

**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) October 5, 2018



U.S. AUTO PARTS NETWORK, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33264
(Commission
File Number)

68-0623433
(IRS Employer
Identification No.)

16941 Keegan Avenue, Carson, CA 90746
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (424) 702-1455

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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

On October 5, 2018, U.S. Auto Parts Network, Inc. (the “*Company*”) and Aaron Coleman, the Company’s Chief Executive Officer and Director (“*Mr. Coleman*”), entered into a separation agreement to set forth the terms and conditions of Mr. Coleman’s separation from service with the Company (the “*Separation Agreement*”). As memorialized in the Separation Agreement, Mr. Coleman has resigned as Chief Executive Officer and Director of the Company to pursue other interests. Mr. Coleman’s resignation is not the result of any dispute or disagreement with the Company on any matter relating to the Company’s operations, policies, practices or financial statements, including its controls or other financial related matters. In connection with Mr. Coleman’s resignation, the Company has initiated a search for a new Chief Executive Officer and until one is appointed, Mr. Coleman has agreed to stay on in his current role as Chief Executive Officer and Director through the earlier of (i) the date his successor is appointed by the Company’s Board of Directors; (ii) March 31, 2019; or (iii) Mr. Coleman’s death or disability (such date, the “*Separation Date*”).

Pursuant to the terms of the Separation Agreement, Mr. Coleman has executed a general release of all claims against the Company, and Mr. Coleman will be entitled to receive the following benefits in accordance with the terms of his employment agreement and equity grants previously entered into with the Company:

- Continuation of his base salary for a period of twelve (12) months following the Separation Date, payable on a bi-weekly basis in accordance with the Company’s payroll practices for its employees;
- If Mr. Coleman elects continuation coverage under the Company’s medical plan under COBRA, reimbursement for his COBRA payments for a period of twelve (12) months following the Separation Date;
- Accelerated vesting of 249,650 restricted stock unit awards and 166,722 performance-based restricted stock unit awards to be automatically accelerated on the Separation Date; and
- An extended option exercise period following the Separation Date during which all of Mr. Coleman’s outstanding vested stock options shall remain exercisable until the earlier of (i) the expiration of such options, or (ii) a period of twelve (12) months following the Separation Date.

The Separation Agreement also provides, among other things, that Mr. Coleman will abide by confidentiality, non-solicitation and non-disparagement covenants entered into with the Company, and that he will continue to cooperate with the Company in any litigation or similar proceedings relating to his service with the Company.

The foregoing description of the Separation Agreement is qualified in its entirety by reference to the Separation Agreement and Release of Claims which is filed as Exhibit 10.1 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Separation Agreement and Release of Claims, dated October 5, 2018, by and between U.S. Auto Parts Network, Inc. and Aaron Coleman.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 5, 2018

U.S. AUTO PARTS NETWORK, INC.

By: /s/ Neil T. Watanabe
Neil T. Watanabe
Chief Financial Officer

SEPARATION AGREEMENT AND RELEASE OF CLAIMS

This Separation Agreement and Release of Claims (the “*Agreement*”) is made effective October 5, 2018 (the “*Effective Date*”), by and between Aaron Coleman (“*Employee*”) and U.S. Auto Parts Network, Inc., its officers, directors, employees, foreign and domestic subsidiaries, benefit plans and plan administrators, affiliates, agents, joint ventures, attorneys, successors and/or assigns (collectively referred to as “*Company*”).

RECITALS

WHEREAS, Employee currently serves as the Chief Executive Officer and a Director of the Company, and Employee and Company have mutually agreed that Employee resign from the Company, contingent upon the Company treating the separation as a termination without cause under the terms of his Employment Agreement dated March 30, 2017, by and between the Company and Employee and the terms of his equity grants previously entered into with the Company.

WHEREAS, the Company has initiated a search for a new Chief Executive Officer, and as a condition to the terms herein, Employee has agreed to stay on as Chief Executive Officer and a Director until the earlier of (i) such date as the Company’s Board of Directors appoints a Chief Executive Officer as a successor to Employee, (ii) March 31, 2019, (iii) Employee’s death, or (iv) the occurrence of a physical or mental impairment which, the Board of Directors determines, after consideration and implementation of reasonable accommodations, precludes the Employee from performing his essential job functions for a period longer than three consecutive months or a total of one hundred twenty (120) days in any twelve month period (such earliest date, the “*Separation Date*”).

