

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2021

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Exact Name of Registrant as Specified in its Charter, Principal Executive Office Address and Telephone Number	State of Incorporation	I.R.S. Employer Identification No.
001-37665	HERTZ GLOBAL HOLDINGS, INC 8501 Williams Road, Estero, Florida 33928 (239) 301-7000	Delaware	61-1770902
001-07541	THE HERTZ CORPORATION 8501 Williams Road, Estero, Florida 33928 (239) 301-7000	Delaware	13-1938568

Securities registered pursuant to Section 12(b) of the Act:

	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Hertz Global Holdings, Inc.	Common stock	HTZ	Nasdaq Global Select*
Hertz Global Holdings, Inc.	Warrants to purchase common stock	HTZWW	Nasdaq Global Select*
The Hertz Corporation	None	None	None

* Hertz Global Holdings, Inc.'s common stock and Public Warrants began trading exclusively on the Nasdaq Global Select Market on November 9, 2021 under the trading symbols "HTZ" and "HTZWW," respectively.

Securities registered pursuant to Section 12(g) of the Act:

Hertz Global Holdings, Inc.	None
The Hertz Corporation	None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Hertz Global Holdings, Inc. Yes o No x
The Hertz Corporation Yes o No x

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Hertz Global Holdings, Inc. Yes o No x
The Hertz Corporation¹ Yes x No o

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Hertz Global Holdings, Inc. Yes x No o
The Hertz Corporation Yes o No x

¹(Note: As a voluntary filer, The Hertz Corporation is not subject to the filing requirements of Section 13 or 15(d) of the Exchange Act. The Hertz Corporation has filed all reports pursuant to Section 13 or 15(d) of the Exchange Act during the preceding 12 months as if it was subject to such filing requirements.)

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Hertz Global Holdings, Inc. Yes x No o
The Hertz Corporation Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Hertz Global Holdings, Inc.	Large accelerated filer	x	Accelerated filer	o	Non-accelerated filer	o
	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>		
	If an emerging growth company, indicate by checkmark 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.					
The Hertz Corporation	Large accelerated filer	o	Accelerated filer	o	Non-accelerated filer	x
	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>		
	If an emerging growth company, indicate by checkmark 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.					

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C 7262(b)) by the registered public accounting firm that prepared or issued its audits report.

Hertz Global Holdings, Inc. x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Hertz Global Holdings, Inc. Yes No x

The Hertz Corporation Yes No x

The aggregate market value of the voting and non-voting common equity held by non-affiliates of Hertz Global Holdings, Inc. as of June 30, 2021, was \$2.7 billion based on the price at which the stock was sold on such date pursuant to Hertz Global Holdings, Inc.'s emergence from bankruptcy proceedings. There is no market for The Hertz Corporation stock.

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes x No

Indicate the number of shares outstanding of each of the registrants' classes of common stock, as of the latest practicable date.

	Class	Shares Outstanding as of February 17, 2022
Hertz Global Holdings, Inc.	Common Stock, par value \$0.01 per share	429,294,302
The Hertz Corporation ⁽¹⁾	Common Stock, par value \$0.01 per share	100
		⁽¹⁾ (100% owned by Rental Car Intermediate Holdings, LLC)

DOCUMENTS INCORPORATED BY REFERENCE

Hertz Global Holdings, Inc.	Information required by Items 10, 11, 12 and 13 of Part III of this Form 10-K is incorporated by reference to Hertz Global Holdings, Inc.'s definitive proxy statement for its 2022 Annual Meeting of Stockholders. Hertz Global Holdings, Inc. intends to file such proxy statement with the Securities and Exchange Commission no later than 120 days after its fiscal year ended December 31, 2021.
The Hertz Corporation	None

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

TABLE OF CONTENTS

	Page
GLOSSARY OF TERMS	i
EXPLANATORY NOTE	v
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND SUMMARY OF RISK FACTORS	vii
PART I	
ITEM 1. BUSINESS	1
ITEM 1A. RISK FACTORS	22
ITEM 1B. UNRESOLVED STAFF COMMENTS	39
ITEM 2. PROPERTIES	39
ITEM 3. LEGAL PROCEEDINGS	40
EXECUTIVE OFFICERS OF THE REGISTRANTS	41
PART II	
ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES	44
ITEM 6. [RESERVED]	47
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	47
ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	81
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	83
ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	176
ITEM 9A. CONTROLS AND PROCEDURES	176
ITEM 9B. OTHER INFORMATION	178
ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	178
PART III	
ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE	179
ITEM 11. EXECUTIVE COMPENSATION	180
ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS	180
ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE	180
ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES	181
PART IV	
ITEM 15. EXHIBIT AND FINANCIAL STATEMENT SCHEDULES	182
SIGNATURES	183
EXHIBIT INDEX	184

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

GLOSSARY OF TERMS

Unless the context otherwise requires in this Annual Report on Form 10-K for the year ended December 31, 2021, we use the following defined terms:

- (i) "2021 Annual Report" or "Combined Form 10-K" means this Annual Report on Form 10-K for the year ended December 31, 2021, which combines the annual reports for Hertz Global Holdings, Inc. and The Hertz Corporation into a single filing;
- (ii) "2021 Rights Offering" means the Company's rights offering providing for the issuance of common stock in reorganized Hertz Global by Hertz Global's former equity holders, holders of the Company Senior Notes and lenders under the Alternative Letter of Credit Facility and certain equity commitment parties pursuant to their obligations under the Equity Purchase and Commitment Agreement (the "EPCA") as further described in Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (iii) "All other operations" means our former All Other Operations reportable segment which was no longer deemed a reportable segment in the second quarter of 2021 resulting from the sale of our Donlen subsidiary on March 30, 2021;
- (iv) "Alternative Letter of Credit Facility" means the standalone \$250 million letter of credit facility that Hertz entered into in 2019 as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (v) "Americas RAC" means our rental car reportable segment established in the second quarter of 2021 consisting of the countries and regions of the U.S., Canada, Latin America and Caribbean;
- (vi) "Apollo" means Apollo Capital Management L.P. and its affiliates;
- (vii) "Bankruptcy Code" means Title 11 of the United States Code, 11 U.S.C. §§ 101-1532;
- (viii) "Bankruptcy Court" means the U.S. Bankruptcy Court for the District of Delaware;
- (ix) "Board" means the Company's board of directors;
- (x) "Certaes" means Certaes Opportunities LLC and its affiliates;
- (xi) "Chapter 11" means chapter 11 of the Bankruptcy Code;
- (xii) "Chapter 11 Cases" means the Chapter 11 cases jointly administered in the Bankruptcy Court under the caption *In re The Hertz Corporation, et al., Case No. 20-11218 (MFW)*;
- (xiii) "the Code" means the Internal Revenue Code of 1986, as amended;
- (xiv) "the Company", "we", "our" and "us" mean Hertz Global and Hertz interchangeably;
- (xv) "company-operated" or "company-owned" rental locations are those through which we, or an agent of ours, rent vehicles that we own or lease;
- (xvi) "concessions" mean licensing or permitting agreements or arrangements granting us the right to conduct our vehicle rental business at airports;

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

- (xvii) "Corporate" means corporate operations, which include general corporate assets and expenses and certain interest expense (including net interest on non-vehicle debt);
- (xviii) "COVID-19" means the global pandemic resulting from the coronavirus disease 2019;
- (xix) "the Debtors" means Hertz Global, Hertz and their direct and indirect subsidiaries in the U.S. and Canada that filed voluntary petitions for relief under Chapter 11 in the Bankruptcy Court on May 22, 2020;
- (xx) "DIP" means debtor-in-possession;
- (xxi) "DIP Credit Agreement" means the \$1.65 billion superpriority secured DIP credit facility comprised of delayed-draw term loans as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (xxii) "Dollar Thrifty" means Dollar Thrifty Automotive Group, Inc., a consolidated subsidiary of the Company;
- (xxiii) "Effective Date" means June 30, 2021 the date in which the Plan of Reorganization became effective and the Company emerged from Chapter 11;
- (xxiv) "European Vehicle Notes" means the unsecured senior notes entered into by Hertz Holdings Netherlands B.V. as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (xxv) "FASB" means the Financial Accounting Standards Board;
- (xxvi) "First Lien Credit Agreement" means the credit agreement reorganized Hertz entered into on the Effective Date as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (xxvii) "First Lien RCF" means the senior secured revolving credit facility in an aggregate committed amount of \$1.3 billion as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (xxviii) "Hertz Gold Plus Rewards" means our customer loyalty program and our global expedited rental program;
- (xxix) "Hertz" means The Hertz Corporation, its consolidated subsidiaries and VIEs, our primary operating company and a direct wholly-owned subsidiary of Rental Car Intermediate Holdings, LLC, which is wholly owned by Hertz Holdings;
- (xxx) "Hertz Global" means Hertz Global Holdings, Inc., our top-level holding company, its consolidated subsidiaries and VIEs, including The Hertz Corporation;
- (xxxi) "Hertz Ultimate Choice" is an offering at select airport locations in the U.S. that allows customers to choose their vehicle from a range of makes, models and colors available within the zone indicated on their reservation;
- (xxxii) "Hertz Holdings" refers to Hertz Global Holdings, Inc. excluding its subsidiaries and VIEs;

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

- (xxxiii) "HVF" refers to Hertz Vehicle Financing LLC, a non-Debtor, special purpose subsidiary of Hertz;
- (xxxiv) "HVF II" refers to Hertz Vehicle Financing II LP, a non-Debtor, special purpose financing subsidiary of Hertz;
- (xxxv) "HVIF" refers to Hertz Vehicle Interim Financing LLC, a non-Debtor, special purpose subsidiary of Hertz authorized by the Bankruptcy Court;
- (xxxvi) "International RAC" means our international rental car reportable segment, which, effective in the second quarter of 2021, no longer includes Canada, Latin America and the Caribbean;
- (xxxvii) "Knighthead" means Knighthead Capital Management, LLC and its affiliates;
- (xxxviii) "Lease Rejection Orders" means the Bankruptcy Court orders entered in the Chapter 11 Cases to reject certain unexpired leases in our Americas RAC segment;
- (xxxix) "Letter of Credit Facility" means the standalone \$400 million letter of credit facility that Hertz entered into in 2017 as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (xl) "non-program vehicles" means vehicles not purchased under repurchase or guaranteed depreciation programs for which we are exposed to residual risk;
- (xli) "Old Hertz Holdings" for periods on or prior to June 30, 2016, and "Herc Holdings" for periods after June 30, 2016, refer to the former Hertz Global Holdings, Inc.;
- (xlii) "Petition Date" means May 22, 2020;
- (xliii) "Plan of Reorganization" means the solicitation version of the First Modified Third Amended Joint Chapter 11 Plan of Reorganization of the Debtors (as amended, supplemented or otherwise modified in accordance with its terms);
- (xliv) "Plan Sponsors" means collectively Apollo, Knighthead and Certares;
- (xlv) "Pre-petition" means obligations of the Debtors incurred prior to the Petition Date;
- (xlvi) "Prime Clerk" means Prime Clerk, LLC, a third-party bankruptcy claims and noticing agent;
- (xlvii) "program vehicles" means vehicles purchased under repurchase or guaranteed depreciation programs with vehicle manufacturers;
- (xlviii) "Public Warrants" means 30-year public warrants as further described in Note 18, "Public Warrants - Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (xlix) "replacement renters" means renters who need vehicles while their vehicle is being repaired or is temporarily unavailable for other reasons;
- (l) "SEC" means the United States Securities and Exchange Commission;
- (li) "Senior Facilities" means our senior secured term facility (the "Senior Term Loan"), Senior RCF and Letter of Credit Facility, as further described in Note 6, "Debt," to the Notes to our consolidated financial

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;

- (lii) "Senior Notes" means our unsecured senior notes as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (liii) "Senior RCF" means our senior secured revolving credit facility, as further described in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (liv) "Senior Second Priority Secured Notes" means the 7.625% Senior Second Priority Secured Notes due 2022, as further disclosed in Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report;
- (lv) "Spin-Off" means the separation of Old Hertz Holdings' car rental business from the equipment rental business through a reverse spin-off, which was completed in June 30, 2016;
- (lvi) "Tax Reform" means legislation signed into law on December 22, 2017 which amends the U.S. Internal Revenue Code to reduce tax rates and modify policies, credits and deductions for individuals and businesses, commonly known as the "Tax Cuts and Jobs Act" ("TCJA");
- (lvii) "TNC" means transportation network companies that provide ride-hailing services that pair passengers with drivers via websites and mobile applications;
- (lviii) "TNC Partners" means certain transportation network companies where we provide rental vehicles to their drivers under agreements that specify the relevant terms;
- (lix) "U.S." means the United States of America;
- (lx) "U.S. GAAP" means accounting principles generally accepted in the U.S.;
- (lxi) "U.S. RAC" means our former U.S. rental car reportable segment, which is now part of our Americas RAC reportable segment;
- (lxii) "VIE" means variable interest entity;
- (lxiii) "Vehicle Utilization" means the portion of our vehicles that are being utilized to generate revenue; and
- (lxiv) "vehicles" means cars, vans, crossovers and light trucks.

We have proprietary rights to a number of trademarks used in this 2021 Annual Report that are important to our business, including, without limitation, Hertz, Dollar, Thrifty, Hertz Gold Plus Rewards, Hertz Ultimate Choice, Hertz 24/7 and Hertz My Car. Solely for convenience, we have omitted the ® and ™ trademark designations for trademarks named in this 2021 Annual Report, but references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

EXPLANATORY NOTE

COMBINED FORM 10-K

This 2021 Annual Report combines the annual reports on Form 10-K for the year ended December 31, 2021 of Hertz Global and Hertz.

Hertz Global owns all shares of the common stock of Hertz through its wholly-owned subsidiary, Rental Car Intermediate Holdings, LLC.

Management operates Hertz Global and Hertz as one enterprise. The management of Hertz Global consists of the same members as the management of Hertz. These individuals are officers of Hertz Global and Hertz and employees of Hertz. The members of Hertz's board of directors are all executive officers of Hertz Global.

Between May 22, 2020, the Petition Date, and June 30, 2021, the Effective Date, the Debtors operated as debtors-in-possession under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. In general, as debtors-in-possession under the Bankruptcy Code, the Debtors were authorized to continue to operate as an ongoing business but could not engage in transactions outside the ordinary course of business without the prior approval of the Bankruptcy Court.

We believe combining the annual reports on Form 10-K of Hertz Global and Hertz into this single report results in the following benefits:

- enhancing investors' understanding of Hertz Global and Hertz by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation since a substantial portion of the disclosures apply to both Hertz Global and Hertz; and
- creating time and cost efficiencies through the preparation of one combined annual report instead of two separate annual reports.

Hertz generally through its subsidiaries holds all of the revenue earning vehicles, property, plant and equipment and all other assets, including the ownership interests in consolidated and unconsolidated joint ventures and VIEs. Hertz conducts the operations of the business and is structured as a corporation with no publicly traded equity. Except for net proceeds from public equity issuances by Hertz Global and cash exercises of Hertz Global Public Warrants, which may be contributed to Hertz, Hertz generates required capital through its operations or through its incurrence of indebtedness.

Hertz Global does not conduct business itself, other than issuing public equity or debt obligations or receiving proceeds from cash exercises of public warrants from time to time, and incurring expenses required to operate as a public company. Hertz Global and Hertz have entered into a master loan agreement whereby Hertz Global may borrow from Hertz up to \$25 million. Transactions recorded under the master loan agreement are eliminated upon consolidation at the Hertz Global level but not upon consolidation at the Hertz level. Differences between the financial statements of Hertz Global and Hertz are generally limited to the activity described above and the remaining assets, liabilities, revenues and expenses of Hertz Global and Hertz are the same on their respective financial statements.

Although Hertz is generally the entity that enters into contracts and holds assets and debt, Hertz Global consolidates Hertz for financial statement purposes, and therefore, disclosures that relate to activities of Hertz also generally apply to Hertz Global. In the sections that combine disclosures of Hertz Global and Hertz, this report refers to actions as being actions of the Company, or Hertz Global, which is appropriate because the business is one enterprise and Hertz Global operates the business through Hertz. When appropriate, Hertz Global and Hertz are named specifically for their individual disclosures and any significant differences between the operations and results of Hertz Global and Hertz are separately disclosed and explained.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

EXPLANATORY NOTE (Continued)

This report also includes separate Exhibit 31 and 32 certifications for each of Hertz Global and Hertz in order to establish that the Chief Executive Officer and the Chief Financial Officer of each entity have made the requisite certifications and that Hertz Global and Hertz are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 (the "Exchange Act") and 18 U.S.C. §1350.

This Combined Form 10-K is separately filed by Hertz Global Holdings, Inc. and The Hertz Corporation. Each registrant hereto is filing on its own behalf all of the information contained in this 2021 Annual Report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND SUMMARY OF RISK FACTORS

Certain statements contained or incorporated by reference in this 2021 Annual Report include "forward-looking statements." Forward-looking statements are identified by words such as "believe," "expect," "project," "potential," "anticipate," "intend," "plan," "estimate," "seek," "will," "may," "would," "should," "could," "forecasts," "guidance" or similar expressions, and include information concerning our liquidity, our results of operations, our business strategies and other information about our business. These statements are based on certain assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate. We believe these judgments are reasonable, but you should understand that these statements are not guarantees of future performance or results and our actual results could differ materially from those expressed in the forward-looking statements due to a variety of important factors, both positive and negative.

