

CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF CARLOTZ, INC.

Adopted as of January 21, 2021.

I. PURPOSE OF THE COMMITTEE

The Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of CarLotz, Inc. (the “*Company*”) shall assist the Board in its oversight responsibilities for approving and evaluating the Company’s executive compensation plans, policies and programs, taking into account factors it deems appropriate from time to time, including strategic considerations, the degree of risk to the Company and its businesses that those plans, policies and programs may imply, and the results of non-binding shareholder votes with respect to such matters. The Committee shall also oversee matters relating to management development and succession.

II. COMPOSITION OF THE COMMITTEE

The Committee shall consist of three or more independent directors as determined from time to time by the Board. Upon the recommendation of the Nominating and Corporate Governance Committee of the Board, the members and the chair of the Committee shall be appointed by the full Board on an annual basis and may be re-appointed or replaced at the Board’s sole discretion at any time. If the Board does not designate a chair, the members of the Committee, by a majority vote, may designate a chair. Any vacancy on the Committee shall be filled by majority vote of the Board. The Committee may form one or more subcommittees, each of which may take such actions as may be delegated by the Committee to the extent permitted by law.

Each Committee member shall meet the independence and experience requirements established for compensation committee members under the Nasdaq listing rules and applicable law. Unless otherwise determined by the Board, each member of the Committee shall meet the qualifications of a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”).

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee shall meet at least two times each fiscal year. The chair shall each year establish a schedule of meetings; additional meetings may be scheduled as required. Meetings shall be called by the chair of the Committee or, if there is no chair, by a majority of the members of the Committee. Meetings may be held telephonically or by other electronic means to the extent permitted by the Company’s organizational documents and applicable law. Committee actions may be taken by unanimous written consent. A majority of the members of the Committee shall constitute a quorum. All determinations shall be made by a majority of the members present at a meeting duly called and held. The Committee shall report its activities to the Board on a regular basis and shall make such recommendations to the Board as it deems appropriate. Minutes for all meetings shall be prepared, circulated in draft form, and approved.

The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. However, the Committee shall meet at least annually without such members present, and in all cases the Chief Executive Officer of the Company (the “*CEO*”) and any other such officers of the

Company shall not be present during the portions of meetings at which their individual compensation or performance is discussed or determined.

IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

Executive Compensation

The Committee shall have the following duties and responsibilities with respect to the Company's executive compensation plans:

- (a) Review at least annually the Company's compensation philosophy and goals and objectives of the Company's executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.
- (b) Evaluate annually the performance of the CEO in light of the goals and objectives of the Company's executive compensation plans, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the CEO's compensation level based on this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee shall consider factors as it determines relevant, which may include, for example, the Company's performance, the value of similar awards to chief executive officers of comparable companies, and the awards given to the CEO in past years.
- (c) Evaluate annually the performance of the other executive officers of the Company in light of the goals and objectives of the Company's executive compensation plans, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the compensation of such other executive officers of the Company. To the extent that long-term incentive compensation is a component of such executive officer's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the CEO. The Committee may take into consideration the CEO's recommendations with respect to the compensation of the other executive officers.
- (d) Review and approve any employment or similar contract, severance, change in control, or termination arrangements to be made with any executive officer of the Company and their reasonableness in light of practices at comparable companies and any benefits received by the Company in connection with such arrangements.
- (e) Establish and review policies concerning perquisites or other personal benefits to the Company's executive officers.
- (f) Review and recommend to the Board for approval the frequency with that the Company will conduct say-on-pay votes, taking into account the results of the most recent stockholder advisory vote on frequency of say-on-pay votes as required by Section 14A of the Exchange Act; review and approve the proposals regarding the say-on-pay vote and the frequency of the say-on-pay vote to be included in the Company's proxy statement filed with the SEC; and, to the

extent the Committee determines it appropriate to do so, take such results into consideration in connection with the review and approval of executive officer compensation.