WHEREAS, the parties desire to settle all claims and issues that have, or could have been raised by Employee in relation to Employee’s employment with Company and arising out of or in any way related to the acts, transactions or occurrences between Employee and Company to date, including, but not limited to, Employee’s employment with Company or the termination of that employment, on the terms set forth below.

THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, it is agreed by and between the undersigned as follows:

AGREEMENTS

Based upon the foregoing, and in consideration of the mutual promises contained in this Agreement, Employee and the Company agree, effective upon the date of execution by Employee, as follows:

1. Severance Package. In exchange for the promises set forth herein, Company agrees to provide Employee with the following payments and benefits (“*Severance Package*”), to which Employee is not otherwise entitled. Employee
-

acknowledges and agrees that this Severance Package constitutes adequate legal consideration for the promises and representations made by Employee in this Separation Agreement.

(a) Severance Payment. Company agrees to provide Employee with a severance payment equal to twelve (12) months of Employee's base salary, Four Hundred Ten Thousand Dollars (\$410,000), less all applicable federal and state income and employment taxes ("**Severance Payment**"). The Severance Payment will be paid out on a bi-weekly basis over the twelve (12) month period following the Separation Date in accordance with the Company's payroll practices for its employees.

(b) Continuation of Group Health Benefits. Provided that Employee elects to continue his group health care coverage pursuant to the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), and remains eligible for these benefits, Company agrees to reimburse Employee for the COBRA premiums required to continue the group health care coverage for Employee and those dependents of Employee who were enrolled as participants in Company's group health care coverage as of the Separation Date, for COBRA coverage through the twelve (12) month period following the Separation Date.

(c) Acceleration of Vesting; Extension of Option Exercise Period . Company shall cause the vesting of each of Employee's outstanding restricted stock unit awards and performance-based restricted stock unit awards that are specifically identified in Exhibit A hereto ("Stock Awards") to be automatically accelerated on the Separation Date. In addition, all of Employee's vested stock options shall remain exercisable by Employee until the earlier of (i) twelve (12) months following the Separation Date, (ii) the lapse of the maximum term of the stock option, or (iii) the lapse of the term of the stock option resulting from a change of control of the Company. Company shall be entitled to withhold applicable federal and state income and employment taxes related to the vesting contemplated by this Section 1(c) from amounts payable hereunder.

2. Tax Liability. Employee assumes full responsibility for any and all taxes, interest and/or tax penalties that may ultimately be assessed upon any payments made by Company provided hereunder. In the event that any taxing authority seeks to collect taxes, interest and/or penalties from the Company on the consideration conveyed to Employee under this Agreement, Employee will hold the Company harmless from any and all claims for such taxes, interest and/or tax penalties and will indemnify the Company against any such tax-related claims.

3. Acknowledgment. The Company will pay Employee all regular salary, expenses, commissions, distributions, and Company benefits due and owing

as of the Separation Date, less appropriate withholdings and is not owed any monies allowed, including but not limited to those required under the California Labor Code, as of the Separation Date. This sum is not consideration for this Agreement. The Company will pay Employee for any vacation days that Employee has accrued but has not used as of the Separation Date. This sum is likewise not consideration for this Agreement. Information regarding the transfer or distribution of Employee's USAP 401(k) Retirement Plan account (if applicable) will be provided to Employee under separate cover by Fidelity Investments Consideration following the Separation Date.

4. Non-Admission of Liability.

The Company hereby disclaims any wrongdoing against Employee. Indeed, Employee agrees that neither this Agreement, nor the furnishing of the consideration for the release contained herein shall be deemed or construed at any time for any purpose as an admission by Company of any liability or unlawful conduct of any kind.