Important factors that could affect our actual results and cause them to differ materially from those expressed in forward-looking statements include, among other things, those that may be disclosed from time to time in subsequent reports filed with or furnished to the SEC, those described under "Risk Factors" set forth in Item 1A of this 2021 Annual Report, and the following, which also summarizes the principal risks of our business:

- *the length and severity of COVID-19 and the impact on our vehicle rental business as a result of travel restrictions and business closures or disruptions, as well as the impact on our employee retention and talent management strategies;*
- *our ability to purchase adequate supplies of competitively priced vehicles at a reasonable cost as a result of the continuing global semiconductor microchip manufacturing shortage (the "Chip Shortage") and other raw material supply constraints;*
- *the impact on the value of our non-program vehicles upon disposition when the Chip Shortage and other raw material supply constraints are alleviated;*
- *our ability to attract and retain key employees;*
- *levels of travel demand, particularly business and leisure travel in the U.S. and in global markets;*
- *significant changes in the competitive environment and the effect of competition in our markets on rental volume and pricing;*
- *occurrences that disrupt rental activity during our peak periods;*
- *our ability to accurately estimate future levels of rental activity and adjust the number and mix of vehicles used in our rental operations accordingly;*
- *our ability to implement our business strategy, including our ability to implement plans to support a large scale electric vehicle fleet and to play a central role in the modern mobility ecosystem;*
- *our ability to adequately respond to changes in technology, customer demands and market competition;*
- *the mix of program and non-program vehicles in our fleet can lead to increased exposure to residual risk;*
- *our ability to dispose of vehicles in the used-vehicle market and use the proceeds of such sales to acquire new vehicles;*
- *financial instability of the manufacturers of our vehicles, which could impact their ability to fulfill obligations under repurchase or guaranteed depreciation programs;*
- *an increase in our vehicle costs or disruption to our rental activity due to safety recalls by the manufacturers of our vehicles;*
- *our access to third-party distribution channels and related prices, commission structures and transaction volumes;*

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS AND SUMMARY OF RISK FACTORS (Continued)

- *our ability to offer an excellent customer experience, retain and increase customer loyalty and market share;*
- *our ability to maintain our network of leases and vehicle rental concessions at airports in the U.S. and internationally;*
- *our ability to maintain favorable brand recognition and a coordinated branding and portfolio strategy;*
- *a major disruption in our communication or centralized information networks or a failure to maintain, upgrade and consolidate our information technology systems;*
- *our ability to prevent the misuse or theft of information we possess, including as a result of cyber security breaches and other security threats, as well as our ability to comply with privacy regulations;*
- *risks associated with operating in many different countries, including the risk of a violation or alleged violation of applicable anti-corruption or anti-bribery laws and our ability to repatriate cash from non-U.S. affiliates without adverse tax consequences;*
- *our ability to utilize our net operating loss carryforwards;*
- *risks relating to tax laws, including those that affect our ability to deduct certain business interest expenses and offset previously-deferred tax gains, as well as any adverse determinations or rulings by tax authorities;*
- *changes in laws, regulations, policies or other activities of governments, agencies and similar organizations, including those related to accounting principles, that affect our operations, our costs or applicable tax rates;*
- *the recoverability of our goodwill and indefinite-lived intangible assets when performing impairment analysis;*
- *costs and risks associated with potential litigation and investigations, compliance with and changes in laws and regulations and potential exposures under environmental laws and regulations; and*
- *the availability of additional or continued sources of financing for our revenue earning vehicles and to refinance our existing indebtedness.*

You should not place undue reliance on forward-looking statements. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date of this 2021 Annual Report and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

PART I

ITEM 1. BUSINESS

OUR COMPANY

Hertz Holdings was incorporated in Delaware in 2015 to serve as the top-level holding company for Rental Car Intermediate Holdings, LLC, which wholly owns Hertz, Hertz Global's primary operating company. Hertz was incorporated in Delaware in 1967 and is a successor to corporations that have been engaged in the vehicle rental and leasing business since 1918.

We are engaged principally in the business of renting vehicles primarily through our Hertz, Dollar and Thrifty brands, and we operate our vehicle rental business globally from approximately 11,400 corporate and franchisee locations in North America, Europe, Latin America, Africa, Asia, Australia, the Caribbean, the Middle East and New Zealand. We remain one of the largest worldwide vehicle rental companies and our Hertz brand name is one of the most recognized globally. We have an extensive network of airport and off airport rental locations in the U.S. and in all major European markets. In addition to vehicle rental, we provided integrated vehicle leasing and fleet management solutions through our Donlen subsidiary, which sold substantially all of its assets and certain liabilities on March 30, 2021 (the "Donlen Sale"), as disclosed in Note 3, "Divestitures," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

COVID-19 Pandemic

In March 2020, the World Health Organization declared COVID-19 a pandemic, affecting multiple global regions. The impact of this pandemic has been extensive in many aspects of society, which has resulted in significant disruptions to the global economy, as well as businesses around the world. In an effort to halt the spread of COVID-19, many governments around the world placed significant restrictions on travel, individuals voluntarily reduced their air and other travel in attempts to avoid the outbreak, and many businesses announced closures and imposed travel restrictions. In 2021, individuals across the globe have increasingly gained access to COVID-19 vaccinations, particularly in the U.S. As a result, many of the government-imposed restrictions have been lifted or eased, and travel, particularly domestic leisure travel, has experienced a strong rebound. There remains continued uncertainty about the duration of the negative impact from COVID-19 and its variants, including the length and scope of travel restrictions and business closures that may be imposed by governments of impacted countries or voluntarily undertaken by individuals and private businesses.

Emergence from Bankruptcy

On May 22, 2020, the Debtors filed petitions under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Chapter 11 Cases were jointly administered by the Bankruptcy Court under the caption *In re The Hertz Corporation, et al., Case No. 20-11218 (MFW)*.

On May 14, 2021, the Debtors filed the Plan of Reorganization, and the solicitation version of the Supplement to the Disclosure Statement which was approved by the Bankruptcy Court on May 14, 2021. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court. On June 30, 2021, the Plan of Reorganization became effective in accordance with its terms and the Debtors emerged from Chapter 11 (the "Chapter 11 Emergence"). For additional information about our restructured debt and new equity in connection with the Plan of Reorganization, see Note 6, "Debt," and Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report. Additional information about the Chapter 11 Cases, including access to documents filed with the Bankruptcy Court, is available online at <https://restructuring.primeclerk.com/hertz>, a website administered by Prime Clerk. The information on this website is not incorporated by reference and does not constitute part of this 2021 Annual Report.

ITEM 1. BUSINESS (Continued)**Our Strategy**

Our strategy is focused on excellence in execution of our rental operations, electrification of the fleet, shared mobility, connected cars and exiting vehicles from the fleet directly to consumers. Our core assets and capabilities underpin this strategy and our partnerships with Tesla, Uber and Carvana are positioning us at the center of the modern mobility ecosystem. We will continue building on our brand strength and global fleet management expertise, combining it with new investments in technology, electrification, shared mobility and a digital-first customer experience. Our key fleet management capabilities will allow us to diversify and profitably grow in new areas of the mobility sector.

OUR BUSINESS SEGMENTS

In the second quarter of 2021, in connection with our Chapter 11 Emergence and changes in how our chief operating decision maker ("CODM") regularly reviews operating results and allocates resources, we revised our reportable segments to include Canada, Latin America and the Caribbean in our Americas RAC reportable segment, which historically was our U.S. RAC reportable segment; these regions had previously been included in our International RAC reportable segment. Accordingly, all periods have been restated to conform with the revised presentation. The Company has identified two reportable segments, which are consistent with its operating segments, as follows:

- Americas RAC - Rental of vehicles as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean. We maintain a substantial network of company-operated rental locations in this segment and we also have franchisees and partners that operate rental locations under our brands; and
- International RAC - Rental and leasing of vehicles as well as sales of value-added services in locations other than the U.S., Canada, Latin America and the Caribbean. We maintain a substantial network of company-operated rental locations, a majority of which are in Europe. Our franchisees and partners also operate rental locations in approximately 110 countries and jurisdictions, including many of the countries in which we also have company-operated rental locations.

Also, in the second quarter of 2021, as a result of the Donlen Sale, as further disclosed in Note 3, "Divestitures," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report, the All Other Operations reportable segment which was primarily comprised of the Donlen business was no longer deemed to be a reportable segment.

In addition to the above reportable segments, we have corporate operations. We assess performance and allocate resources based upon the financial information for our operating segments.

For further financial information on our segments, see (i) Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations and Selected Operating Data by Segment" and (ii) Note 19, "Segment Information," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

ITEM 1. BUSINESS (Continued)**Americas RAC and International RAC Segments****Brands**

Our Americas RAC and International RAC vehicle rental businesses are primarily operated through three brands — Hertz, Dollar, and Thrifty. We offer multiple brands in order to provide customers a full range of rental services at different price points, levels of service, offerings and products. Each of our brands generally maintains separate airport counters, reservations, marketing and other customer contact activities. We achieve synergies across our brands by, among other things, utilizing a single fleet and fleet management team and combined vehicle maintenance, vehicle cleaning and back office functions, where applicable.

Our top tier brand, Hertz, is one of the most recognized brands in the world offering premium services that define the industry. This is consistent with numerous published best-in-class vehicle rental awards that we historically have won both in the U.S. and internationally. We go to market under the tagline of “Hertz. Let’s Go!” which represents our commitment to quality, seamless travel and customer service. We have a number of innovative offerings, such as Hertz Gold Plus Rewards, Hertz Ultimate Choice and unique vehicles offered through our EV fleet and specialty collections. We continue to maintain our position as a premier provider of vehicle rental services through an intense focus on service, loyalty, quality and product innovation.

Our smart value brand, Dollar, is the choice for financially-focused travelers looking for a dependable car at a price they can afford. The Dollar brand’s main focus is serving the airport vehicle rental market, comprised of family, leisure and small business travelers. Dollar’s tagline of “We never forget whose dollar it is” indicates the brand’s mission to provide a reliable rental experience at a price that works. Dollar operates primarily through company-owned locations in the U.S. and Canada.

Our deep value brand, Thrifty, is the brand for cost-conscious travelers to find a good deal. The Thrifty brand’s main focus is serving the airport vehicle rental market, comprised of leisure travelers. Thrifty’s tagline “The Absolute Best Car for Your Money” indicates the brand’s focus on being the rental company that puts you in control of where you splurge and where you save. Thrifty operates primarily through company-owned locations in the U.S. and Canada.

In certain locations outside the U.S., we also offer our Firefly brand which is a deep value brand for price conscious leisure travelers. We have Firefly locations servicing local area airports in select non-U.S. leisure markets where other deep value brands have a significant presence.

Operations***Locations***

We operate our brands at both airport and off airport locations which utilize common vehicle fleets, are supervised by common country, regional and local area management, use many common systems and rely on common vehicle maintenance and administrative centers. Additionally, our airport and off airport locations utilize common marketing activities and have many of the same customers. We regard both types of locations as aspects of a single, unitary, vehicle rental business. Off airport revenues comprised approximately 32% of our worldwide vehicle rental revenues in 2021 and approximately 46% in 2020. Our Americas RAC vehicle rental operations have company-operated locations primarily in the U.S. and Canada. Our International RAC vehicle rental operations have company-operated locations in Australia, Belgium, the Czech Republic, France, Germany, Italy, Luxembourg, the Netherlands, New Zealand, Slovakia, Spain and the United Kingdom.

ITEM 1. BUSINESS (Continued)Airport

We have approximately 1,900 airport rental locations in our Americas RAC segment and approximately 1,400 airport rental locations in our International RAC segment. We believe that our extensive global network of locations contributes to the consistency of our service, cost control, Vehicle Utilization, competitive pricing and our ability to offer one-way rentals.

For our airport company-operated rental locations, we have obtained concessions or similar leasing agreements or arrangements, granting us the right to conduct a vehicle rental business at the respective airport. Our concessions were obtained from the airports' operators, which are typically governmental bodies or authorities, following either negotiation or bidding for the right to operate a vehicle rental business. The terms of an airport concession typically require us to pay the airport's operator concession fees based upon a specified percentage of the revenues we generate at the airport, subject to a minimum annual guarantee. Under most concessions, we must also pay fixed rent for terminal counters or other leased properties and facilities. Most concessions are for a fixed length of time, while others create operating rights and payment obligations that are terminable at any time. As a result of the impact from COVID-19 we received rent concessions in the form of abatement and payment deferrals of fixed and variable rent payments for certain of our airport locations. See Note 9, "Leases," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report for further details.

The terms of our concessions typically do not forbid us from seeking, and in a few instances actually require us to seek, reimbursement from customers for concession fees we pay; however, in certain jurisdictions the law limits or forbids our doing so. Where we are required or permitted to seek such reimbursement, it is our general practice to do so. Certain of our concession agreements may require the consent of the airport's operator in connection with material changes in our ownership. A growing number of larger airports are building consolidated airport vehicle rental facilities to alleviate congestion at the airport. These consolidated rental facilities provide a more common customer experience and may eliminate certain competitive advantages among the brands as competitors operate out of one centralized facility for both customer rental and return operations, share consolidated busing operations and maintain image standards mandated by the airports.

Off Airport

We have approximately 3,500 off airport locations in our Americas RAC segment and approximately 4,600 off airport rental locations in our International RAC segment. Our off airport rental customers include people who prefer to rent vehicles closer to their home or place of work for business or leisure purposes, as well as those needing to travel to or from airports. Our off airport customers also include people who have been referred by, or whose rental costs are being wholly or partially reimbursed by, insurance companies following accidents in which their vehicles were damaged, those expecting to lease vehicles that are not yet available from their leasing companies and replacement renters. In addition, our off airport customers include drivers for our TNC Partners, which is further described in "TNC Rentals" below.

When compared to our airport rental locations, an off airport rental location typically uses smaller rental facilities with fewer employees, conducts pick-up and delivery services and serves replacement renters using specialized systems and processes. On average, off airport locations generate fewer transactions per period than airport locations.

Our off airport locations offer us the following benefits:

- Provide customers a more convenient and geographically extensive network of rental locations, thereby creating revenue opportunities from replacement renters, non-airline travel renters and airline travelers with local rental needs;
- Provide a more balanced revenue mix by reducing our reliance on air travel and therefore reducing our exposure to external events that may disrupt airline travel trends;

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

- Contribute to higher Vehicle Utilization as a result of the longer average rental periods associated with off airport business, compared to those of airport rentals;
- Insurance replacement rental volume is less seasonal than that of other business and leisure rentals, which permits efficiencies in both vehicle and labor planning; and
- Cross-selling opportunities exist for us to promote off airport rentals among frequent airport Hertz Gold Plus Rewards program renters and, conversely, to promote airport rentals to off airport renters.

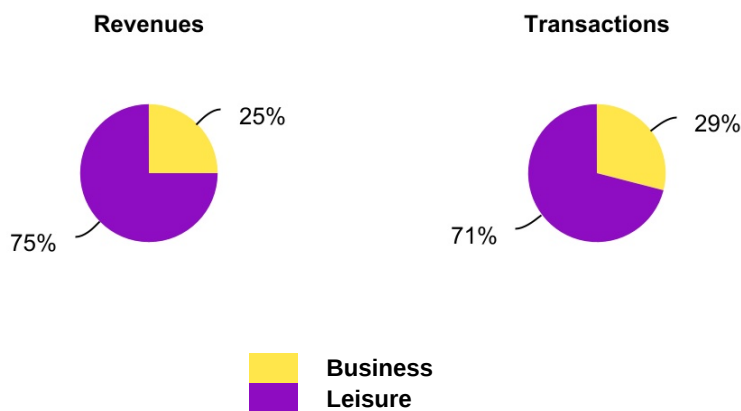
Customers and Business Mix

We conduct various sales and marketing programs to attract and retain customers. Our sales force calls on companies and other organizations whose employees and associates need to rent vehicles for business purposes or for replacement rental needs, including insurance and leasing companies, automobile repair companies and vehicle dealers. In addition, our sales force works with membership associations, tour operators, travel companies, TNC and other groups whose members, participants and customers rent vehicles for either business or leisure purposes. We advertise our vehicle rental offerings through a variety of traditional media channels, partner publications (e.g., affinity clubs and airline and hotel partners), direct mail and digital marketing. In addition to advertising, we conduct other forms of marketing and promotion, including travel industry business partnerships and press and public relations activities. As a result of cost-reduction initiatives, we have reduced the extent of our marketing and advertising activities over the last two years. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations and Selected Operating Data by Segment" for further details.

We categorize our vehicle rental business based on the purpose and type of location from which customers rent from us. The following charts set forth the percentages of rental revenues and rental transactions in our Americas RAC and International RAC segments based on these categories.