- (g) Prepare the report of the Committee in accordance with the rules and regulations of the SEC for inclusion in the Company's annual proxy statement or Annual Report on Form 10-K.
- (h) Review and discuss with management the Compensation Discussion and Analysis proposed for inclusion in the Company's Annual Report on Form 10-K and annual proxy statement and recommend to the Board whether such section should be so included.
- (i) To the extent it deems necessary, implement, as well as review and amend the Company's "clawback" policy covering the Company's executive officers or other employees subject to Section 16 of the Exchange Act.
- (j) Establish and monitor compliance with the Company's equity ownership guidelines and equity retention requirements that are applicable to the Company's executive officers.

Incentive Compensation, Equity-Based and Employee Benefit Plans

The Committee shall have the following duties and responsibilities with respect to the Company's incentive compensation, equity-based and employee benefit plans:

- (a) Review at least annually the goals and objectives of the Company's incentive compensation and equity-based plans in which directors or executive officers participate, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.
- (b) Review periodically, as needed, the Company's employee benefit plans, in light of the goals and objectives of these plans.
- (c) Review at least annually the Company's incentive compensation and equity-based plans in which directors or executive officers participate, in light of the goals and objectives of these plans and recommend that the Board amend these plans if the Committee deems it appropriate.
- (d) Review and recommend to the Board for approval all equity-compensation plans to be submitted for stockholder approval under the Nasdaq rules, and to review and, in the Committee's sole discretion, approve all equity-compensation plans that are exempt from such stockholder approval requirement.

Talent Development and Succession Planning

The Committee shall review the development of senior executives, including executive succession plans of the Company and plans for emergency succession in the event of unexpected disability or departure of executive officers and oversee any associated risks, and make recommendations to the Board relating to the election of the Company's executive officers.

Other Regulatory Compliance Matters

In consultation with senior management, the Committee shall oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility or in certain circumstances, to not preserve tax deductibility at the Committee's full discretion.

Human Capital Management

The Committee shall periodically review the Company's human capital management policies, programs and initiatives, including policies, programs and initiatives focusing on the Company's culture, talent development, retention and diversity and inclusion.

Risk Management

The Committee shall periodically review the Company's compensation policies and practices as they relate to risk management practices and/or incentives that enhance risk-taking in order to assess whether such policies and practices create risks that are reasonably likely to have a material adverse effect on the Company. In connection with such review, the Committee may, as it considers appropriate, consult with, or receive a report from, the Company's management concerning compensation practices and policies for the Company's non-executive officers.

Charter Modifications/Updating

The Committee shall review this Charter of the Compensation Committee (the "***Charter***") at least annually and may recommend to the Board from time to time any proposed changes to the Charter and to any other documents related to the responsibilities of the Committee.

Other Matters

The Committee shall also perform such other duties and responsibilities as are consistent with this Charter, the Company's organizational documents or as the Committee or the Board otherwise deems necessary and appropriate.

V. ROLE OF CHIEF EXECUTIVE OFFICER

The CEO may make, and the Committee may consider, recommendations to the Committee regarding the Company's employee benefit plans and practices, including its executive compensation, incentive-compensation and equity-based plans with respect to the Company's executive officers other than the CEO.

VI. EVALUATION OF THE COMMITTEE

The Committee shall, no less frequently than annually and in coordination with the Nominating and Corporate Governance Committee, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

VII. OUTSIDE ADVISERS

The Committee shall have the authority, in its sole discretion, to retain or obtain the advice of, and terminate, compensation consultants, independent legal counsel, an executive search firm or accounting or other professional advisers or consultants to provide advice to the Committee it believes necessary or appropriate to carry out its duties. The Committee may also use the services of the Company's regular legal counsel or other advisors to the Company.

In retaining or seeking advice from compensation consultants, independent legal counsel, an executive search firm, or accounting or other professional advisers or consultants (other than the Company's in-house counsel), the Committee shall take into consideration the factors specified in the Nasdaq listing rules.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel, an executive search firm or any other adviser or consultant retained by the Committee and for ordinary and administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may consult with Company management on compensation issues, including a consideration of data and other material presented by Company management with respect to executive compensation and any other information requested by the Committee.