5. Release.

(a) Employee, on behalf of Employee, Employee's spouse, successors, heirs, and assigns, hereby forever relieves, releases, and discharges the Company as well as its past, present and future officers, directors, administrators, shareholders, employees, agents, successors, subsidiaries, parents, assigns, representatives, brother/sister corporations, and all other affiliated or related corporations, all benefit plans sponsored by the Company, and entities, and each of their respective present and former agents, employees, or representatives, insurers, partners, associates, successors, and assigns, and any entity owned by or affiliated with any of the above (collectively, the "**Released Parties**"), from any and all claims, debts, liabilities, demands, obligations, liens, promises, acts, agreements, costs and expenses (including but not limited to attorneys' fees), damages, actions, and causes of action, of whatever kind or nature, including but not limited to any statutory, civil, administrative, or common law claims, whether known or unknown, suspected or unsuspected, fixed or contingent, apparent or concealed, arising out of any act or omission occurring before Employee's execution of this Agreement, including but not limited to any claims based on, arising out of, or related to Employee's employment with, or the separation of Employee's employment or other service with the Company, any claims arising from rights under federal, state, and local laws relating to the regulation of federal or state tax payments or accounting; federal, state or local laws that prohibit harassment or discrimination on the basis of race, national origin, religion, sex, gender, age, marital status, bankruptcy status, disability, perceived disability, ancestry, sexual orientation, family and medical leave, or any other form of harassment or discrimination or related cause of action (including but not limited to failure to maintain an environment free from harassment and

retaliation, inappropriate comments or touching and/or “off-duty” conduct of other Company employees); statutory or common law claims of any kind, including but not limited to, any alleged violation of Title VII of the Civil Rights Act of 1964, The Civil Rights Act of 1991, Sections 1981 through 1988 of Title 42 of the United States Code, as amended; The Employee Retirement Income Security Act of 1971, as amended, The Americans with Disability Act of 1990, as amended, the Age Discrimination in Employment Act, 29 U.S.C. Sections 621 *et. seq.*, the Workers Adjustment and Retraining Notification Act, as amended; the Occupational Safety and Health Act, as amended, the Sarbanes-Oxley Act of 2002, the California Family Rights Act (Cal. Govt. Code § 12945.2 *et. seq.*), the California Fair Employment and Housing Act (Cal. Govt. Code § 12900 *et. seq.*), statutory provision regarding retaliation/discrimination for filing a workers’ compensation claim under Cal. Labor Code § 132a, California Unruh Civil Rights Act, California Sexual Orientation Bias Law (Cal. Lab. Code § 1101 *et. seq.*), California AIDS Testing and Confidentiality Law, California Confidentiality of Medical Information (Cal. Civ. Code § 56 *et. seq.*), contract, tort, and property rights, breach of contract, breach of implied-in-fact contract, breach of the implied covenant of good faith and fair dealing, tortious interference with contract or current or prospective economic advantage, fraud, deceit, invasion of privacy, unfair competition, misrepresentation, defamation, wrongful termination, tortious infliction of emotional distress (whether intentional or negligent), breach of fiduciary duty, violation of public policy, or any other common law claim of any kind whatsoever; any claims for severance pay, sick leave, family leave, liability pay, overtime pay, vacation, life insurance, health insurance, continuation of health benefits, disability or medical insurance, or Employee’s 401(k) rights or any other fringe benefit or compensation; and any claim for damages or declaratory or injunctive relief of any kind. The Parties agree and acknowledge that the release contained in this Paragraph 5 does not apply to any vested rights Employee may have under any 401(k) Savings Plan with the Company. Employee represents that at the time of the execution of this Agreement; Employee suffers from no work-related injuries and has no disability or medical condition as defined by the Family Medical Leave Act. Employee represents that Employee has no workers’ compensation claims that Employee intends to bring against the Company. Employee understands that nothing contained in this Agreement, including, but not limited to, this Paragraph 5, will be interpreted to prevent Employee from filing a charge with a governmental agency or participating in or cooperating with an investigation conducted by a governmental agency, including the Equal Employment Opportunity Commission. Employee further acknowledges that this release also releases the Company for all claims of unpaid wages, including unpaid overtime wages, related to Employee’s employment with the Company and subject to the terms of this Agreement.

(b) Mistakes in Fact; Voluntary Consent. The Parties, and each of them, expressly and knowingly acknowledges that, after the execution of this Agreement, the Parties may discover facts different from or in addition to those that they now know or believe to be true with respect to the claims released in this

Agreement. Nonetheless, this Agreement shall be and remain in full force and effect in all respects, notwithstanding such different or additional facts and Employee intends to fully, finally, and forever settle and release those claims released in this Agreement. In furtherance of such intention, the release given in this Agreement shall be and remain in effect as a full and complete release of such claims, notwithstanding the discovery and existence of any additional or different claims and each Parties assume the risk of misrepresentations, concealments, or mistakes, and if the Parties should subsequently discover that any fact relied upon in entering into this Agreement was untrue, that any fact was concealed, or that Employee's understanding of the facts or law was incorrect, Employee shall not be entitled to set aside this Agreement or the settlement reflected in this Agreement or be entitled to recover any damages on that account.