VEHICLE RENTALS BY CUSTOMER
Year Ended December 31, 2021

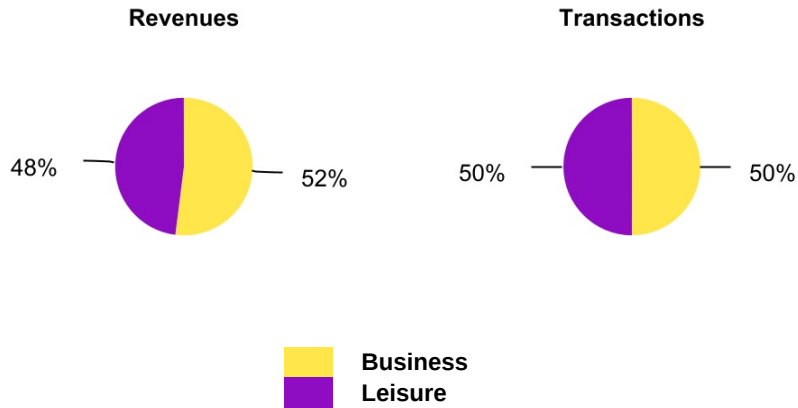
Americas RAC



**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

ITEM 1. BUSINESS (Continued)

International RAC

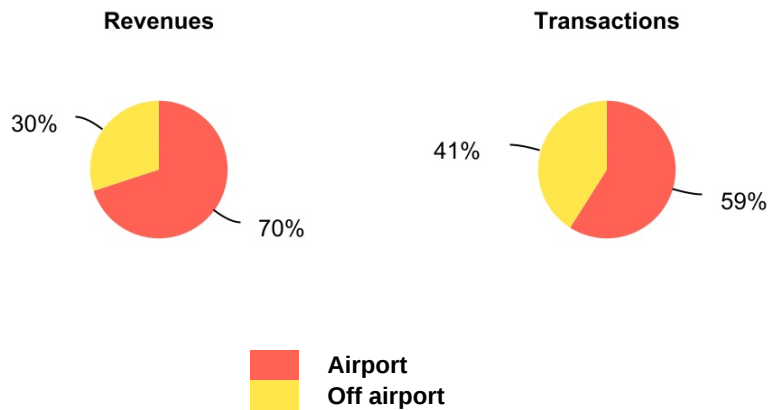


Customers who rent from us for “business” purposes include those who require vehicles in connection with commercial activities, including drivers for our TNC Partners and delivery service providers, the activities of governments and other organizations or for temporary vehicle replacement purposes. Most business customers rent vehicles from us on terms that we have negotiated with their employers or other entities with which they are associated, and those terms can differ from the terms on which we rent vehicles to the general public. We have negotiated arrangements relating to vehicle rental with many businesses, governments and other organizations.

Customers who rent from us for “leisure” purposes include individual travelers booking vacation travel rentals with us and people renting to meet other personal needs. Leisure rentals are generally longer in duration and generate more revenue per transaction than business rentals. Leisure rentals also include rentals by customers of U.S. and international tour operators, which are usually a part of tour packages that can include air travel and hotel accommodations.

**VEHICLE RENTALS BY LOCATION
Year Ended December 31, 2021**

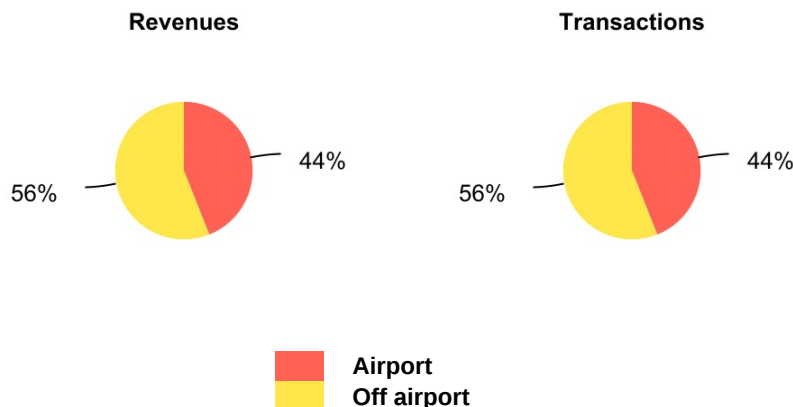
Americas RAC



HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

International RAC



Demand for airport rentals is generally correlated with airline travel patterns, and transaction volumes generally follow global airline passenger traffic ("enplanement") and Gross Domestic Product ("GDP") trends. Customers often make reservations for airport rentals when they book their flight plans, which make our relationships with travel agents, associations and other partners (e.g., airlines and hotels) a key competitive strategy in generating consistent and recurring revenue streams. As discussed above, individuals across the globe have increasingly gained access to COVID-19 vaccinations resulting in many government-imposed travel restrictions being lifted or eased, and travel, particularly domestic leisure travel, has experienced a strong rebound. However, there remains continued uncertainty about the duration of the negative impact from COVID-19 and its variants, including the length and scope of travel restrictions and business closures that may be imposed by governments of impacted countries or voluntarily undertaken by individuals and private businesses.

Off airport rentals include insurance replacements, and we have agreements with the referring insurers establishing the relevant rental terms, including the arrangements made for billing and payment. We have identified approximately 200 insurance companies, ranging from local or regional vehicle carriers to large, national companies, as our target insurance replacement market. As of December 31, 2021, we were a preferred or recognized supplier for 62% of these insurance companies and a co-primary for 19% of them.

Customer Service Offerings

At our major airport rental locations and certain smaller airport and off airport locations, customers participating in our Hertz Gold Plus Rewards program are able to rent vehicles in an expedited manner. Participants in our Hertz Gold Plus Rewards program often bypass the rental counter entirely and proceed directly to their vehicle upon arrival at our facility. Participants in our Hertz Gold Plus Rewards program are also eligible to earn Hertz Gold Plus Rewards points that may be redeemed for free rental days or converted to awards of other companies' loyalty programs. Hertz's Gold Plus Rewards program offers three elite membership tiers which provide more frequent renters the opportunity to earn additional reward points and vehicle upgrades. For the year ended December 31, 2021, rentals by Hertz Gold Plus Rewards members accounted for approximately 30% of our worldwide rental transactions. We believe the Hertz Gold Plus Rewards program provides us with a significant competitive advantage, particularly among frequent travelers, and we have targeted such travelers for participation in the program. We offer electronic rental agreements and returns for our Hertz, Dollar and Thrifty customers in the U.S. Simplifying the rental transaction saves customers time and provides greater convenience through access to digitally available rental contracts.

When Hertz Gold Plus Rewards members make a reservation for a midsize car or above, they have access to exclusive vehicles based on their membership tier via our Hertz Ultimate Choice program which allows customers to

ITEM 1. BUSINESS (Continued)

choose their vehicle from a range of makes, models and colors available within the zone indicated on their reservation. Alternatively, they may upgrade at pick-up for a fee by choosing a vehicle from the Premium Upgrade zone. The Hertz Ultimate Choice program is offered at 62 U.S. and Canada airport locations as of December 31, 2021.

TNC Rentals

We have partnered with certain companies in the TNC market in North America to offer vehicle rentals to their drivers in select cities. Using vehicles for TNC rentals results in an increased supply of higher mileage, and thus more economical, used vehicles for our vehicle disposition programs discussed below. Drivers for our TNC Partners reserve vehicles online through TNC Partner websites and pick up vehicles from select locations. TNC drivers can extend the vehicle rental on a weekly basis. In October 2021, we announced an exclusive partnership with Uber to make Teslas available for their drivers to rent on the Uber network in the U.S. We believe that this arrangement will improve driver-level economics relative to internal combustion vehicles.

Hertz 24/7

We offer a car and van-sharing membership service, referred to as Hertz 24/7, which rents vehicles by the hour and/or by the day, at various locations internationally, primarily in Europe. Members reserve vehicles online, then receive the vehicles at convenient locations using keyless entry, without the need to visit a Hertz rental office. Members are charged an hourly or daily vehicle-rental fee which includes fuel, insurance, 24/7 roadside assistance and in-vehicle customer service. Hertz 24/7 specializes in Business-to-Business-to-Consumer (B2B2C) services working with retail partners to provide vans at their locations and with corporations providing pool fleets for use by their employees.

Other Customer Service Offerings

We offer a Mobile Gold Alerts service, available to participating Hertz Gold Plus Rewards customers, through which a text message and/or email with the vehicle information and location is sent approximately 30 minutes prior to arrival, providing the option to choose another vehicle. We offer Hertz e-Return, which allows customers to drop off their vehicle and go without the need to visit the rental counter. Customers can also use cashless toll lanes with our PlatePass offering where the license plate acts as a transponder. We also offer a vehicle-subscription service on a monthly or weekend basis in select locations that provides a flexible, cost-effective alternative to vehicle ownership, with no long-term commitment required, referred to as Hertz My Car and My Hertz Weekend. As a result of COVID-19, we implemented enhanced safety measures to provide customers confidence while renting our vehicles. The Hertz Gold Standard Clean seal ensures that each vehicle is sealed prior to rental following a rigorous 15-point cleaning and sanitization process that follows U.S. Centers for Disease Control and Prevention guidelines.

Rates

We rent a wide variety of makes and models of vehicles. We rent vehicles on an hourly (in select international markets), daily, weekend, weekly, monthly or multi-month basis, with rental charges computed on a limited or unlimited mileage rate, or on a time rate plus a mileage charge. Our rates vary by brand and at different locations depending on local market conditions and other competitive and cost factors. While vehicles are usually returned to the locations from which they are rented, we also allow one-way rentals from and to certain locations. We also generate revenues from reimbursements by customers of airport concession fees, unless the law limits or forbids us from doing so, and vehicle licensing costs, fueling charges, and charges for value-added services such as supplemental equipment (e.g., child seats and ski racks), loss or collision damage waiver, theft protection, liability and personal accident/effects insurance coverage, premium emergency roadside service and satellite radio.

Reservations

We price and accept reservations for our vehicles through each of our brands. Reservations are generally for a class of vehicles, such as compact, midsize or sport utility vehicle.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

We distribute pricing and content and accept reservations through multiple channels. Direct reservations are accepted at Hertz.com, Dollar.com and Thrifty.com, which have global and local versions in multiple languages. Hertz.com offers a range of products, prices and additional services as well as Hertz Gold Plus Rewards benefits, serving both company-operated and franchise locations. In addition to our websites, direct reservations are enabled via our Hertz and Dollar smartphone apps, which include additional connected products and services.

Customers may also seek reservations via travel agents or third-party travel websites. In many of those cases, the travel agent or website utilizes an Application Programming Interface connection to Hertz or a third-party operated computerized reservation system, also known as a Global Distribution System, to contact us and make the reservation.

In our major markets, including the U.S. and all other countries with company-operated locations, customers may also reserve vehicles for rental from us and our franchisees worldwide through local, national or toll-free telephone calls to our reservations center, directly through our rental locations or, in the case of insurance replacement rentals, through proprietary automated systems serving the insurance industry.

Franchisees

In certain U.S. and international markets, we have found it efficient to issue licenses under franchise arrangements to independent franchisees who are engaged in the vehicle rental business. Franchisees rent vehicles that they own or lease to customers, primarily under our Hertz, Dollar or Thrifty brand. In certain markets and under certain circumstances, franchisees may acquire franchises for multiple brands.

Franchisees generally pay an initial license fee, royalties based on a percentage of their revenues as well as other fees, and in return are provided the use of the applicable brand name, certain operational support and training, reservations through our reservation channels, and other services. Additionally, franchisees may utilize our vehicles to support one-way business intra country. Franchisee arrangements enable us to offer expanded national and international service and a broader one-way rental program. In addition to vehicle rental, certain international franchisees engage in vehicle leasing, and the rental of chauffeur-driven vehicles, camper vans and motorcycles.

The transfer of a franchisee license is limited without our consent and such licenses are generally terminable by us only for cause or after a fixed term. Many of these agreements also include a company right of first refusal should a franchisee receive a bona fide offer to sell the license. Franchisees in the U.S. typically may terminate on prior notice, generally 180 days. In Europe and certain other international jurisdictions, franchisees typically do not have early termination rights. We continue to issue new licenses and, from time to time, re-acquire franchised businesses or sell corporate locations to franchisees.

Franchise operations, including fleet acquisition, are generally financed independently by the franchisees and we do not have an investment interest in the franchisees. Fees from franchisees, including initial franchise fees, generally support the cost of our brand awareness programs, reservations system, sales and marketing efforts and certain other services and are approximately 2% of our worldwide vehicle rental revenues for the year ended December 31, 2021.

Seasonality

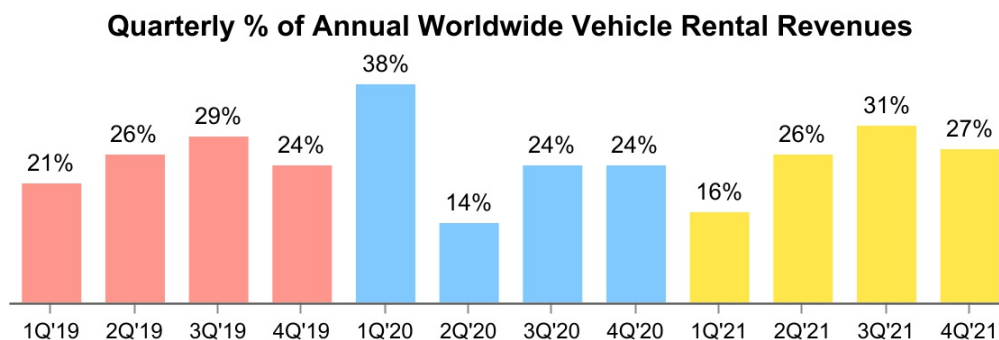
Our vehicle rental operations are historically a seasonal business, excluding the year ended December 31, 2020 which was impacted by the COVID-19 pandemic as discussed above, with decreased levels of business in the winter months and heightened activity during the spring and summer months ("our peak season") for the majority of countries where we generate our revenues. To accommodate increased demand, we typically increase our available fleet and staff, which is comprised of a significant number of part-time and seasonal workers, during the second and third quarters of the year. A number of our other major operating costs, including airport concession fees, commissions and vehicle liability expenses, are directly related to revenues or transaction volumes. Certain operating expenses, including real estate taxes, rent, insurance, utilities, maintenance and other facility-related

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

expenses, the costs of operating our information technology systems and minimum staffing costs, remain fixed and cannot be adjusted for seasonal demand.

The following chart sets forth this seasonal nature of our vehicle rental operations, as well as the impact of COVID-19, primarily in 2020, by presenting the proportionate contribution of each quarter to full year revenue for each of the years ended December 31, 2021, 2020 and 2019.

**Fleet**

During the year ended December 31, 2021, we operated a peak rental fleet in our Americas RAC and International RAC segments of approximately 389,300 vehicles and 78,400 vehicles, respectively. Purchases of vehicles are financed by active and ongoing global borrowing programs and through cash from operations. The vehicles purchased are either program vehicles or non-program vehicles. We periodically review the efficiencies of an optimal mix between program and non-program vehicles in our fleet and adjust the ratio of program and non-program vehicles as needed based on contract negotiations, vehicle economics and availability. During the year ended December 31, 2021, our approximate average holding period for a rental vehicle was 25 months in our Americas RAC segment and 20 months in our International RAC segment which are longer than historical holding periods as a result of supply chain constraints due to the Chip Shortage.

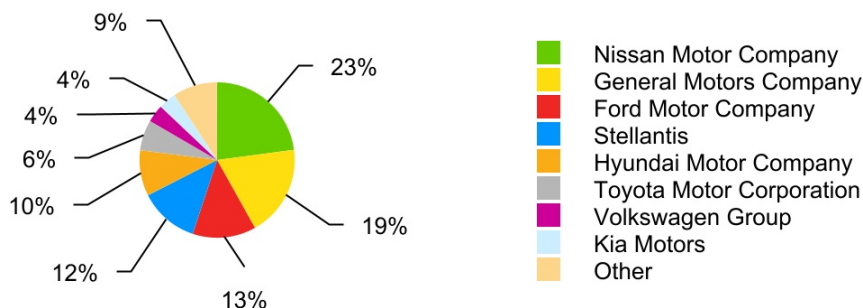
In October 2021, we announced our plan to significantly expand our EV rental fleet in North America, as discussed below in Corporate Responsibility—Fuel Efficient Fleet.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

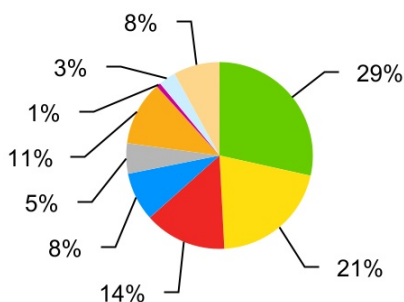
ITEM 1. BUSINESS (Continued)

Our fleet composition is as follows:

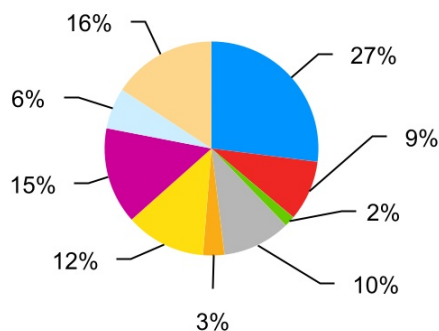
**Fleet Composition by Vehicle Manufacturer*
As of December 31, 2021**



Americas RAC



International RAC*



* Vehicle manufacturers Daimler AG (Mercedes Benz and Smart), Renault, Mitsubishi, Mazda, Volvo and Rover Group together comprise another 12% of the International RAC fleet and are included as "Other" in the overall and International RAC charts above.

We maintain vehicle maintenance centers which provide maintenance for our fleet, many of which include sophisticated vehicle diagnostic and repair equipment, and are accepted by automobile manufacturers, as eligible, to perform warranty work. Collision damage and major repairs are generally performed by independent contractors.

