideration of the wishes, independence and qualifications of the individual Directors as well as the requirements of the Securities and Exchange Commission, other applicable law, and the NASDAQ Stock Market (or such other securities exchange listing standards applicable to the Company), the Committee must recommend to the Board annually the membership and chairmanship of each committee of the Board.

## **10. Board of Director Independence Oversight**

The Corporate Governance and Nominations Committee has responsibility for overseeing the independence of the Board.

- The Corporate Governance and Nominations Committee should consider and assess the independence of members of the Board, including whether a majority of the Board continues to be comprised of independent directors as defined by the listing standards of the NASDAQ Stock Market (or such other securities exchange listing standards applicable to the Company).

## **11. Reporting to the Board**

The Corporate Governance and Nominations Committee should apprise the full Board of its activities on a regular basis.

- The Corporate Governance and Nominations Committee should regularly communicate to the Board regarding the Corporate Governance and Nominations Committee's activities and recommendations.
- To the extent determined necessary or desirable by the Corporate Governance and Nominations Committee, the Corporate Governance and Nominations Committee may provide each Director with interim reports to apprise and update the Board of its activities.
- The Corporate Governance and Nominations Committee must keep minutes of all of its meetings or actions by written consent, which must be available to the Board for its review.

## **12. Annual Performance Evaluation of the Corporate Governance and Nominations Committee**

The Corporate Governance and Nominations Committee should conduct a self-evaluation at least annually.

- The Corporate Governance and Nominations Committee should review and evaluate its performance on at least an annual basis to determine whether it is functioning effectively in accordance with this Charter.
- The Corporate Governance and Nominations Committee should review and assess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

Subject to applicable federal law, nothing contained in this Charter is intended to, or should be construed as, creating any responsibility or liability of the members of the Corporate Governance and Nominations Committee except to the extent otherwise provided under Delaware law.

A copy of this Charter of the Corporate Governance and Nominations Committee of the Board of Autobytel Inc. shall be posted on the Company's website, [www.autobytel.com](http://www.autobytel.com).