(c) Section 1542 of the California Civil Code. Employee expressly waives any and all rights and benefits conferred upon Employee by Section 1542 of the California Civil Code, which states as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN EMPLOYEE'S FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY EMPLOYEE MUST HAVE MATERIALLY AFFECTED EMPLOYEE'S SETTLEMENT WITH THE DEBTOR.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the Released Parties, Employee expressly acknowledges this General Release is intended to include in its effect, without limitation, all claims Employee does not know or suspect to exist in Employee's favor at the time of signing this Agreement, and that this General Release contemplates the extinguishment of any such claim. Employee warrants that Employee has read this General Release, including this waiver of California Civil Code section 1542, and that Employee has consulted counsel about this Agreement and specifically about the waiver of section 1542, and that Employee understands this Agreement and the section 1542 waiver, and so Employee freely and knowingly enters into this Agreement. Employee acknowledges that Employee may later discover facts different from or in addition to those Employee now knows or believes to be true regarding the matters released or described in this General Release, and even so Employee agrees that the releases and agreements contained in this General Release shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Employee assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Agreement or with regard to any facts now unknown to Employee relating thereto. Employee hereby expressly waives and relinquishes all rights and benefits under the

foregoing section and any law of any other jurisdiction of similar effect with respect to Employee's release of any unknown or unsuspected claims herein.

Accordingly, Employee knowingly, voluntarily and expressly waives any rights and benefits arising under Section 1542 of the California Civil Code and any other statute or principle of similar effect.

(d) No Lawsuits. Employee agrees to take any and all steps necessary to insure that no lawsuit arising out of any claim released herein shall ever be prosecuted by Employee or on Employee's behalf in any forum, and hereby warrants and covenants that no such action has been filed or shall ever be filed or prosecuted. Employee also agrees that if any claim is prosecuted in Employee's name before any court or administrative agency that Employee waives and agrees not to take any award or other damages from such suit to the extent permissible under applicable law.

6. Confidential and Proprietary Information / Return of Company Property. Employee acknowledges that as a result of Employee's employment with the Company, Employee has had access to the Company's confidential and proprietary business information, including, but not limited to, product information, pricing strategies, vendor and supplier information, business plans, research and development activities, manufacturing and marketing techniques, technological and engineering data, processes and inventions, legal matters affecting the Company and its business, customer and prospective customers information, trade secrets, bid prices, contractual terms and arrangements, prospective business transactions, and financial and business forecasts ("**Confidential Information**"). Employee also acknowledges and reaffirms Employee's compliance and ongoing obligation to comply with that certain Confidential Information and Invention Assignment Agreement previously entered into with the Company. Confidential Information also includes information, knowledge or data of any third party doing business with the Company that the third party has identified as being confidential. Employee agrees not to use or to disclose to anyone any Confidential Information at any time in the future without the prior written authorization of the Company, unless ordered to do so by a court of competent jurisdiction. In the event of any such court order, Employee agrees to promptly notify the Company and to afford the Company the opportunity to take appropriate legal action prior to Employee's disclosure of any Confidential Information.

Employee understands and acknowledges that whether or not Employee signs this Agreement, Employee has both a contractual and common law obligation to protect the confidentiality of the Company's trade secret information after the termination of Employee's employment for so long as the information remains confidential. Employee further agrees to immediately return all Company property in Employee's possession, including but not limited to all materials, documents, photographs, handbooks, manuals, electronic records, files, laptop computer, cellular telephones, keys and access cards, no later than two days after the Separation Date and Employee certifies that Employee has not

and will not retain any Company property, trade secret or other operating or strategic information following the Separation Date.

7. Resignation as Chief Executive Officer and Director. As a condition to the terms in this Agreement, Employee hereby agrees to continue in his role as Chief Executive Officer and a Director through the Separation Date. Effective as of the Separation Date, Employee hereby resigns from his position as Company's Chief Executive Officer and a Director and all other employee and officer positions of Company, including other employee, officer and director positions of its subsidiaries and affiliates and Employee agrees to take any and all actions as may be necessary to effect such resignations on the Separation Date.