Repurchase Programs

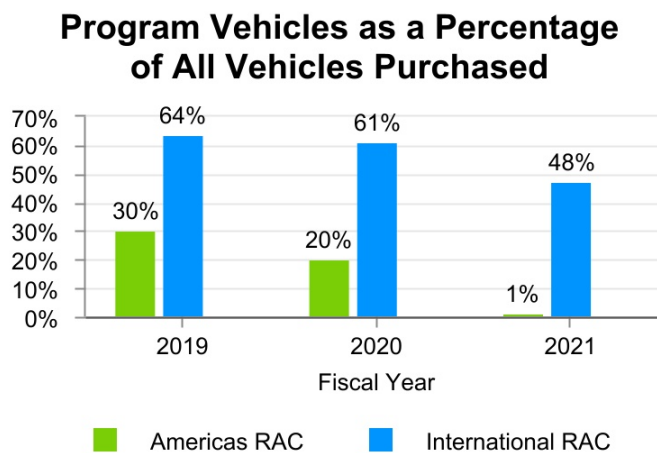
Program vehicles are purchased under repurchase or guaranteed depreciation programs with vehicle manufacturers wherein the manufacturers agree to repurchase vehicles at a specified price or guarantee the depreciation rate on the vehicles during established repurchase periods, subject to, among other things, certain vehicle condition, mileage and holding period requirements. Repurchase prices under repurchase programs are based on the original cost less a set daily depreciation amount. These repurchase and guaranteed depreciation programs limit our residual risk with respect to vehicles purchased under the programs and allow us to reduce the variability of depreciation expense for each vehicle, however, typically the acquisition cost is higher. Program vehicles generally provide us with flexibility to increase or reduce the size of our fleet based on market demand. When we increase the percentage of program vehicles, the average age of our fleet decreases since the average

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

holding period for program vehicles is shorter than for non-program vehicles. During 2021, the number of program vehicles in our fleet decreased primarily due to the impact from the Chip Shortage on new vehicle production.

Program vehicles as a percentage of all vehicles purchased within our Americas RAC and International RAC segments during the last three fiscal years were as follows:

Hertz Car Sales, Rent2Buy and Other Vehicle Disposition Channels

During the year ended December 31, 2021, the vehicles sold in our U.S. and international vehicle rental operations that were not repurchased by manufacturers were sold through auction and dealer direct wholesale channels and retail channels.

In October 2021, we announced a nationwide agreement with Carvana with respect to our vehicle disposition process. With demand for used vehicles at an all-time high, we recognized the opportunity to streamline our vehicle disposition cycle, while at the same time filling a need in the used car market. The Carvana arrangement allows us to digitize and modernize our retail sales process while providing Carvana with a greater supply of used vehicles. This is intended to reduce our reliance on wholesale channels and allows us to renew our vehicle supply more rapidly, thereby strengthening our business.

Our retail sales channel, Hertz Car Sales, consists of a network of company-operated vehicle sales locations throughout the U.S. dedicated to the sale of vehicles from our rental fleet. Vehicles disposed of through our retail outlets provide for ancillary vehicle sales revenue, such as warranty, financing and title fees.

We also offer Rent2Buy in 26 states in the U.S., an innovative program in which customers are able to rent a vehicle from our rental fleet and if the customer purchases the vehicle, the customer is credited with a portion of their rental charges. The purchase transaction is completed through the internet and by mail in those states where permitted.

Markets and Competition

Competition among vehicle rental industry participants is intense and is primarily based on vehicle availability and quality, price, service, reliability, rental locations, product innovation and competition from online travel agents and vehicle rental brokers. We believe that the strength of the Hertz, Dollar and Thrifty brands, our extensive worldwide ownership of vehicle rental operations and our commitment to innovation, including our EV initiatives, provide us with a strong competitive advantage. Our principal vehicle rental industry competitors are Avis Budget Group, Inc.,

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

which currently operates the Avis, Budget, ZipCar and Payless brands, and Enterprise Holdings, which operates the Enterprise Rent-A-Car Company, National Car Rental and Alamo Rent A Car brands. There are also local and regional vehicle rental companies, transportation network companies which provide ride-hailing services that have some overlap in customer use cases, largely with respect to short length trips in urban areas, and peer-to-peer car sharing marketplaces.

U.S.

The U.S. represents approximately \$28 billion in estimated annual industry revenues for 2021. The average number of vehicles in the U.S. vehicle rental industry in 2021 was about 2 million vehicles. U.S. industry Revenue Per Unit Per Month in 2021 was approximately \$1,320.

Europe

Europe represents approximately \$11 billion in estimated annual industry revenues for 2021. Europe has generally demonstrated a lower historical reliance on air travel because the European off airport vehicle rental market has been significantly more developed than it is in the U.S. Within Europe, the largest markets in which we do business are France, Germany, Italy, Spain and the United Kingdom. Throughout Europe, we do business through company-operated rental locations and through our partners or franchisees.

Asia Pacific

Asia Pacific represents approximately \$14 billion in estimated annual industry revenues for 2021. Within this region, the largest markets in which we do business are Australia, China, Japan, New Zealand and South Korea. In each of these markets we do business through company-operated rental locations and through our partners or franchisees.

Middle East and Africa

The Middle East and Africa represent approximately \$3 billion in estimated annual industry revenues for 2021. Within these regions, the largest markets in which we do business are Saudi Arabia, South Africa and the United Arab Emirates. In each of these markets we do business through our franchisees.

Latin America

Latin America represents approximately \$3 billion in estimated annual industry revenues for 2021. Within Latin America, the largest markets in which we do business are Argentina, Brazil, Mexico and Panama. In each of these markets our Hertz, Dollar and Thrifty brands are present through our partners or franchisees.

EMPLOYEES AND HUMAN CAPITAL MANAGEMENT

As of December 31, 2021, we employed approximately 23,000 persons, consisting of approximately 17,000 persons in the U.S. and approximately 6,000 persons internationally, a decrease internationally of 14% from December 31, 2020 due primarily to a restructuring program affecting approximately 900 employees in our international operations, specifically in Europe.

Certain employees outside the U.S. are covered by a wide variety of union contracts and governmental regulations affecting, among other things, compensation, job retention rights and pensions. Labor contracts covering the terms of employment of approximately 27% of our workforce in the U.S. (including those in the U.S. territories) are presently in effect with local unions, affiliated primarily with the International Brotherhood of Teamsters and the International Association of Machinists. Labor contracts covering approximately 11% of these employees will expire during 2022. We have had no material work stoppage as a result of labor problems during the last ten years, and we believe our labor relations to be good. Nevertheless, we may be unable to negotiate new labor contracts on terms advantageous to us, or without labor interruption.

ITEM 1. BUSINESS (Continued)

In addition to the employees referred to above, we engage outside services, as is customary in the industry, principally for the non-revenue movement of rental vehicles between rental locations.

Human Capital Management

We continue to evolve for our customers, employees, partners, franchisees and communities. With respect to our employees, our Board and Board committees periodically review of our employee programs and initiatives, providing oversight to how we should attract, retain and develop a workforce that aligns with our values and strategies, including through competitive compensation and benefits, learning and development opportunities and cultivating an engaged and inclusive culture. In addition, we conduct anonymous surveys, seeking feedback from our broad employee base on topics including, but not limited to, effectiveness of company communication, confidence in leadership, competitiveness of our compensation and total rewards packages and career growth and development opportunities. Survey results are reviewed by our senior management and shared with employees, along with action plans, for leveraging employee insights to drive meaningful improvements in our employees' experiences.

Our people are our greatest asset and we strive to have a constant focus and attention on matters concerning our employees including retention and professional development as well as employees' physical, emotional and financial well-being. We are committed to an inclusive workplace around the globe that champions equality, values different backgrounds and celebrates individuality. We regularly assess our benefits and program offerings to provide a compelling and comprehensive portfolio, which currently includes:

- Competitive salaries and wages;
- Retirement savings with a 401(k) Plan and an employer match, up to a certain percentage;
- Comprehensive health insurance, including medical, dental and vision plans for employees and their dependents;
- Employer provided life insurance with no cost to employees;
- No-cost employee assistance program, providing confidential counseling to help employees and their families dealing with hardships;
- Paid parental leave;
- Free health screenings and programs for tobacco cessation, weight management and wellness coaching;
- Employee referral program;
- Employee and family rental car and car sales discounts;
- Employee tuition reimbursement program;
- Employee relief fund that provides immediate, short-term financial assistance to North America employees through employee contributions and company match to assist employees dealing with natural disasters;
- Training and development opportunities; and
- Employee resource groups.

We are committed to protecting the health and safety of our employees, customers and partners. Beginning in 2020, COVID-19 caused an unprecedented crisis for the travel and tourism industry, disrupting work practices, consumer behavior and long-term strategic plans. Despite these challenges, we have maintained our priority of supporting our people and our communities. We implemented heightened safety measures for employees and customers and introduced the Hertz Gold Standard Clean process, an enhanced 15-point cleaning process. We deployed protocols, signage and employee training to ensure compliance with COVID-19 Centers for Disease Control guidelines and local regulations. We equipped our employees with personal protective equipment as well as plexiglass guards, implemented enhanced facility and vehicle cleaning practices, mandated face-coverings and established processes for assessing possible COVID-19 exposures and responding to known or suspected COVID-19 cases. In addition, we partnered with LabCorp Employer Services to provide at-home COVID-19 test kits at no charge to employees. We are committed to seeking ways to best support our employees and customers and adapting our processes in response to changing guidelines as we continue to navigate through the COVID-19

ITEM 1. BUSINESS (Continued)

pandemic. We also partnered with Rite Aid to provide educational and interactive COVID-19 vaccine webinars. In addition, we hosted multiple onsite COVID-19 vaccination clinics.

Outside of the U.S., we are committed to offering similar comprehensive programs that leverage the best of global benefits but also tailored by country to reflect local practices and culture. We evaluate our total benefits and programs annually and use feedback from employees to make thoughtful changes to ensure our programs continue to meet the needs of employees.

CORPORATE RESPONSIBILITY

We recognize our influence and are committed to do the right thing, the right way, every time – for our employees and customers, as well as our communities and our planet. Delivering on this responsibility is a never-ending journey – one that we're proud to be on. We are committed to managing our businesses ethically and responsibly as we believe doing so enables us to realize the continuous improvement, sustainable innovation and enhanced business performance that are critical to our success.

Our People and Communities

At the heart of Hertz Global is our people. Our employees help drive our progress, innovation and success. We strive to empower our employees so they can build trust with our customers and the communities we serve around the world. As discussed above in Human Capital Management, attracting and retaining top talent is more than a measure of our business success; it is a measure of who we are and what we value. In addition, we engage with our communities, and, through our global charitable giving and volunteer program, we are committed to making a positive difference in the areas where we work, live and serve.

Diversity

We are committed to championing and preserving a culture of diversity and inclusion. We believe the varied perspectives, experiences, skills and talents of our employees represent a significant part of our culture – as well as our success and reputation as a company.

As a global business, we have a firm commitment to equal opportunity, non-discrimination and anti-harassment. In addition, we adhere to all relevant laws and mandatory reporting requirements. We are proud to have a diverse workforce reflective of our customers, suppliers, communities and investors around the world, and are committed to a journey that gives growth and opportunities throughout our organization. We embrace and encourage our employees' differences in age, race, religion, disability, ethnicity, sexual orientation and other characteristics that make our employees unique.

At every level, we are committed to developing policies, practices and ways of working that support diversity and inclusion, and aim to create a workplace where everyone feels respected and heard.

Communities

We believe community involvement is critical to operating as a responsible business and we have a long-standing commitment to our communities. That's why we are committed to creating stronger, healthier places to live and work, whether through corporate philanthropy, employee giving or volunteerism.

ITEM 1. BUSINESS (Continued)**The Environment**

We are committed to reducing the impact our operations have on the environment and the communities we operate in through sustainable business practices, strategic decision-making, community partnerships and smart investments in future technologies, and in 2021, announced our plans to position us to be a leader in the future mobility ecosystem.

Climate Performance

We recognize the importance of reducing our greenhouse gas ("GHG") emissions as both a climate and business imperative. We recently committed to setting GHG emissions reduction goals through the Science Based Target initiative ("SBTi"). We are committed to being at the center of the modern mobility ecosystem and believe our planned investments in EVs and charging infrastructure will enhance the sustainability of our operations.

Fuel Efficient Fleet

In 2021, we made a commitment to position ourselves at the center of modern mobility and entered into new and expanded relationships around EV and technology. We are also investing in new EV infrastructure across our global operations by installing a combination of Level 2 and Level 3 DC fast chargers throughout our network. As discussed in TNC Rentals above, we also entered into a partnership with Uber to provide EVs to drivers using the Uber network that can further accelerate the adoption of EVs.

We also partner with our corporate customers to create personalized travel programs aimed at reducing carbon emissions and fuel costs associated with their vehicle rentals, including access to a program through a leading third-party administrator for purchase of related carbon offsets. Additionally, we offer customization to help our corporate customers reduce fuel costs and expand their employees' use of low- and zero-emission vehicles.

We also are the exclusive rental car member of the Corporate Electric Vehicle Alliance, a consortium of companies focused on accelerating the transition to EVs.

Waste Reduction and Recycling

We work to integrate environmental sustainability across our operations, from our car washes to the way we build our rental locations. Resource conservation and waste reduction is at the forefront of that integration. We are committed to waste reduction across our global footprint. Recycling efforts include, but are not limited to, recycling used oils and solvents, tires, batteries, information technology equipment and general mixed materials.

Facilities and Construction

We seek to maximize energy and water efficiency at our facilities and rely on renewable energy at an increasing number of locations. We incorporate sustainable design and construction practices based on Leadership in Energy and Environmental Design ("LEED") standards. LEED is administered by the U.S. Green Building Council and is the most widely used and respected green building rating system. Our world headquarters in Estero, Florida is LEED Gold® certified, and we have six additional rental locations in Estero, St. Louis, Charlotte, Denver, Dulles and Newark airports that are LEED certified. In addition to LEED, ISO 14001 sets environmental management standards and certifies facilities to those standards. Our Hertz European Service Center ("HESC") in Dublin, Ireland and our Heathrow International Airport location have achieved and maintain ISO 14001 certifications. HESC also holds and maintains ISO 45001 certification demonstrating the facility meets criteria to improve employee safety and reduce workplace risks. Both LEED and ISO standards enhance the health and comfort of building occupants, improve overall building performance and deliver cost savings.

ITEM 1. BUSINESS (Continued)

In addition to incorporating leading standards into our buildings, we also strive to include on-site renewables consisting of solar photovoltaic systems at seven locations, which decreases our carbon footprint while lowering utility costs.

Our Business**Governance**

We are committed to ensuring appropriate oversight and accountability of Corporate Responsibility. Our Corporate Responsibility Executive Steering Council (the "Council") is responsible for establishing environmental, social and governance ("ESG") key performance indicators and their integration into our business which is expected to commence in 2022. The Council reports to the Board's Governance Committee and its subcommittees and working groups set and implement policies and projects that move the needle on company-wide ESG goals.

Ethics

We are committed to operating in compliance with all applicable laws and maintaining the highest standards of ethical conduct. Our expectations may be high, but they are clear. Integrity is essential to every aspect of our business, both in policy and practice. Our Standards of Business Conduct informs when we should ask for further direction to support a policy or procedure and provides information, guidance and references covering a range of topics.

Supplier Diversity

We recognize that supporting diversity goes beyond our internal policies and practices, and we seek to build sustainable relationships with suppliers who integrate diversity into their own hiring processes and supply chain. Through our Supplier Diversity Program, we are committed to the equal and fair treatment of all suppliers. We aim to provide minority-owned, woman-owned and other socially or economically disadvantaged small businesses who perform at high levels the opportunity to compete to deliver products and services that support our brands.

As a long-standing member of the National Minority Supplier Development Council, the Women's Business Enterprise National Council and the Airport Minority Advisory Council, we actively seek to do business with suppliers who are certified by such councils that recognize women and minorities.

Through these efforts, we seek to emphasize and ensure a supplier representation that fully reflects the customers and communities we serve. We believe that leveraging the global diversity of our workforce and supplier relations will enable us to address the local needs of the communities in which we live and work around the world

Data Protection

Hertz is committed to operating in compliance with all applicable privacy and data security laws. We have standards and policies in place to ensure the proper handling, use and storage of customer and employee information, including privacy protection, maintenance of data integrity and security. In addition, our employees participate in mandatory training and ongoing engagement that ensures our entire team is on the same page regarding compliance with our policies and practices.

INSURANCE AND RISK MANAGEMENT

There are three types of generally insurable risks that arise in our operations:

- legal liability arising from the operation of our vehicles (i.e., vehicle liability);
- legal liability to members of the public and employees from other causes (i.e., general liability/workers' compensation); and

ITEM 1. BUSINESS (Continued)

- risk of property damage and/or business interruption and/or increased cost of operating as a consequence of property damage.

In addition, we offer optional liability insurance and other products providing insurance coverage, which create additional risk exposures for us. Our risk of property damage is also increased when we waive the provisions in our rental contracts that hold a renter responsible for damage or loss under an optional loss or damage waiver that we offer. We bear these and other risks, except to the extent the risks are transferred through insurance or contractual arrangements.

In many cases we self-insure our risks or insure risks through wholly-owned insurance subsidiaries. We mitigate our exposure to large liability losses by maintaining excess insurance coverage, subject to deductibles and caps, through unaffiliated carriers. For our international operations outside of Europe and for our long-term vehicle leasing operations, we maintain some liability insurance coverage with unaffiliated carriers.

Third-Party Liability

In our U.S. operations, we are required by applicable financial responsibility laws to maintain insurance against legal liability for bodily injury, death or property damage to third parties arising from the operation of our vehicles, sometimes called "vehicle liability," in stipulated amounts. In most jurisdictions, we satisfy those requirements by qualifying as a self-insurer, a process that typically involves governmental filings and demonstration of financial responsibility, which sometimes requires the posting of a bond or other security. In the remaining jurisdictions, we obtain an insurance policy from an unaffiliated insurance carrier and indemnify the carrier for any amounts paid under the policy. The regulatory method for protecting against such vehicle liability should be considered in the context of the Graves Amendment, as we generally bear limited economic responsibility for U.S. vehicle liability attributable to the negligence of our drivers, except to the extent that we successfully transfer such liability to others through insurance or contractual arrangements.

