

LKQ CORPORATION
CODE OF BUSINESS CONDUCT AND ETHICS
March 22, 2004

1. INTRODUCTION

The Code of Business Conduct and Ethics (the “*Code*”) is applicable to all officers, directors and employees of LKQ Corporation and its subsidiaries (collectively, “*LKQ*”). The persons to whom this Code applies are referred to herein as “*Covered Persons*.” LKQ is committed to the highest ethical standards, to conducting its business with the highest level of integrity, and to full compliance with applicable laws, rules, and regulations. The Code provides a set of basic principles to guide Covered Persons regarding the minimum ethical requirements expected of them. The Code supplements our existing employee policies, including those specified in the employee handbook, and also supplements various other codes of ethics, policies and procedures that LKQ has adopted. All Covered Persons have a responsibility to maintain a work environment that fosters fairness, respect and integrity.

LKQ expects all employees to seek guidance and advice of a supervisor, manager or the Human Resources Department if there is any question about issues discussed in this Code. If you observe possible unethical or illegal conduct, you should report your concerns or complaints in the manner described below. You are bound by the requirements and standards set forth in this Code, and your violation of this Code will subject you to disciplinary action, which may include termination of employment.

All capitalized terms not otherwise defined in the text of this Code have meanings ascribed in Section 16, “Definitions.”

2. COMPLIANCE WITH LAWS, RULES, AND REGULATIONS

All Covered Persons are required to comply with all of the applicable laws, rules and regulations of the United States, and the states, counties, cities and other jurisdictions where LKQ conducts its business. In some instances, local laws may be less restrictive than the principles contained in this Code. In those situations, Covered Persons should comply with this Code, even if their conduct would be legal under applicable laws. On the other hand, if local laws are more restrictive than this Code, Covered Persons should comply with applicable laws. In this context, legal compliance includes, without limitation, compliance with LKQ’s Insider Trading Policy, which prohibits persons subject to that policy from trading LKQ securities while in possession of material non-public information or communicating material non-public information to others in violation of the law. Those persons subject to the Insider Trading Policy previously received a copy of the policy.

3. CONFLICTS OF INTEREST

All Covered Persons must conduct themselves in a manner so as to avoid a conflict of interest, either real or apparent. A conflict of interest is any circumstance where an individual’s personal interest interferes or even appears to interfere with the interests of LKQ. All Covered Persons have a duty to avoid financial, business or other relationships that might be opposed to the interests of LKQ, or might cause a conflict with the performance of their duties. Conflicts may arise when a Covered Person, or a member of his or her family, receives improper personal benefits as a result of his or her position in LKQ.

4. CONFIDENTIALITY

Covered Persons must maintain the confidentiality of information entrusted to them by LKQ, its business, suppliers, customers and stockholders, except when disclosure is authorized or legally required. Covered Persons must be continuously sensitive to the confidential and privileged nature of the information to which they have access concerning LKQ, and must exercise the utmost discretion when discussing any work-related matters with third parties. Each Covered Person must safeguard LKQ's Confidential Information and not disclose it to a third party without the prior consent of senior management. "**Confidential Information**" includes information, knowledge, ideas, documents or materials that are owned, developed or possessed by LKQ or that in some other fashion are related to confidential or proprietary matters of LKQ, its business, suppliers, customers or stockholders.

LKQ employees are expected to sign an acknowledgment regarding the confidentiality policy set forth above at the time they become employed with LKQ, and are expected to comply with the confidentiality policy not only during their employment with LKQ, but also after the end of their employment with LKQ.

5. CORPORATE OPPORTUNITIES

Covered Persons are prohibited from (a) taking for themselves opportunities that are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with LKQ.

6. FAIR DEALING

Each Covered Person should endeavor to deal fairly with LKQ's customers, suppliers and competitors and not to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

7. PROTECTION AND USE OF COMPANY PROPERTY

During their employment with LKQ, all Covered Persons should protect LKQ's assets and ensure they are used for legitimate business purposes. Improper use includes unauthorized personal appropriation or use of LKQ's assets, data or resources, including computer equipment, software and data.

8. STANDARDS OF BUSINESS CONDUCT

LKQ is committed to fostering a work environment where all individuals are treated with respect and dignity. Each individual should be permitted to work in a business-like atmosphere that promotes equal employment opportunities.

9. DISCLOSURE IN REPORTS AND DOCUMENTS

As a public company, LKQ's filings with the Securities and Exchange Commission (the "**SEC**") and other federal and state regulatory agencies must be timely, complete, fair and accurate. Depending on his or her position with LKQ, a Covered Person may be called upon to provide necessary information to assure that LKQ's public reports and regulatory filings are timely, complete, fair and accurate.

LKQ's policy is to comply with all applicable financial reporting and accounting regulations. LKQ expects all Covered Persons to record information accurately and truthfully. LKQ also expects all Covered Persons to be diligent in providing accurate information in response to any inquiries related to LKQ's public disclosure requirements. Covered Persons must cooperate and comply with LKQ's disclosure controls and procedures so that LKQ's reports and documents filed with the SEC and other federal and state regulatory agencies comply in all material respects with applicable laws, rules and regulations.

10. POLITICAL CONTRIBUTIONS

In many jurisdictions, election laws prohibit political contributions by corporations to candidates. Many local laws also prohibit corporate contributions to local political campaigns. As a result, LKQ does not make direct contributions to any candidates for federal, state or local offices where applicable laws make these contributions illegal. Contributions to political campaigns must not be, or appear to be, made with or reimbursed by LKQ's funds or resources. A Covered Person may make personal political contributions as he or she sees fit, in accordance with all applicable laws.