8. Non-Solicitation and Non-Disparagement. Employee will not directly or indirectly for a period of one (1) year following the Separation Date, attempt to disrupt, damage, impair or interfere with the Company's business by raiding or hiring any of the Company's employees or soliciting any of them to resign from their employment by the Company, or by disrupting the relationship between the Company and any of its consultants, agents, representatives, vendors, customers and other business partners. Employee acknowledges that this covenant is necessary to enable the Company to maintain a stable workforce and remain in business. Employee further agrees that Employee will not make any voluntary statements, written or oral, or cause or encourage others to make any statements that defame, disparage or in any way criticize the personal and/or business reputations, practices or conduct of Company or any of the other Company Released Parties.

9. Remedies. Employee understands and agrees that in the event Employee violates any provision of this Agreement, including the provisions set forth in Paragraphs 5, 6, or 8, then (a) the Company shall have the right to apply for and receive an injunction to restrain any violation of this Agreement; (b) the Company shall have the right to immediately discontinue any enhanced benefit provided under this Agreement; (c) Employee will be obligated to reimburse the Company its cost and expenses incurred in defending Employee's lawsuit and enforcing this Agreement, including the Company's court costs and reasonable attorneys' fees; and (d) as an alternative to (c), at the Company's option, Employee shall be obligated upon demand to repay the Company the cost of all but \$500 of the enhanced benefits paid under this Agreement. Employee acknowledges and agrees that the covenants contained in this Paragraph 9 shall not affect the validity of this Agreement and shall not be deemed to be a penalty or forfeiture. The remedies available to the Company pursuant to this Paragraph 9 are in addition to, and not in lieu of, any remedies which may be available under statutory and/or common law relating to trade secrets and the protection of the Company's business interest generally.

10. Nonassignment. Employee represents and warrants that Employee has not assigned or transferred any portion of any claim or rights Employee has or may have to any other person, firm, corporation or any other entity, and that no other person, firm, corporation, or other entity has any lien or interest in any such claim.

11. Future Cooperation. Employee agrees to cooperate reasonably with the Company, its successors, and all the Company affiliates (including the Company's outside counsel) in connection with the contemplation, prosecution and defense of all phases of existing, past and future litigation, regulatory or administrative actions about which the Company reasonably believes Employee may have knowledge or information. Employee further agrees to make himself available at mutually convenient times as reasonably deemed necessary by the Company's counsel. The Company shall not utilize this Section to require Employee to make himself available to an extent that it would unreasonably interfere with employment responsibilities that he may have, and shall pay Employee a consulting rate of \$200 per hour for his time in connection with such cooperation and reimburse Employee for any pre-approved reasonable business travel expenses that he incurs on the Company's behalf as a result of this Section, after receipt of appropriate documentation consistent with the Company's business expense reimbursement policy. Employee agrees to appear without the necessity of a subpoena to testify truthfully in any legal proceedings in which the Company calls him as a witness. Employee further agrees that he shall not voluntarily provide information to or otherwise cooperate with any individual or private entity that is contemplating or pursuing litigation or any type of action or claim against the Company, its successors or affiliates, or any of their current or former officers, directors, employees, agents or representatives.

12. Consideration and Revocation Period. Employee may revoke Employee's release of claims, insofar as it extends to potential claims under the Age Discrimination in Employment Act, by informing the Company of Employee's intent to revoke Employee's release within seven (7) calendar days following Employee's execution of this Agreement. Employee understands that any such revocation must be in writing and delivered by hand or by certified mail - return receipt requested - within the applicable period to Human Resources Department, 16941 Keegan Avenue, Carson, California 90746. Employee understands that if Employee exercises Employee's right to revoke, then the Company will have no obligations under this Agreement to Employee or to others whose rights derive from Employee.

The Agreement shall not become effective or enforceable, until the revocation period identified above has expired. The terms of this Agreement shall be open for acceptance by Employee for a period of twenty-one (21) calendar days. Employee understands that Employee should, and the Company hereby advises Employee to, consult with legal counsel regarding the releases contained herein and to consider whether to accept the Company's offer and sign the Agreement. Employee acknowledges that it has been Employee's decision alone whether or not to consult with counsel regarding this Agreement. Employee acknowledges that no proposal or actual change that Employee or Employee's counsel makes with respect to this Agreement will restart the 21-day period.