For our vehicle rental operations in Europe, we have established a wholly-owned insurance subsidiary, Probus Insurance Company Europe DAC ("Probus"), a direct writer of insurance domiciled in Ireland. In certain European countries with company-operated locations, we have purchased from Probus the vehicle liability insurance required by law. In other European countries, this coverage is purchased from unaffiliated carriers. Accordingly, as with our U.S. operations, we bear economic responsibility for vehicle liability in our European vehicle rental operations, except to the extent that we transfer such liability to others through insurance or contractual arrangements. For our international operations outside of Europe, we maintain some form of vehicle liability insurance coverage with unaffiliated carriers. The nature of such coverage and our economic responsibility for covered losses varies considerably. Nonetheless, we believe the amounts and nature of the coverage we obtain is adequate in light of the respective potential hazards.

In our U.S. and international operations, from time to time in the course of our business, we become legally responsible to members of the public for bodily injury, death or property damage arising from causes other than the operation of our vehicles, sometimes known as "general liability." As with vehicle liability, we bear economic responsibility for general liability losses, except to the extent we transfer such losses to others through insurance or contractual arrangements. In addition, to mitigate these exposures, we maintain excess liability insurance coverage with unaffiliated insurance carriers.

In our U.S. vehicle rental operations, we offer an optional liability insurance product, Liability Insurance Supplement ("LIS"), that provides vehicle liability insurance coverage substantially higher than state minimum levels to the renter and other authorized operators of a rented vehicle. LIS coverage is primarily provided under excess liability insurance policies issued by an unaffiliated insurance carrier, the risks under which are reinsured with a wholly-owned subsidiary, HIRE Bermuda Limited.

In our U.S. vehicle rental operations and our company-operated international vehicle rental operations in many countries, we offer optional products providing Personal Accident Insurance / Personal Effects Coverage ("PAI/PEC") and Emergency Sickness Protection ("ESP") insurance coverage to the renter and the renter's immediate

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

family members traveling with the renter for accidental death or accidental medical expenses arising during the rental period or for damage or loss of their property during the rental period. PAI/PEC and ESP coverages are provided under insurance policies issued by unaffiliated carriers or, in Europe, by Probus.

Our offering of LIS, PAI/PEC and ESP coverage in our U.S. vehicle rental operations is conducted pursuant to limited licenses or exemptions under state laws governing the licensing of insurance producers.

Provisions on our books for self-insured public liability and property damage vehicle liability losses are made by charges to expense based upon evaluations of estimated ultimate liabilities on reported and unreported claims.

Damage to Our Property

We bear the risk of damage to our property, unless such risk is transferred through insurance or contractual arrangements.

To mitigate our risk of large, single-site property damage losses globally, we maintain property insurance with unaffiliated insurance carriers in such amounts as we deem adequate in light of the respective hazards, where such insurance is available on commercially reasonable terms.

Our rental contracts typically provide that the renter is responsible for damage to or loss (including loss through theft) of rented vehicles. We generally offer an optional rental product, known in various countries as “loss damage waiver,” “collision damage waiver” or “theft protection,” under which we waive or limit our right to make a claim for such damage or loss.

Collision damage costs and the costs of stolen or unaccounted-for vehicles, along with other damage to our property, are charged to expense as incurred, net of reimbursements.

Other Risks

To manage other risks associated with our businesses, or to comply with applicable law, we purchase other types of insurance carried by business organizations, such as worker's compensation and employer's liability, commercial crime and fidelity, performance bonds, directors' and officers' liability insurance, terrorism insurance and cyber security insurance from unaffiliated insurance companies in amounts deemed by us to be adequate in light of the respective hazards, where such coverage is obtainable on commercially reasonable terms.

GOVERNMENT REGULATION AND ENVIRONMENTAL MATTERS

We are subject to numerous types of governmental controls, including those relating to prices and advertising, privacy and data protection, currency controls, labor matters, credit and charge card operations, insurance, environmental protection, used vehicle sales and licensing.

Dealings with Renters

In the U.S., vehicle rental transactions are generally subject to Article 2A of the Uniform Commercial Code, which governs leases of tangible personal property. Vehicle rental is also specifically regulated in more than half of the states of the U.S. and many other international jurisdictions. The subjects of these regulations include the methods by which we advertise, the methods used to quote and charge prices, the consequences of failing to honor reservations, the terms on which we deal with vehicle loss or damage (including the protections we provide to renters purchasing loss or damage waivers) and the terms and method of sale of the optional insurance coverage that we offer. Some states (including California, Nevada and New York) regulate the price at which we may sell loss or damage waivers, and many state insurance regulators have authority over the prices and terms of the optional insurance coverage we offer. See “Insurance and Risk Management—Damage to Our Property” above for further discussion regarding the loss or damage waivers and optional insurance coverages that we offer renters. In addition, various consumer protection laws and regulations may generally apply to our business operations.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

Internationally, regulatory regimes vary greatly by jurisdiction and include increasing scrutiny from consumer law regulators in Europe and a stronger focus on corporate compliance, but the regimes do not generally prevent us from dealing with customers in a manner similar to that employed in the U.S.

Both in the U.S. and internationally, we are subject to increasing regulation relating to customer privacy and data protection. In general, we are required to disclose our data collection and processing practices as well as our use and sharing of data that we collect from or about renters. In doing so, we are obligated to take reasonable steps to protect customer data while it is in our possession and comply with individual privacy right requests. Our failure to do so could subject us to substantial legal liability, require us to bear significant remediation costs or seriously damage our reputation.

Changes in Regulation

Changes in government regulation of our businesses have the potential to materially alter our business practices or our profitability. Depending on the jurisdiction, those changes may come about through new legislation, the issuance of new laws and regulations or changes in the interpretation of existing laws, regulations and treaties by a court, regulatory body or governmental official. Those changes may have prospective and/or retroactive effect, particularly when a change is made through reinterpretation of laws or regulations that have been in effect for some time. Moreover, changes in regulation that may seem neutral on their face may have a more significant effect on us than on our competitors, depending on the circumstances. Several U.S. states historically required “bundled pricing” by rental vehicle companies but those same states subsequently enacted statutory exceptions to allow for the separate pass-through of certain fees (e.g., airport concession fees, customer facility charges and vehicle licensing fees) with proper disclosure. In addition, the Canadian Competition Bureau has interpreted Canadian consumer law to prohibit “drip pricing” such that base rate advertising is not allowed and the first price that consumers view on the websites of rental vehicle companies must reflect the bundled price for the proposed rental. Recent or potential changes in law or regulation that affect us relate to insurance intermediaries, customer privacy, like-kind exchange programs, data security and rate regulation and our retail vehicle sales operations.

In addition, our operations, as well as those of our competitors, could also be affected by any limitation in the fuel supply or by any imposition of mandatory allocation or rationing regulations. We are not aware of any current proposal to impose such a regime in the U.S. or internationally. Such a regime could, however, be quickly imposed if there was a serious disruption in supply for any reason, including an act of war, terrorist incident or other problem affecting petroleum supply, refining, distribution or pricing.

Environmental

We are subject to extensive federal, state, local and foreign environmental and safety laws, regulations, directives, rules and ordinances concerning, among other things, the operation and maintenance of vehicles; the ownership and operation of tanks for the storage of petroleum products, including gasoline, diesel fuel and oil; and the generation, storage, transportation and disposal of waste materials, including oil, vehicle wash sludge and waste water.

When applicable, we estimate and accrue for certain environmental costs, such as to study potential environmental conditions at sites deemed to require investigation or clean-up activities and for costs to implement remediation actions, including ongoing maintenance, as required. Based on information currently available, we believe that the ultimate resolution of existing environmental remediation actions and our compliance in general with environmental laws and regulations will not have a material effect on our operating results or financial condition. However, it is difficult to predict with certainty the potential impact of future compliance efforts and environmental remedial actions and thus future costs associated with such matters may exceed the amount of the estimated accrued amount.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

ITEM 1. BUSINESS (Continued)

AVAILABLE INFORMATION

You may access, free of charge, Hertz Global and Hertz's reports filed with or furnished to the SEC (including the Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and any amendments to those forms) directly through the SEC (www.sec.gov) or indirectly through our website (www.hertz.com). Reports filed with or furnished to the SEC will be available as soon as reasonably practicable after they are filed with or furnished to the SEC. The information found on our website is not part of this or any other report filed with or furnished to the SEC.

Additional information about the Chapter 11 Cases, including access to documents filed with the Bankruptcy Court, is available online at <https://restructuring.primeclerk.com/hertz>, a website administered by Prime Clerk. The information on this website is not incorporated by reference and does not constitute part of this 2021 Annual Report.

ITEM 1A. RISK FACTORS

Our business is subject to a number of significant risks and uncertainties, and should be carefully considered along with all of the information in this 2021 Annual Report. These risks and uncertainties, however, are not the only risks and uncertainties that we encounter in our operations. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, results of operations, financial condition, liquidity and cash flows. In such a case, you may lose all or part of your investment in Hertz Global's common stock or The Hertz Corporation's debt securities. You should carefully consider each of the following risks and uncertainties. Any of the following risks and uncertainties could materially and adversely affect our business, financial condition, operating results or cash flow and may make an investment in our securities speculative or risky.

We believe that the following information identifies the material risks and uncertainties affecting Hertz Global and Hertz; however, the following risks and uncertainties are not the only risks and uncertainties facing us and it is possible that other risks and uncertainties might significantly affect us.

RISKS RELATED TO COVID-19

The effects of the COVID-19 outbreak have been and continue to be disruptive to our vehicle rental business and may continue to adversely affect our business, results of operations and financial condition.

COVID-19 has had, and continues to have, a significant impact around the world, prompting governments and businesses to take unprecedented measures in response. Such measures have included restrictions on travel and business operations, temporary closures of businesses, and quarantine and shelter-in-place orders. The COVID-19 pandemic has at times significantly curtailed global economic activity and caused significant volatility and disruption in global financial markets.

The COVID-19 pandemic and the measures taken by many countries in response have adversely affected and could in the future materially adversely impact our business, results of operations and financial condition. Historically, we have generated a majority of our rental revenues from airport locations, which makes our rental car business sensitive to decreases in air travel. Due to travel restrictions and stay at home orders during the course of pandemic, our revenues and profitability were significantly impacted when we experienced a high level of rental cancellations and a significant decline in forward bookings due to the decreased customer demand at our airport locations. Although we believe that renting a vehicle continues to be a safe transport alternative, and we have implemented certain procedures to mitigate the impact of COVID-19, we cannot predict when or if customer demand will fully return to pre-COVID-19 levels. Additionally, we have, and could continue to, experience disruptions in the supply of vehicles from vehicle manufacturers, whether due to outbreaks of COVID-19 at their manufacturing facilities, measures they take in response to COVID-19, the Chip Shortage, or otherwise.

The extent to which the COVID-19 pandemic may continue to impact our operational and financial performance remains uncertain and will depend on many factors outside of our control, including the timing, extent, trajectory and duration of the pandemic, the emergence of new variants, the development, availability, distribution and effectiveness of vaccines and treatments, the imposition of protective public safety measures, changes in travel preferences and demand for both business and leisure travel, the length of time it takes for rental pricing and volume and normal economic conditions to return; and the impact of the pandemic on the global economy and discretionary spending for travel. Additional future impacts may include, but are not limited to, material adverse effects on vehicle rental demand, the supply chain and availability of vehicles, our ability to execute our strategic initiatives, and our profitability and cost structure.

In periods that the COVID-19 pandemic adversely affects our business, results of operations and financial condition, it may also have the effect of heightening many of the other risks described in this Part I, Item 1A of this 2021 Annual Report.

ITEM 1A. RISK FACTORS (Continued)

The continued uncertainty about the duration of the negative impact from COVID-19 in our industry may disrupt our employee retention and talent management strategies and affect our business operations.

We develop and maintain a talent management strategy that defines current and future talent requirements (e.g., experience, skills, location requirements, timing, etc.) based on our strategic direction, coordinated recruiting and development plans across businesses and regions and considers employee mobility, centers of excellence and shared service concepts to optimize resource plans and leverage labor arbitrage.

COVID-19 has created uncertainty with respect to the return to the workforce which has continued beyond 2021 and affects our employee retention and talent management strategies. We may find it difficult to hire and retain a sufficient number of employees with the necessary skills to meet demand. We cannot predict with certainty how the post-COVID return to workforce measures or general labor shortages will affect our employee retention and talent management strategies. The consequences that may result from continued disruptions or a failure of our employee retention and talent management strategies can include inadequate staffing levels, inability to support our business plan, lack of key talent, declining product quality and competitive differentiation, eroding employee morale and productivity, an increase in costs or an inability to meet/maintain internal control, regulatory or other compliance-related requirements.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

The continuing Chip Shortage has, and may continue to, cause delays in new vehicle acquisitions, which can adversely affect our business, results of operations and financial condition.

Increased demand for semiconductor microchips ("Chips") in 2020, due in part to COVID-19 and an increased use of electronic equipment that use these Chips, resulted in a severe shortage of Chips in 2021. These same Chips and microprocessors are used in a variety of automobile parts, including in the control of engines and transmissions. As a result, various automotive manufacturers have been forced to delay or stall new vehicle production, which has caused delays in us receiving new vehicles. If efforts to address the shortage of Chips by the industry and government entities are unsuccessful, there may be further delays in new vehicle production. Consequently, there is no guarantee that we can purchase a sufficient number of new vehicles at competitive prices and on competitive terms and conditions. If we are unable to obtain a sufficient supply of new vehicles, or if we obtain less favorable pricing and other terms during the acquisition of vehicles and are unable to recover the increased costs, then our results of operations, financial condition, liquidity and cash flows may be materially adversely affected. If we are unable to purchase new vehicles at competitive prices, increased maintenance costs in relation to our existing fleet may put further pressure on our results of operations and financial condition.

The ability to attract and retain key personnel is critical to the success of our business.

The success of our business depends on the efforts and abilities of our senior management and other key personnel. If we do not succeed in attracting and retaining qualified personnel, particularly at the management level, our ability to execute our business plan may be adversely affected, which could harm our operating results or financial condition. Competition for qualified employees is intense. Additionally, our ability to attract and retain qualified personnel could be adversely affected by our having filed for bankruptcy, notwithstanding our emergence from Chapter 11. Although we actively conduct talent reviews and succession planning to be prepared, if executives, managers or other key personnel resign, retire or are terminated, or their service is otherwise interrupted, we may not be able to replace them in a timely manner and we could experience significant declines in productivity.

Our vehicle rental business is particularly sensitive to reductions in the levels of business and leisure travel, and reductions in travel could materially adversely affect our results of operations, financial condition, liquidity and cash flows.

The vehicle rental industry is particularly affected by reductions in business and leisure travel, especially with respect to levels of airline passenger traffic. Reductions in levels of air travel, whether caused by general economic conditions, airfare increases or other events, such as work stoppages, military conflicts, terrorist incidents, natural

ITEM 1A. RISK FACTORS (Continued)

disasters, epidemic diseases, or the response of governments to any of these events, could have a material adverse effect on demand for vehicle rentals. In particular, we derive a substantial proportion of our revenues from key leisure destinations, including Florida, California, Texas, Hawaii and New York in the U.S. and Europe internationally, and the level of travel to these destinations is dependent upon the ability and willingness of consumers to travel on vacation and the effect of economic cycles on consumers' discretionary travel, including shortages of fuel and increases or volatility in fuel costs. In 2020 as a result of COVID-19, business and leisure travel were adversely affected and our results of operations, financial condition, liquidity and cash flows were materially adversely affected. Leisure travel substantially recovered beginning late in the first quarter of 2021, but business travel remains depressed compared to pre-pandemic levels. It is possible that the increased use of conferencing and collaboration technology, as well as any permanent shift towards remote work and essential-only travel, could result in a prolonged decrease in demand for business-related travel, which could materially and adversely affect demand for our rental vehicles for business travel over the long-term.

We face intense competition that may lead to downward pricing or an inability to increase prices.

We believe that price is one of the primary competitive factors in the vehicle rental market and that technology has enabled cost-conscious customers, including business travelers, to compare rates available from rental companies more easily. If we try to increase our pricing, our competitors, some of whom may have greater resources and better access to capital than us, may seek to compete aggressively on the basis of pricing. In addition, our competitors may reduce prices in order to, among other things, attempt to gain a competitive advantage, capture market share or compensate for declines in rental activity. Additionally, pricing in the vehicle rental industry is impacted by the supply of vehicles available for rent. Any significant fluctuations in the supply of rental vehicles available in the market due to unexpected changes in demand, or actions taken by our competitors, could negatively affect our pricing, operating plans or results of operations if we are unable to adjust the size of our rental fleet in response to fluctuations in supply and demand. We also compete with non-traditional companies for vehicle rental market share, including auto manufacturers, ride-hailing and car sharing companies and other competitors in the mobility industry. To the extent we do not react appropriately to our competition or optimize our revenue and pricing strategies, we may experience sub-optimal pricing, sub-optimal asset utilization, poor customer satisfaction, lost revenue and other unfavorable consequences which may materially adversely affect our revenues and results of operations, financial condition, liquidity and cash flows.

Our business is highly seasonal and any occurrence that disrupts rental activity during our peak periods could materially adversely affect our results of operations, financial condition, liquidity and cash flows.

The second and third quarters of the year have historically been the strongest quarters for our vehicle rental business due to increased levels of leisure travel. We seek to manage seasonal increases in demand by increasing our available fleet and staff during peak periods, although we may not always be successful in doing so. Any circumstance, occurrence or situation that disrupts rental activity during our peak periods, or our inability to effectively meet heightened demand in those periods, could have a significant and disproportionate impact on our revenue and have a material adverse effect on our results of operations, financial condition, liquidity and cash flows.

If we are unable to accurately estimate future levels of rental activity and adjust the number, location and mix of vehicles used in our rental operations accordingly, our results of operations, financial condition, liquidity and cash flows could suffer.