11. ACCOUNTABILITY FOR COMPLIANCE WITH THIS CODE

LKQ is committed to uphold ethical standards in all of its corporate and business activities. A violation of this Code may result in appropriate disciplinary action, including possible termination from employment with LKQ. Nothing in this Code restricts LKQ from taking any disciplinary action on any matters pertaining to the conduct of a Covered Person, whether or not expressly set forth in this Code.

12. REPORTING VIOLATIONS

Violations of this Code. In general, if you have any questions or concerns about compliance with this Code, you are encouraged to speak with your supervisor, manager, representatives of the Human Resources Department, or LKQ's General Counsel. Supervisors and managers are required to notify the General Counsel or the Audit Committee, who each have authority to investigate instances of any event or activity that constitutes a violation or possible violation of this Code. If you do not feel comfortable talking to any of these persons for any reason, you should complete the Business Conduct and Ethics Policy Report Form attached as **EXHIBIT A** and submit it to LKQ's General Counsel. You may complete this report form and send it in anonymously. LKQ will treat the information set forth in any report form in a confidential manner, if you so request, unless confidentiality is incompatible with a full and fair investigation. The Audit Committee or the General Counsel will conduct a prompt and appropriate evaluation and investigation of any matter reported. Failure to report knowledge of a violation of this Code or other misconduct may result in disciplinary action. Covered Persons are expected to cooperate in any investigations of reported violations. This Code is intended to encourage and enable employees and others to raise serious concerns within LKQ; however, any allegations that prove unsubstantiated and that are made maliciously will be viewed as a serious disciplinary offense.

Accounting/Auditing Complaints. Please refer to LKQ's Policy for Handling Complaints Regarding Accounting and Auditing Matters.

13. WAIVERS OF THIS CODE OF BUSINESS CONDUCT AND ETHICS

Any change in or waiver of this Code may be made only by the Board of Directors of LKQ or a committee thereof, and may require prompt disclosure as required by law or NASDAQ regulations. See also "Waiver Requests" in Section 15 of this Code.

14. Compliance Standards and Procedures

Training and Educational Requirements.

- **Orientation.** New Covered Persons will receive a copy of this Code during the orientation process conducted by the Human Resources Department and shall acknowledge that they have received, read and understand this Code and will comply with its requirements.
- **Continuing Education.** Covered Persons shall be required to complete additional training and continuing education requirements as LKQ shall from time to time establish.

Waiver Requests. A Covered Person may submit to the General Counsel a written request for a waiver of this Code only if he/she can demonstrate that such a waiver:

- is necessary to alleviate undue hardship or in view of unforeseen circumstances or is otherwise appropriate under all the relevant facts and circumstances;
- will not be inconsistent with the purposes and objectives of this Code;
- will not adversely affect the interests of LKQ; and
- will not result in a transaction or conduct that would violate any applicable laws or regulations.

The General Counsel will forward all waiver requests to LKQ's Board of Directors or a committee thereof for consideration. Any decision to grant a waiver from this Code shall be at the sole and absolute discretion of the board or appropriate committee thereof. The General Counsel of LKQ will promptly advise the Covered Person in writing of the Board's decision regarding the waiver, including the grounds for granting or denying the waiver request.

15. CONFIDENTIALITY

All reports and records prepared or maintained pursuant to this Code shall be considered confidential and shall be maintained and protected accordingly. This Code is intended solely for the internal use by LKQ and does not constitute an admission, by or on behalf of LKQ, as to any fact, circumstance, or legal conclusion.

LKQ CORPORATION
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REPORT FORM

Your name: _____

Department: _____

Supervisor: _____

Telephone: _____

E-mail: _____

LKQ WILL TREAT ALL REPORTS MADE UNDER THIS CODE AS CONFIDENTIAL AND PRIVILEGED TO THE FULLEST EXTENT PERMITTED BY LAW.

IF YOU MAKE A REPORT UNDER THIS CODE, LKQ WILL EXERCISE PARTICULAR CARE TO KEEP YOUR IDENTITY CONFIDENTIAL UNTIL A FORMAL INVESTIGATION IS LAUNCHED. AT THAT POINT, YOUR IDENTITY MAY BE KEPT CONFIDENTIAL, IF REQUESTED, UNLESS CONFIDENTIALITY IS INCOMPATIBLE WITH A FULL AND FAIR INVESTIGATION, UNLESS THERE IS AN OVERRIDING REASON FOR IDENTIFYING YOU OR UNLESS DISCLOSURE OF YOUR IDENTITY IS REQUIRED BY LAW.

Describe Reportable Activity: _____

Date you became aware of Reportable Activity: _____, 200__

Reportable Activity is: ___ Ongoing ___ Completed ___ Unclear whether ongoing or completed

Department suspected of Reportable Activity: _____

Individual(s) suspected of Reportable Activity: _____

How did you become aware of the Reportable Activity? _____

Describe any steps you took prior to completing this Report Form (e.g., informed supervisor): _____

Who, if anyone, may be harmed or affected by the Reportable Activity? _____

If possible, estimate the amount of loss to LKQ as a result of the Reportable Activity:

Actual: _____ Potential: _____

Please provide any suggestions for remedying the Reportable Activity: _____

Do you wish to be contacted by the General Counsel or Audit Committee of the Board of Directors regarding the status of the investigation: ___ Yes ___ No

Please return this form to:

- Victor M. Casini, LKQ's General Counsel:

Phone Number: 312-280-3708

Fax Number: 312-280-3730

Mailing Address:

LKQ Corporation

120 N. LaSalle St., Suite 3300

Chicago, IL 60602

- If you are not comfortable speaking with Mr. Casini or if he is unavailable and the matter is urgent, you may contact the Audit Committee of the Board of Directors (contact information for the Audit Committee members can be obtained by calling LKQ's headquarters at 312-621-1950).