Employee acknowledges that Employee was permitted to use as much of the 21-day consideration period as Employee wished prior to signing, but by Employee's signature below Employee acknowledges that Employee has chosen to voluntarily execute this Agreement earlier and to waive the remaining days of such 21-day period.

13. Miscellaneous Provisions

(a) Integration. This Agreement, together with that certain Confidential Information and Invention Assignment Agreement previously entered into with the Company, constitutes a single, integrated written contract expressing the entire Agreement of the parties concerning the subject matter referred to in this Agreement. No covenants, agreements, representations, or warranties of any kind whatsoever, whether express or implied in law or fact, have been made by any party to this Agreement, except as specifically set forth in this Agreement. All prior and contemporaneous discussions, negotiations, and agreements have been and are merged and integrated into, and are superseded by, this Agreement, including without limitation that certain Employment Agreement dated March 30, 2017 by and between the Employee and the Company.

(b) Modifications. No modification, amendment, or waiver of any of the provisions contained in this Agreement shall be binding upon any party to this Agreement unless made in writing and signed by both parties.

(c) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law and to carry out each provision herein to the greatest extent possible, but if any provision of this Agreement is held to be void, voidable, invalid, illegal or for any other reason unenforceable, the validity, legality and enforceability of the other provisions of this Agreement will not be affected or impaired thereby.

(d) Non-Reliance on Other Parties. Except for statements expressly set forth in this Agreement, no party has made any statement or representation to any other party regarding a fact relied on by the other party in entering into this Agreement, and no party has relied on any statement, representation, or promise of any other party, or of any representative or attorney for any other party, in executing this Agreement or in making the settlement provided for in this Agreement.

(e) Negotiated Agreement. The terms of this Agreement are contractual, not a mere recital, and are the result of negotiations between the parties. Accordingly, no party shall be deemed to be the drafter of this Agreement.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the heirs, successors, and assigns of the parties hereto and each of them. In the case of the Company, this Agreement is intended to release and inure to the benefit of any affiliated corporations, parent corporations, brother-sister corporations, subsidiaries (whether or not wholly owned), divisions, shareholders, officers, directors, agents, representatives, principals, and employees.

(g) Applicable Law; Venue. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California without taking into account conflict of law principles. Employee and the Company agree to submit to personal jurisdiction in

the State of California and to venue in its courts. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(h) Attorneys' Fees. In the event suit is brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to receive, in addition to any other relief, reasonable attorneys' fees and costs.

(i) Continuing Obligations under Securities Law. Employee acknowledges that Employee continues to be subject to Company's Insider Trading policy and agrees that if Employee is aware of material nonpublic information about Company at the Separation Date, Employee agrees not to trade in securities of Company or disclose material nonpublic information about Company to a third party other than on a need-to-know basis, until that information has become public or is no longer material. Employee acknowledges that after the Separation Date Employee may continue to be subject to Section 16 of the Securities Exchange Act of 1934 ("**Section 16**") and agrees to comply with the requirements of Section 16. Employee acknowledges that Employee may continue to be an "affiliate" for purposes of federal securities law and agrees to sell Company stock in compliance with restrictions imposed by Rule 144 of the Securities Act of 1933.

(j) This Agreement may be executed via facsimile and in one or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument, binding on the parties.

EMPLOYEE ACKNOWLEDGES AND AGREES THAT EMPLOYEE HAS CAREFULLY READ AND VOLUNTARILY SIGNED THIS AGREEMENT, THAT EMPLOYEE HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF EMPLOYEE'S CHOICE, THAT BY SIGNING THIS AGREEMENT, EMPLOYEE HAS UTILIZED OR WAIVES THE 21-DAY CONSULTING PERIOD, AND THAT EMPLOYEE SIGNS THIS AGREEMENT WITH THE INTENT OF RELEASING THE COMPANY AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY AND ALL CLAIMS.

ACCEPTED AND AGREED TO:

Employee:

U.S. Auto Parts Network, Inc.:

/s/Aaron Coleman

/s/ Barry Phelps, Chairman of the Board

Signature

Signature

October 5, 2018

October 5, 2018

Date

Date

EXHIBIT A

Stock Awards

Grant	Stock Awards with Vesting Acceleration
RSU #0001013	150,000
PRSU #0001119	166,722
RSU #0001123	99,650