Vehicle costs typically represent our largest expense and vehicle purchases are typically made weeks or months in advance of the expected use of the vehicle. Accordingly, our business is dependent upon the ability of our management to accurately estimate future levels of rental activity and consumer preferences with respect to the mix of vehicles used in our rental operations and the location of those vehicles. If we are unable to purchase a sufficient number of vehicles, or the right types of vehicles, to meet consumer demand, we may lose revenue or market share to our competitors. If we purchase too many vehicles, our Vehicle Utilization could be adversely affected and we may not be able to dispose of excess vehicles in a timely and cost-effective manner. For example, in early 2020 and due to COVID-19, we experienced significant excess in our vehicle supply due to reduced demand which adversely affected our Vehicle Utilization. Our failure to utilize a flexible and systematic process for fleet management that

ITEM 1A. RISK FACTORS (Continued)

accurately estimates future levels of rental activity and determines the appropriate mix of vehicles used in our rental operations may result in obsolescence and excessive aging of fleet, the inability to sell fleet at adequate prices, sub-optimal fleet utilization, increased fleet costs, lower customer satisfaction, sub-optimal fleet sizing, lost or missing fleet assets, reduced margins and cash flows and other unfavorable consequences which may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

We are implementing a strategy which increases our reliance on EVs, which may not be as successful as we anticipate.

In October 2021, we announced new initiatives as part of a plan to significantly expand our EV rental fleet in North America. There are a number of risks associated with expanding our EV fleet, including but not limited to the inability to secure vehicle supply within the time frame we, and our customers, expect; a potential lack of adequate infrastructure to support EVs; negative publicity or negative customer reaction to any delays in EV vehicle supply or lack of infrastructure; potentially high costs associated with maintaining or repairing EVs and related infrastructure; increased risks related to the data connectivity and the technology upon which these initiatives will rely, such as unauthorized access to modify or use such technology; possible competition from other vehicle rental providers that may also implement similar strategies; and the possibility that our strategic initiatives are not as well-received by our consumer base as anticipated.

Moreover, our recently announced investment in Tesla EVs exposes us to a number of risks related to the potential concentration of such vehicles in our fleet, including the risk that demand for Tesla vehicles by our customers may be lower than we anticipate, the inability to obtain an adequate level of supply of Tesla vehicles and any needed replacement parts for Tesla EVs due to malfunction, product recalls or use over time, and risks related to the battery cells on which Tesla EVs depend, including the safety of such products and their need to maintain and significantly grow access to battery cells. Additionally, in October 2021, we announced an exclusive partnership with Uber to make Teslas available for their drivers to rent on the Uber network in the U.S. The success of this initiative will be dependent on the factors described above.

In addition, the success of our initiatives depends, in part, on the economics ultimately associated with EVs, including depreciation and residual values and the cost of financing, which will impact the attractiveness of our EVs to our customers. These economics are evolving due to the developing nature of the EV market and outcomes associated with such economics that are currently unknown could materially impact the success of these initiatives. If we do not adequately address potential risks such as these, our future revenue potential may be impacted and our ability to pursue our strategic initiatives and attain profitability could be compromised.

We may fail to adequately respond to changes in technology, customer demands and market competition.

Our industry has recently been characterized by rapid changes in technology innovation and deployment to address evolving customer demands, improve operational efficiency and disrupt competitive dynamics. Examples include addressing increasing expectations of personalized, efficient and mobile-first experiences across services; optimizing maintenance costs, improving vehicle utilization and maximizing the costs of asset ownership; and enabling traditional and non-traditional competitors to introduce new transportation offerings, consumption models and vehicle platforms, including electric and autonomous vehicles and other potentially disruptive technologies. Our ability to continually improve our technology platforms, processes and products in this environment is essential to maintain a competitive position in customer satisfaction, market share and other areas. Due to natural complexity in technology innovation, potentially high costs of certain initiatives, hiring and retention challenges and impacts from our financial restructuring, we may experience technical or other difficulties that could delay or prevent the development, introduction or marketing of new products or enhanced product offerings. These challenges related to emerging technology may result in loss of competitive differentiation, margin erosion, departure of key partners, declining market share, inability to achieve growth targets, inefficient or outdated service delivery platforms, loss of key customers and brand erosion, declining employee morale, inability to attract or retain key talent and other unfavorable consequences which may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

ITEM 1A. RISK FACTORS (Continued)

The mix of program and non-program vehicles in our fleet, as well as declining values of our non-program vehicles, can subject us to an increased residual value risk, which could increase our costs and materially adversely affect our results of operations, financial condition, liquidity and cash flows.

Manufacturers agree to repurchase program vehicles at a specified price or guarantee the depreciation rate on the vehicles during a specified time period. Using program vehicles in our fleet can often alleviate our residual value risk because of the terms of our agreements with the vehicle manufacturer for repurchases and guaranteed depreciation on those vehicles. Additionally, program vehicles provide flexibility because we may be able to sell certain program vehicles shortly after having acquired them at a higher value than what we could for a similar non-program vehicle at that time, which is useful in managing our peak demand for vehicles. These benefits diminish when there are fewer program vehicles in our fleet.

We sell our non-program vehicles through various sales channels in the used vehicle market, including auctions, dealer direct sales, retail lots through our car sales program. In October 2021, we announced a nationwide agreement with Carvana to offer online sales of non-program vehicles to digitize and modernize our retail sales process and reduce our reliance on wholesale disposition channels. Additionally, as a result of the factors that can affect the market for used vehicles described below, our agreement with Carvana may not produce the anticipated benefits of providing stable or desirable vehicle prices in the future compared to the wholesale disposition channels.

For non-program vehicles, there is an increased risk that the net amount realized upon the disposition of the vehicle will be less than its estimated residual value at such time. The residual values of non-program vehicles are affected by the market for used vehicles, and although the demand for used vehicles is currently high, vehicle purchases are typically discretionary for consumers and the retail market for used vehicles is subject to economic factors, such as demand, consumer interests, inventory levels, pricing of new car models, interest rates, fuel costs, tariffs and other general economic conditions. Any decrease in residual values of our non-program vehicles could result in a substantial loss on the sale of such vehicles or accelerated depreciation while we own the vehicles, which can materially adversely affect our results of operations, financial condition, liquidity and cash flows.

If we are unable to purchase adequate supplies of competitively priced vehicles or the cost of the vehicles we purchase increases, our results of operations, financial condition, liquidity and cash flows may be materially adversely affected.

Our vehicle purchase strategies can be affected by commercial, economic, market and other conditions, including a reduction of supply from auto manufacturers and any rebates or other incentives offered by them for our purchases. Purchases of vehicles from manufacturers are generally made pursuant to master agreement or framework agreements and are generally subject to potential delay or cancellation by manufacturers. Although we work with manufacturers on a continuous basis to gain a mutual understanding of their supply of, and our demand for, vehicles, the process by which we normally purchase vehicles does not always guarantee the availability of the desired vehicles on a timely basis, or provide us with remedies for any unavailability. Additionally, since 2020, auto manufacturers have faced a shortage of Chips and other digital devices used to control engines and transmissions, which has affected the availability of new vehicles being produced and our reliance on the used vehicle market, which is experiencing historically high prices, has increased. Consequently, there is no guarantee that we can purchase a sufficient number of vehicles at competitive prices and on competitive terms and conditions. If we are unable to obtain a sufficient supply of vehicles, or if we obtain less favorable pricing and other terms during the acquisition of vehicles and are unable to recover from the increased costs, then our results of operations, financial condition, liquidity and cash flows may be materially adversely affected.

The failure of a manufacturer of our program vehicles to fulfill its obligations under a repurchase or guaranteed depreciation program could expose us to losses on those program vehicles.

If any manufacturer of our program vehicles does not fulfill its obligations under its repurchase or guaranteed depreciation agreement with us, whether due to default, reorganization, bankruptcy or otherwise, then we would have to dispose of those program vehicles without receiving the benefits of the associated repurchase programs. In addition, we could be left with a substantial unpaid claim against the manufacturer with respect to program vehicles

ITEM 1A. RISK FACTORS (Continued)

that were sold back to the manufacturer but not paid for, or that were sold for less than their agreed repurchase price or guaranteed value.

The failure by a manufacturer to pay such amounts could cause a credit enhancement deficiency under our asset-backed and asset-based financing arrangements, requiring us to either reduce the outstanding principal amount of debt or provide more collateral (in the form of cash, vehicles and/or certain other contractual rights) to the creditors under any such affected arrangement.

If one or more manufacturers were to adversely modify or eliminate repurchase or guaranteed depreciation programs in the future, our access to and the terms of asset-backed and asset-based debt financing could be adversely affected, which could in turn have a material adverse effect on our results of operations, financial condition, liquidity and cash flows.

Manufacturer safety recalls could create risks to our business.

The Raechel and Jacqueline Houck Safe Rental Car Act of 2015 prohibits us from renting or selling vehicles with open federal safety recalls and requires us to repair or address these recalls prior to renting or selling the vehicle. If a large number of vehicles are the subject of a recall or if needed replacement parts are not in adequate supply, we may not be able to rent recalled vehicles for a significant period of time. The potential impact of a recall may be particularly severe if it impacts a model that comprises a significant proportion of our fleet, or parts that are common across numerous model types, such as recalls of airbags in recent years. These types of disruptions could jeopardize our ability to fulfill existing contractual commitments or satisfy demand for our vehicles and could also result in the loss of business to competitors whose fleets are not similarly impacted. Depending on the severity of any recall, it could materially adversely affect, among other things, our revenues, create customer service problems, present liability claims, reduce the residual value of the recalled vehicles and harm our general reputation.

We rely on third-party distribution channels for a significant amount of our revenues, and the loss of access to or changes in these distribution channels could have a material adverse effect on our financial condition.

Third-party distribution channels account for a significant amount of our vehicle rental reservations. These third-party distribution channels include traditional and online travel agencies, third-party internet sites, airlines and hotel companies, marketing partners such as credit card companies and membership organizations and global distribution systems that allow travel agents, travel service providers and customers to connect directly to our reservations systems. Loss of access to any of these channels, changes in pricing or commission structures or a reduction in transaction volume could have a material adverse effect on our financial condition or results of operations, liquidity and cash flows, particularly if our customers are unable to access our reservation systems through alternate channels.

If our customers develop loyalty to internet travel intermediaries rather than our brands, our financial results may suffer.

Certain internet travel intermediaries, such as online travel agencies and third-party internet sites, use generic indicators of the type of vehicle (such as "standard" or "compact") at the expense of brand identification and some intermediaries have launched their own loyalty programs to develop loyalties to their reservation system rather than to our brands. If the volume of sales made through internet travel intermediaries increases significantly and consumers develop stronger loyalties to these intermediaries rather than to our brands, our business and revenues could be adversely affected. Additionally, if our market share suffers due to lower levels of customer loyalty, our results of operations, financial condition, liquidity and cash flows could be materially adversely affected.

Damage to our reputation or brands could have a material adverse effect on our business and results of operations.

Our reputation and global brands are integral to the success of our business and depend on many factors, including the quality of our products and services and the trust we maintain with our customers. Negative claims or publicity

ITEM 1A. RISK FACTORS (Continued)

regarding, among other things, our Company or our operations, offerings, practices, or customer service may damage our brands or reputation, even if such claims are untrue. Damage to our reputation or brands could result in a loss of customers and adversely impact our revenue and profitability. Additionally, if we fail to provide a high-quality rental experience for our customers and members, adopt new technologies or adapt to changes in the mobility industry, or otherwise meet our customer needs, there could be substantial harm to our reputation and competitiveness, which could adversely impact our financial condition or results of operations.

Our commercial off airport leases and airport concession agreements expose us to risks.

We maintain a substantial network of vehicle rental locations at off airport and airport locations in the U.S. and internationally. If we are unable to continue operating these facilities at their current locations due to the termination of leases or the termination of vehicle rental concessions at airports, which comprise a majority of our revenues, our operating results could be adversely affected. These leases and concession agreements typically include minimum payment obligations that are required even if our volume significantly declines which could increase our costs as a percentage of revenues. In addition, if the costs of these leases and/or concession agreements increase and we are unable to increase our pricing structure to offset the increased costs, our financial results could suffer.

Maintaining favorable brand recognition is essential to our success, and failure to do so could materially adversely affect our results of operations, financial condition, liquidity and cash flows.

Our business is heavily dependent upon the favorable brand recognition that our “Hertz”, “Dollar” and “Thrifty” brand names have in the markets in which they participate. Factors affecting brand recognition are often outside our control, and our efforts to maintain or enhance favorable brand recognition, such as marketing and advertising campaigns, may not have their desired effects. In addition, although our licensing partners are subject to contractual requirements to protect our brands, it may be difficult to monitor or enforce such requirements, particularly in foreign jurisdictions and various laws may limit our ability to enforce the terms of these agreements or to terminate the agreements. Any decline in perceived favorable recognition of our brands could materially adversely affect our results of operations, financial condition, liquidity and cash flows.

We may face issues with our union-represented employees.

Active labor contracts covering the terms of employment for the Company's union-represented employees in the U.S. (including those in the U.S. territories) are presently in effect, many of which cover employees at our larger airport locations, primarily with the International Brotherhood of Teamsters and the International Association of Machinists. These contracts are renegotiated periodically and we anticipate renegotiating labor contracts with approximately 45% of these employees in 2022. Failure to negotiate a new labor agreement when required could result in a work stoppage. Although we believe that our labor relations have generally been good, it is possible that we could become subject to additional work rules imposed by agreements with labor unions, or that contract extensions, work stoppages or other labor disturbances could occur in the future. In addition, our non-union-represented workforce has been subject to unionization efforts in the past, and we could be subject to future unionization, which could lead to increases in our operating costs and/or constraints on our operating flexibility.

RISKS RELATED TO INFORMATION TECHNOLOGY, CYBERSECURITY AND PRIVACY RISKS***Cyber security threats continue to increase in frequency and sophistication, and a successful cyber security attack could interrupt or disrupt our information technology systems, or those of our third-party service providers, which could, among other things, disrupt our business, force us to incur costs or cause reputational harm.***

We encounter continuous exposure to cyber-attacks and other security threats to our information networks and systems and the information stored on those networks and systems. Cyber-attacks are increasing in their frequency, sophistication and intensity, and have become increasingly difficult to detect. Cyber-attacks could include the deployment of harmful malware, ransomware, denial-of-services attacks and other means to affect service reliability and threaten the availability, confidentiality and integrity of information. Cyber-attacks could also include phishing attempts or other methods to cause payments or information to be transmitted to an unintended recipient. Cyber

ITEM 1A. RISK FACTORS (Continued)

threat actors are also attempting to exploit vulnerabilities through software that is commonly used by companies in cloud-based services, programs and bundled software. Like many other companies, we experience attempts by third-parties to gain access to our systems and networks on a frequent basis, and the frequency of such attempts could increase in the future. At this time, we do not believe that any such attempts have had a material effect on our business, operations or financial condition. We have invested in the protection of data and information technology, and actively work to enhance our business continuity and disaster recovery capabilities to ensure resilience; however, there can be no assurance that our efforts will be successful.

We monitor our obligations under and compliance with global laws requiring information security safeguards and notification in the event of a security breach. We respond to potential security issues by utilizing procedures that provide for controls on detecting and addressing cyber security threats and communicating information to senior personnel and security representatives that we retain. We have also taken steps to address cyber security threats at third-parties that handle, possess, process and store our information to mitigate the potential risk to us. Such measures include contractually requiring the third-parties to maintain certain data security controls. However, because of the rapidly changing nature and sophistication of these security threats, which can be difficult to detect, there can be no assurance that our controls, policies and procedures have or will detect or prevent all of these threats, and we cannot predict the full impact of any past or future incident. Any failure by us to effectively address, enforce and maintain our information technology infrastructure and cyber security requirements may result in substantial harm to our business, including major disruptions to business operations, loss of intellectual property, release of confidential information, malicious corruption of data, regulatory intervention and sanctions or fines, investigation and remediation costs and possible prolonged negative publicity. Additionally, although we maintain insurance coverage to address cyber security events that we believe is adequate for our business, there can be no assurance that such insurance will cover substantially all of our potential costs and expenses related to cyber security incidents that may happen in the future.

Our business is heavily reliant upon information technology systems, some of which are managed, hosted, provided or used by third parties, including cloud-based service providers, and any significant failures or disruptions to these systems could adversely impact our business.

Our ability to, among other things, accept reservations, process rental and sales transactions, manage our pricing, manage our revenue earning vehicles, manage our financing arrangements, account for our activities and otherwise conduct our business is dependent on the performance and availability of our networks and systems, as well as those of third-party cloud providers. We have experienced, and from time to time in the future may experience, a failure or interruption that results in the unavailability of certain information systems. Additionally, our major information technology systems, reservations and accounting functions are centralized in a few locations worldwide. Any disruption, termination or substandard provision of services, including by third-party cloud providers, whether as the result of localized conditions (e.g., fire, explosion or hacking), failure of our systems to function as designed, or as the result of events or circumstances of broader geographic impact (e.g., earthquake, storm, flood, epidemic, strike, act of war, civil unrest or terrorist act), could materially adversely affect our business by disrupting normal reservations, customer service, accounting and technology functions; interfering with our ability to manage our vehicles; delaying or disrupting rental and sales processes; adversely affecting our ability to comply with our financing arrangements; and otherwise impacting our ability to manage our business. These events could, individually or in the aggregate, lead to lower revenues, increased costs or other effects on our results of operations, financial condition, liquidity and cash flows, which may be material.

If we fail to maintain, upgrade and consolidate our information technology systems, our business could be adversely affected.

In the ordinary course of our business, we evaluate, upgrade and consolidate our systems, including making changes to legacy systems, replacing legacy systems with successor systems with new functionality and acquiring new systems with new functionality. In addition, we outsource a significant portion of our information technology services. These types of activities subject us to additional costs and inherent risks associated with outsourcing, replacing and changing these systems, including impairment of our ability to manage our business, potential disruption of our internal control structure, substantial capital expenditures, additional administration and operating

ITEM 1A. RISK FACTORS (Continued)

expenses, retention of sufficiently skilled personnel to implement and operate the new systems, demands on management time, potential delays or disruptions from upgrading and consolidating our systems and other risks and costs of delays or difficulties in transitioning to outsourcing alternatives, new systems or integrating new systems into our current systems. If we fail to maintain comprehensive technology enablement and effective processes, we may be unable to support business growth expectations, and such failure could result in excessive overhead costs, high rates of transaction failures and rework, detrimental impact to customers, excessive write-offs and potential litigation, service quality issues, declining employee morale, loss of key talent and other unfavorable consequences. These risks are elevated when legacy systems and infrastructure updates are delayed or otherwise not made on a timely basis, which can result in a heightened security risk. In addition, the implementation of our technology initiatives and systems may cause disruptions in our business operations by severely degrading performance or a complete loss of service and have an adverse effect on our business and operations if not anticipated and appropriately mitigated and our competitive position may be adversely affected if we are unable to maintain systems that allow us to manage our business in a competitive manner.

The misuse or theft of information we possess, including as a result of cyber security breaches, could harm our brand, reputation or competitive position and give rise to material liabilities which may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

We regularly collect, process and store non-public information about millions of individuals and businesses, including both credit and debit card information and other sensitive and confidential personal information in the normal course of our business. In addition, our customers regularly transmit sensitive and confidential information to us via the internet and through other electronic means. Despite the security measures and compliance programs we currently maintain and monitor, our facilities and systems and those of our third-party service providers may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Unauthorized parties may also attempt to gain access to our facilities or systems, or those of third parties with whom we do business, through fraud, misrepresentation, or other forms of deception. We and our service providers may not anticipate or prevent all types of attempts to obtain unauthorized access until after they have already been launched, and techniques used to obtain unauthorized access to systems change frequently and may not be known until launched against us or our third-party service providers. For example, in recent years, many companies have been subject to high-profile security breaches that involved sophisticated and targeted attacks on the company's infrastructure and the compromise of non-public sensitive and confidential information. These attacks were often not recognized or detected until after the disclosure of sensitive information notwithstanding the preventive and anticipative measures the companies had maintained. While we work to continuously evaluate our security throughout our business and make appropriate changes to our operating processes and improve our defenses and we implement security measures designed to safeguard our systems and data, and intend to continue implementing additional measures in the future, our implementation efforts may be incomplete or our measures may not be sufficient to maintain the confidentiality, security, or availability of the data we collect, store, and use to operate our business. Additionally, any failure to manage information privacy in compliance with applicable laws, whether as a result of our own error or the error or malfeasance of others, could result in regulatory fines and sanctions, increased litigation, prolonged negative publicity, data breaches, declining customer confidence, loss of key customers, employee liability, shareholder derivative lawsuits and other unfavorable consequences.

We may face particular data protection, data security and privacy risks in connection with the European Union's Global Data Protection Regulation and other privacy regulations.

Our business requires the secure processing and storage of personal information relating to our customers, employees, business partners and others. Strict data privacy laws regulating the collection, transmission, storage and use of employee data and consumers' personally-identifying information are continuously evolving in the European Union, U.S. and other jurisdictions in which we operate. In particular, the European Union's General Data Protection Regulation (the "GDPR") imposes compliance obligations for the collection, use, retention, security, processing, transfer and deletion of personally identifiable information of individuals. In addition, countries such as the United Kingdom have implemented the GDPR through their own legislation, for example, the UK Data Protection Act of 2018. Privacy laws in the U.S. include the California Consumer Privacy Act (the "CCPA"), which expands the definition of personal information and grants, among other things, individual rights to access and delete

ITEM 1A. RISK FACTORS (Continued)

personal information, and the right to opt out of the sale of personal information. These laws and regulations can also impose significant forfeitures and penalties for noncompliance and afford private rights of action to individuals under certain circumstances.

We actively monitor compliance with data protection and privacy-related laws and other regulations, including upcoming legislation, in the jurisdictions we operate; however, these laws are developing rapidly and may create inconsistent or conflicting requirements. Changes in the legal and regulatory environments in the areas of customer and employee privacy, data security, and cross-border data flows could have a material adverse effect on our business, primarily through the regulation of our marketing and transaction processing activities, the limitation on the types of information that we may collect, process and retain, the resulting costs of complying with such legal and regulatory requirements and potential monetary forfeitures and penalties for noncompliance, which could be significant. Such regulations also may increase our compliance and administrative burden significantly and require us to invest resources and management attention in order to update our information technology systems to meet new requirements.

RISKS RELATED TO LEGAL, REGULATORY AND TAX MATTERS

Our foreign operations expose us to risks that may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

Our foreign operations generate revenue outside the U.S. Accordingly, operating in many different countries exposes us to varying risks, which include: (i) multiple, and sometimes conflicting, foreign regulatory requirements and laws that are subject to change and are often much different than the domestic laws in the U.S., including laws relating to taxes, automobile-related liability, insurance rates, insurance products, consumer privacy, data security, employment matters, cost and fee recovery, and the protection of our trademarks and other intellectual property; (ii) the effect of foreign currency translation risk, as well as limitations on our ability to repatriate income; (iii) varying tax regimes, including consequences from changes in applicable tax laws and our ability to repatriate cash from non-U.S. affiliates without adverse tax consequences; (iv) local ownership or investment requirements, as well as difficulties in obtaining financing in foreign countries for local operations; and (v) political and economic instability, natural calamities, war, and terrorism.

The effects of these risks may, individually or in the aggregate, materially adversely affect our results of operations, financial condition, liquidity and cash flows.

The recognition of previously-deferred tax gains on the disposition of revenue earning vehicles may not be fully offset by full expensing of newly-purchased revenue earning vehicles.

A material and extended reduction in vehicle purchases by our U.S. vehicle rental business, for any reason, could require us to make material cash payments for U.S. federal and state income tax liabilities. We cannot offer assurance that allowances for the full expensing of purchased revenue earning vehicles in the future will exceed previously deferred tax gains realized upon the disposition of revenue earning vehicles.

The Tax Cuts and Jobs Act (the "TCJA") reduces the allowable expense from 100% of the acquisition costs by 20% per year beginning in 2023, fully eliminating the bonus component by 2027. This change could result in the Company being required to make future material cash tax payments on the sales of revenue earning vehicles. We cannot predict if or when legislation would be enacted in the future to allow full or partial expensing of purchased revenue earning vehicles or to allow deferral of tax gains on the dispositions of revenue earning vehicles.

Under Section 163(j) of the Internal Revenue Code of 1986, as amended (the "Code"), certain financing arrangements are not eligible for 100% expensing of the costs of the purchased vehicles. Our ability to fully expense such costs may be impacted as a result of such financing transactions.

These events may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

ITEM 1A. RISK FACTORS (Continued)

Our ability to utilize our net operating loss carryforwards ("NOLs") may be limited as a result of our emergence from bankruptcy, a prior ownership change under Section 382 of the Code, and changes under the TCJA.

In general, Section 382 of the Code provides an annual limitation with respect to the ability of a corporation to utilize its NOLs and other tax attributes, as well as certain built-in-losses ("BILs"), against future taxable income in the event of a change in ownership. Our emergence from Chapter 11 bankruptcy proceedings, as well as the sale by entities affiliated with Carl Icahn on May 26, 2020, of approximately 38.9% of our then-outstanding stock, resulted in a change in ownership for purposes of Section 382 of the Code. The Company has performed an analysis of the impact of this ownership change and concluded that there should not be a material impact on U.S. federal NOLs but that there may be some restrictions on the use of NOLs at the state level under state statutes corresponding to Section 382.

Limitations imposed on our ability to use NOLs, other tax attributes and BILs to offset future taxable income may cause U.S. federal income taxes to be paid earlier than otherwise would be paid if such limitations were not in effect and could cause such NOLs and other tax attributes to expire unused. Similar rules and limitations may apply for state income tax purposes. If we experience a subsequent ownership change, it is possible that a significant portion of our tax attributes could be further limited for use to offset future taxable income.

In addition, our NOL utilization was statutorily limited under the TCJA, which limited a taxpayer's ability to use NOLs to 80% of taxable income and disallowed the carryback of NOLs arising after 2017.

We face risks related to liabilities and insurance.

Our businesses expose us to claims for personal injury, death and property damage resulting from the use of the vehicles rented or sold by us, and for employment-related injury claims by our employees. The Company is currently a defendant in numerous actions and has received numerous claims for which actions have not yet been commenced for public liability and property damage arising from the operation of motor vehicles rented from the Company. We generally self-insure up to \$10 million per occurrence globally and the Company has \$200 million insurance coverage excess of retentions. There can be no assurance that we will not be exposed to uninsured liability at levels in excess of our historical levels, that liabilities in respect of existing or future claims will not exceed the level of our insurance or reserves, that we will have sufficient capital available to pay any uninsured claims or that insurance with unaffiliated carriers will continue to be available to us on economically reasonable terms or at all. See Item 1, "Business - Insurance and Risk Management" and Note 14, "Contingencies and Off-Balance Sheet Commitments," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

Environmental laws and regulations and the costs of complying with them, or any liability or obligation imposed under them, could materially adversely affect our results of operations, financial condition, liquidity and cash flows.

We are subject to federal, state, local and foreign environmental laws and regulations in connection with our operations, including with respect to the ownership and operation of tanks for the storage of petroleum products, such as gasoline, diesel fuel and motor and used oils. We cannot guarantee that the tanks will at all times remain free from leaks or that the use of these tanks will not result in significant spills or leakage. If a leak or a spill occurs, it is possible that the costs to investigate and remediate resulting impacts, as well as any associated fines, could be significant. Historically, we have indemnified various parties for the costs associated with remediating certain hazardous substance storage, recycling or disposal sites and, in some instances, for natural resource damages. Compliance with existing or future environmental laws and regulations may require material expenditures by us or otherwise have a material adverse effect on our consolidated financial condition, results of operations, liquidity or cash flows. See Item 1, "Business—Government Regulation and Environmental Matters" in this 2021 Annual Report.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1A. RISK FACTORS (Continued)

The U.S. Congress and other legislative and regulatory authorities in the U.S. and internationally have considered, and will likely continue to consider, numerous measures related to climate change and greenhouse gas emissions. Should rules establishing limitations on greenhouse gas emissions or rules imposing fees on entities deemed to be responsible for greenhouse gas emissions become effective, demand for our services could be affected, our vehicle, and/or other, costs could increase, and our business could be adversely affected.

Changes in the U.S. legal and regulatory environment that affect our operations, including laws and regulations relating to accounting principles, taxes, automobile related liability, insurance rates, insurance products, consumer privacy, data security, employment matters, licensing and franchising, used-car sales (including retail sales), cost and fee recovery and the banking and financing industry could disrupt our business, increase our expenses or otherwise have a material adverse effect on our results of operations, financial condition, liquidity and cash flows.

We are subject to a wide variety of U.S. laws and regulations and changes in the level of government regulation of our business have the potential to materially alter our business practices and materially adversely affect our results of operations, financial condition, liquidity and cash flows. Those changes may occur through new laws and regulations or changes in the interpretation of existing laws and regulations.

In addition, the current domestic and international political environment, including government shutdowns and changes to U.S. policies related to global trade and tariffs, has resulted in uncertainty surrounding the future state of the global economy. The U.S. federal government may propose additional changes to international trade agreements, tariffs, taxes, and other government rules and regulations. These regulatory changes could significantly impact our business and financial performance.

Any new, or change in existing, U.S. law and regulation with respect to optional insurance products or policies could increase our costs of compliance or make it uneconomical to offer such products, which would lead to a reduction in revenue and profitability. For further discussion regarding how changes in the regulation of insurance intermediaries may affect us, see Item 1, “Business—Insurance and Risk Management” in this 2021 Annual Report. If customers decline to purchase supplemental liability insurance products from us as a result of any changes in these laws or otherwise, our results of operations, financial condition, liquidity and cash flows could be materially adversely affected.

We derive revenue through rental activities of our brands under franchise and license arrangements. These arrangements are subject to various international, federal and state laws and regulations that impose limitations on our interactions with counterparties. In addition, the used-vehicle sale industry, including our network of company-operated retail vehicle sales locations, is subject to a wide range of federal, state and local laws and regulations, such as those relating to motor vehicle sales, retail installment sales and related finance and insurance matters, advertising, licensing, consumer protection and consumer privacy. Changes in these laws and regulations that impact our franchising and licensing agreements or our used-vehicle sales could adversely affect our results.

In most jurisdictions where we operate, we pass-through various expenses, including the recovery of vehicle licensing costs and airport concession fees, to our rental customers as separate charges. We believe that our expense pass-throughs, where imposed, are properly disclosed and are lawful. However, in the event of incorrect calculations or disclosures with respect to expense pass-throughs, or a successful challenge to the methodology we have used for determining our expense pass-through treatment, we could be subject to fines or other liabilities. In addition, we may in the future be subject to potential legislative, regulatory or administrative changes or actions which could limit, restrict or prohibit our ability to separately state, charge and recover vehicle licensing costs and airport concession fees, which could result in a material adverse effect on our results of operations, financial condition, liquidity and cash flows.

Certain proposed or enacted laws and regulations with respect to the banking and finance industries, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (including risk retention requirements) and amendments to the SEC's rules relating to asset-backed securities, could restrict our access to certain financing

ITEM 1A. RISK FACTORS (Continued)

arrangements and increase our financing costs, which could have a material adverse effect on our results of operations, financial condition, liquidity and cash flows.

We are subject to many different forms of taxation in various jurisdictions throughout the world, which could lead to disagreements with tax authorities regarding the application of tax laws.

We are subject to many forms of taxation in the jurisdictions throughout the world in which we operate, including, but not limited to, income tax, withholding tax and payroll-related taxes. Tax law and administration are extremely complex and often require us, together with our advisors, to make subjective determinations.

For example, in accordance with Section 482 of the Code and the Organization for Economic Cooperation and Development guidelines, we have established transfer pricing policies to govern our intercompany operations. Implementing transfer pricing policies can be extremely complex and may often require us, together with our advisors, to make subjective determinations.

Tax authorities could disagree with our determinations, which disagreements could result in lengthy legal disputes and, ultimately, the payment of substantial funds to government authorities, which could have a material adverse effect on our operations, financial condition, liquidity and cash flows.

An impairment of our goodwill and other indefinite-lived intangible assets could have a material impact to our results of operations.

On an annual basis as of October 1, and at interim periods when circumstances require as a result of a triggering event, we test the recoverability of our goodwill and indefinite-lived intangible assets by performing an impairment analysis. An impairment is deemed to exist if the carrying value of goodwill or indefinite-lived intangible assets exceed their fair value as determined using level 3 inputs under the GAAP fair value hierarchy. The reviews of fair value involve judgment and estimates, including estimated future cash flows and earnings before interest, taxes, depreciation and amortization ("EBITDA") margins, projected revenues, royalty rates and discount rates. A significant decline in either projected revenues, projected cash flows or the weighted average cost of capital used to determine fair value could result in a material impairment charge. For details of the impairment charges incurred during the year ended December 31, 2020, see Note 5, "Goodwill and Intangible Assets, Net," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

Our global business requires a compliance program to promote organizational adherence to applicable laws and regulations.

We have a compliance program designed to (i) identify applicable anti-bribery requirements (e.g., laws limiting commercial bribery and corruption), (ii) identify applicable anti-trust requirements (e.g., laws to prevent price fixing, contract rigging, market or customer allocations, etc.), (iii) interpret the application of such requirements, (iv) educate target audiences and (v) provide independent, ongoing compliance monitoring.

Our operations in many different countries increases the risk of a violation, or alleged violation, of the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act, other applicable anti-corruption laws and regulations, the economic sanction programs administered by the U.S. Treasury Department's Office of Foreign Assets Control and the anti-boycott regulations administered by the U.S. Department of Commerce's Office of Anti-Boycott Compliance. The failure of our program to operate as designed can result in a failure to comply with applicable laws, which could result in significant penalties or otherwise harm the Company's reputation and business. There can be no assurance that all of our employees, contractors and agents will comply with the Company's policies that mandate compliance with these laws. Violations of these laws could result in legal and regulatory sanctions, increased litigation and fines, prolonged negative publicity, diminished investor confidence, declining employee morale and other unfavorable consequences, which could have a material adverse effect on our business, results of operations, financial condition, liquidity and cash flows.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1A. RISK FACTORS (Continued)

Hertz Holdings is a holding company with no operations of its own and depends on its subsidiaries for cash.

The operations of Hertz Holdings are conducted nearly entirely through its subsidiaries and its ability to generate cash to meet its debt service obligations or to pay dividends on its common stock is dependent on the earnings and the receipt of funds from its subsidiaries via dividends or intercompany loans. However, none of the subsidiaries of Hertz Holdings are obligated to make funds available to Hertz Holdings for the payment of dividends or the service of its debt. In addition, certain states' laws and the terms of certain of our debt agreements significantly restrict, or prohibit, the ability of Hertz and its subsidiaries to pay dividends, make loans or otherwise transfer assets to Hertz Holdings, including state laws that require dividends to be paid only from surplus. If Hertz Holdings does not receive cash from its subsidiaries, then Hertz Holdings' financial condition could be materially adversely affected.

RISKS RELATED TO OUR INDEBTEDNESS

Our indebtedness exposes us to various risks, which could impair our financial condition.

As of December 31, 2021, we had a total indebtedness of approximately \$10.9 billion, including \$7.9 billion of vehicle related debt and \$3.0 billion of non-vehicle debt. A portion of our indebtedness bears interest at variable rates which exposes us to risks inherent in interest rate fluctuations and higher interest expenses in the event of increases in interest rates. See Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in this 2021 Annual Report for additional information related to interest rate risk.

Our ability to satisfy and manage our debt obligations depends on our ability to generate cash flow and on overall financial market conditions. To some extent, this is subject to prevailing economic and competitive conditions and to certain financial, business and other factors, many of which are beyond our control, which makes us more vulnerable to adverse changes in these factors. As a result, our business may not generate sufficient cash flow from operations to permit us to pay principal, premium, if any, or interest on our debt obligations. If we are unable to generate sufficient cash flow from operations to service our debt obligations and meet our other cash needs, we may be forced to reduce or delay capital expenditures, sell or curtail assets or operations, seek additional capital, or seek to restructure or refinance our indebtedness. If we must sell or curtail our assets or operations, it may negatively affect our ability to generate revenue. Additionally, there can be no assurance that we would be able to borrow additional amounts or refinance our current indebtedness to fund working capital, capital expenditures, debt service requirements, execution of our business strategy or acquisitions and other purposes on favorable terms.

Our reliance on asset-backed and asset-based financing arrangements to purchase vehicles subjects us to a number of risks, many of which are beyond our control.

We rely significantly on asset-backed and asset-based financing to purchase vehicles. If we are unable to refinance or replace our existing asset-backed and asset-based financing or continue to finance new vehicle acquisitions through asset-backed or asset-based financing on favorable terms, on a timely basis, or at all, then our costs of financing could increase significantly and have a material adverse effect on our liquidity, interest costs, financial condition, cash flows and results of operations.

Our asset-backed and asset-based financing capacity could be decreased, our financing costs and interest rates could be increased, or our future access to the financial markets could be limited, as a result of risks and contingencies, many of which are beyond our control, including: (i) the acceptance by credit markets of the structures and structural risks associated with our asset-backed and asset-based financing arrangements; (ii) the credit ratings provided by credit rating agencies for our asset-backed indebtedness; (iii) third parties requiring changes in the terms and structure of our asset-backed or asset-based financing arrangements, including increased credit enhancement or required cash collateral and/or other liquid reserves; (iv) the insolvency or deterioration of the financial condition of one or more of our principal vehicle manufacturers; or (v) changes in laws or regulations, including judicial review of issues of first impression, that negatively affect any of our asset-backed or asset-based financing arrangements. Although we continued to maintain access to asset-backed financing during the Chapter 11 Cases, the cost of such facilities was in excess of costs incurred by our competitors. Following our emergence from

ITEM 1A. RISK FACTORS (Continued)

bankruptcy, the cost of asset-backed financing has returned to competitive levels, however, there can be no assurance that this competitive disadvantage will not reoccur in the future.

Our asset-backed and certain asset-based vehicle financing facilities include credit enhancement provisions that require us to provide cash or additional vehicle collateral in the event the estimated market values for the vehicles used as collateral decrease below net book values. As a result, reductions in the estimated market value of vehicles used as collateral could adversely affect our profitability and potentially lead to decreased borrowing base availability. In addition, if our ability to sell vehicles in the used vehicle marketplace were to become severely limited we may have difficulty meeting the minimum required collateral levels, and the principal under our asset-backed and certain asset-based financing arrangements may be required to be repaid sooner than anticipated with vehicle disposition proceeds and lease payments we make to our special purpose financing subsidiaries. If that were to occur, the holders of our asset-backed and certain asset-based debt may have the ability to exercise their right to direct the trustee or other secured party to foreclose on and sell vehicles to generate proceeds sufficient to repay such debt.

In certain circumstances, the proceeds of sales of vehicles that collateralize asset-backed financing arrangements could be required to be applied to the payment of principal and interest on the affected facility or series. Additionally, certain events could result in a liquidation event pursuant to which the trustee or holders of the affected asset-backed financing arrangement would be permitted to require the sale of the assets collateralizing that series. Failure by us to have proper financing and debt management processes may result in cash shortfalls and liquidity problems, emergency financing at high interest rates, violations of debt covenants, an inability to execute strategic initiatives, which may affect our liquidity and our ability to maintain sufficient levels of revenue earning vehicles to meet customer demands and could trigger cross-defaults under certain of our other financing arrangements.

Substantially all of our consolidated assets secure certain of our outstanding indebtedness, which could materially adversely affect our debt and equity holders and our business.

Substantially all of our consolidated assets, including our revenue earning vehicles, are subject to security interests or are otherwise encumbered for the lenders under our senior credit facilities, asset-backed and asset-based financing arrangements.

Because substantially all of our assets are encumbered under financing arrangements, our ability to incur additional secured indebtedness or to sell or dispose of assets to raise capital may be impaired, which could have a material adverse effect on our financial flexibility and force us to attempt to incur additional unsecured indebtedness, which may not be available to us.

We may not be able to deduct certain business interest expenses, which could have a material adverse effect on the Company.

The limitations on the deductibility of business interest expense under Section 163(j) of the Code, which was significantly modified by the TCJA and then temporarily modified by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), could have a material adverse effect on our results of operations and liquidity. Further limitations on the deductibility of interest on indebtedness may also result from an adverse determination that debt instruments should be treated as equity for tax purposes.

RISKS RELATED TO OUR OWNERSHIP OF COMMON STOCK

We cannot guarantee that our stock repurchase program will be fully consummated or that it will enhance long-term stockholder value. Stock repurchases could also increase the volatility of our stock and could diminish our liquidity.

Our Board has authorized a stock repurchase program that does not have an expiration date. The program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our common stock. We cannot guarantee that the program will be fully consummated or that it will enhance long-term stockholder

ITEM 1A. RISK FACTORS (Continued)

value. Further, stock repurchases could affect the market price of our common stock or increase its volatility and decrease our cash balances and/or our liquidity.

The market price of our common stock may be volatile.

Numerous factors, including many over which we have no control, may have a significant impact on the market price of our common stock. These risks include those described or referred to in this "Risk Factors" section and in the other documents incorporated herein by reference as well as, among other things:

- our operating and financial performance and prospects;
- sales of a substantial number of shares of our common stock in the public market, or the perception in the market that the holders of a large number of shares of common stock intend to sell;
- our ability to repay our debt;
- our access to financial and capital markets to refinance our debt or replace the existing credit facilities;
- investor perceptions of us and the industry and markets in which we operate;
- our dividend policy;
- future sales of equity or equity-related securities;
- announcements by third parties of significant claims or proceedings against us;
- issuances of new or updated research reports by security or industry analysts, or those analysts not publishing or ceasing to publish reports about us, our industry or our market;
- changes in, or results that vary from, earnings estimates or buy/sell recommendations by analysts; and
- general financial, domestic, economic and other market conditions.

In addition, stock markets experience significant price and volume fluctuations from time to time that are not related to the operating performance of particular companies. These market fluctuations may have material adverse effect on the market price of our common stock.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management and may negatively affect the market price of our common stock.

Provisions in our Certificate of Incorporation and Bylaws may have the effect of delaying or preventing a change of control or changes in our management, including, generally, provisions that:

- do not provide cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- provide for a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change the membership of a majority of the Board;
- allow for removal of directors only for cause;
- allow only the Board to fill a vacancy created by the expansion of the Board or the resignation, death, retirement, disqualification or removal of a director;
- require advance notice for stockholder proposals to be brought before a meeting of stockholders, including proposed nominations of persons for election to the board of directors;
- only allow stockholder action to be taken at an annual or special meeting;
- limit the ability of stockholders to call a special meeting; and
- authorize blank check preferred stock.

These provisions may make it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, we have elected not to be governed by Section 203 of the General Corporation Law of the State of Delaware (the "DGCL"), which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with a stockholder owning

ITEM 1A. RISK FACTORS (Continued)

15% or more of our outstanding voting stock, unless the stockholder has held the stock for a period of at least three years.

The choice of forum provision in our Certificate of Incorporation could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or colleagues.

Our Certificate of Incorporation provides that, unless we consent in writing to an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware (the "Court of Chancery") is the sole and exclusive forum for any stockholder to bring any state law claim for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of a breach of fiduciary duty owed by any director, officer, employee, or agent of the Company to us or to our stockholders, (3) any action asserting a claim against us arising pursuant to the DGCL, our Certificate of Incorporation or Bylaws, (4) any action or proceeding as to which the DGCL confers jurisdiction on the Court of Chancery, and (5) any action asserting a claim against us that is governed by the internal affairs doctrine. In addition, the choice of forum provision provides that, unless the Company consents in writing to the selection of an alternative forum, claims brought under the Securities Act must be brought exclusively in the federal district courts of the United States. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other colleagues, which may discourage such lawsuits against us and our directors, officers and other colleagues. Alternatively, if a court were to find the choice of forum provision contained in our Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition.

GENERAL RISK FACTORS

We may pursue strategic transactions, including acquisitions and divestitures, which could be difficult to implement, disrupt our business or change our business profile significantly.

Any future strategic acquisition or disposition of assets or a business could involve numerous risks, including: (i) potential disruption of our ongoing business and distraction of management; (ii) difficulty integrating the acquired business or segregating assets and operations to be disposed of; (iii) exposure to unknown, contingent or other liabilities, including litigation arising in connection with the acquisition or disposition or against any business we may acquire; (iv) changing our business profile in ways that could have unintended negative consequences; and (v) the failure to achieve anticipated synergies. If we enter into significant strategic transactions, the related accounting charges may affect our financial condition and results of operations, particularly in the case of an acquisition. The financing of any significant acquisition may result in changes in our capital structure, including the incurrence of additional indebtedness. A material disposition could require the amendment or refinancing of our outstanding indebtedness or a portion thereof.

Our results of operations and stock price could be adversely affected if we are unable to maintain effective internal controls.

The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. We are required to provide a report from management to our shareholders on our internal control over financial reporting that includes an assessment of the effectiveness of these controls. Internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of these inherent limitations, internal control over financial reporting might not prevent or detect all misstatements or fraud. If we cannot maintain and execute adequate internal control over financial reporting or implement required new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we could suffer harm to our reputation, incur incremental compliance costs, fail to meet our public reporting requirements on a timely basis, be unable to properly report on our business and our results of operations, or be required to restate our financial statements, and our results of operations, our stock price and our ability to obtain new business could be materially adversely affected.

ITEM 1A. RISK FACTORS (Continued)***A business continuity plan is necessary for our global business.***

We have a business continuity plan designed to (i) identify key assets, operations and underlying threats, (ii) define and assess relevant threats (e.g., natural disasters, pandemics, terrorism, etc.) on business operations, (iii) develop and categorize action plans to minimize the impact of the identified threats and (iv) test the adequacy of our action plans. If our business continuity plan fails to operate as intended, we may experience significant business disruptions, release of confidential information, malicious corruption of data, regulatory intervention and sanctions, prolonged negative publicity, litigation and liabilities, product and service quality failures, irreparable harm to customer relationships and other unfavorable consequences which may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

We participate in multiemployer pension plans and could face a significant liability if we withdraw from participation in such plans or in the event other employers in such plans withdraw or are unable to, or fail to, pay their liabilities.

In the event that we withdraw from participation in one of the multiemployer plans in which we participate, then applicable law could require us to make an additional lump-sum contribution to the plan, and we would have to reflect that as an expense in our consolidated statements of operations and as a liability on our consolidated balance sheets. Our withdrawal liability for any multiemployer plan would depend on the extent of the plan's funding of vested benefits. If our multiemployer plans have underfunded liabilities, such underfunding may increase in the event other employers become insolvent, withdraw from the applicable plan or are unable or fail to pay their withdrawal liability. In addition, such underfunding may increase as a result of lower than expected returns on pension fund assets or other funding deficiencies. The occurrence of any of these events could have a material adverse effect on our consolidated financial condition, results of operations, liquidity and cash flows. See Note 7, "Employee Retirement Benefits," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We operate vehicle rental locations at or near airports and in central business districts and suburban areas of major cities in the U.S., where our primary markets are located in the states of California, Florida, Hawaii, New York and Texas which include approximately 40% of our U.S. rental locations. We also operate vehicle rental operations internationally, where our primary markets are located in Australia, France, Germany, Italy and the United Kingdom which include approximately 40% of our international rental locations.

We own approximately 5% of the locations from which we operate our vehicle rental businesses and in some cases own real property that we lease to franchisees or other third parties. The remaining locations from which we operate our vehicle rental businesses are leased or operated under concessions from governmental authorities and private entities. Our leases and concession agreements typically require minimum lease payments or minimum concession fees and often require us to pay or reimburse operating expenses, pay additional lease payments above guaranteed minimums, which are based on a percentage of revenues or sales at the relevant premises, or to do both.

We own our worldwide headquarters facility in Estero, Florida. We also own one facility in Oklahoma City, Oklahoma at which reservations for our vehicle rental operations are processed, global information technology systems are serviced and certain finance and accounting functions are performed. Additionally, we have a 999-year lease for a reservation and financial center near Dublin, Ireland, at which we have centralized our European vehicle rental reservation, customer relations, accounting and human resource functions and we also lease a European headquarters office in Uxbridge, England.

ITEM 3. LEGAL PROCEEDINGS

Information related to the Chapter 11 Cases that were filed on May 22, 2020 is included in Note 1, "Background," to the Notes to our consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

For a description of certain pending legal proceedings, see Note 14, "Contingencies and Off-Balance Sheet Commitments," to the Notes to our consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The table below sets forth the names, ages, number of years employed by the Company as of February 17, 2022 and positions of our executive officers. On February 4, 2022, we announced that Hertz Global's Board of Directors appointed Stephen M. Scherr as Chief Executive Officer, effective February 28, 2022. Mr. Scherr will also serve as a member of the Board of Directors. Mr. Fields will step down from his role as Interim Chief Executive Officer on such date, and will continue to serve as a member of the Board of Directors.

Name	Age	Number of Years Employed	Position
Mark Fields	61	—	Interim Chief Executive Officer
Paul E. Stone	51	3	President and Chief Operating Officer
Kenny K. Cheung	40	3	Executive Vice President and Chief Financial Officer
Darren R. Arrington	45	10	Executive Vice President, Revenue Management and Fleet Operations
M. David Galainena	64	2	Executive Vice President, General Counsel and Secretary
Joseph E. McPherson	55	35	Executive Vice President, North America Operations
Timothy M. Langley-Hawthorne	53	—	Executive Vice President and Chief Information Officer
Laura C. Smith	44	19	Executive Vice President, Sales, Marketing and Customer Experience
Eric J. Leef	48	1	Executive Vice President and Chief Human Resources Officer
Angela I. Brav	59	2	President - Hertz International
Alexandra D. Brooks	51	1	Senior Vice President and Chief Accounting Officer

Mr. Fields has served as Interim Chief Executive Officer since October 2021. Mr. Fields has served as a director of Hertz Global since June 2021. Prior to joining the Company, Mr. Fields served as a Senior Advisor at TPG Capital LP, a global alternative asset firm beginning in October 2017. Prior to that role, Mr. Fields was president and CEO of Ford Motor Company from 2014 to 2017 and chief operating officer from 2012 to 2014. Fields joined Ford in 1989 and progressed through a number of leadership positions in the U.S., South America, Asia and Europe. He was executive vice president and president of the Americas from 2005 to 2012; executive vice president and CEO of the Premier Automotive Group and Ford Europe from 2004 to 2005; chairman and CEO of the Premier Automotive Group from 2002 to 2004; and president and CEO of Mazda Motor Corporation from 2000 to 2002.

Mr. Stone has served as President and Chief Operating Officer of the Company since October 2021. Mr. Stone previously served as President and Chief Executive Officer and as a director of the Company between May 2020 and October 2021. From March 2018 to May 2020, Mr. Stone served as Executive Vice President and Chief Retail Operations Officer North America of the Company. From November 2015 to December 2017, Mr. Stone served as the Chief Retail Officer at Cabela's Inc., an outdoor outfitter retail company. Prior to joining Cabela's Inc., Mr. Stone spent 28 years growing his career with Sam's Club, a retail warehouse subsidiary of Walmart Inc., a multinational retail corporation. His most-recent position with Sam's Club was as Senior Vice President - West Division from 2007 to 2015, where he led operations upwards of 200 locations with more than 30,000 employees.

Mr. Cheung has served as Executive Vice President and Chief Financial Officer of the Company since September 2020. He previously served as Executive Vice President, Chief Operational Finance and Restructuring Officer beginning in August 2020. Prior to that role, he was Senior Vice President of Global Financial Planning and Analysis and Chief Financial Officer of North America beginning in December 2018. From 2007 to 2018, Mr. Cheung held a variety of financial leadership roles with Nielsen Holdings, PLC, an information, data and measurement firm, most recently as Global Chief Audit Executive, and prior to that as a regional Chief Operating Officer after holding the position of regional Chief Financial Officer. Prior to Nielsen, Mr. Cheung worked for General Electric Company, a multinational conglomerate, in various roles across Supply Chain, Operations and Financial Planning & Analysis.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

INFORMATION ABOUT OUR EXECUTIVE OFFICERS (Continued)

Mr. Arrington has served as Executive Vice President, Revenue Management & Fleet Operations of the Company since September 2020. He previously served as Senior Vice President - Fleet Management and Operations of the Company beginning in October 2013. From 2000 to 2013, Mr. Arrington was in a variety of leadership roles, including revenue management, operations and fleet planning, at Dollar Thrifty Group, which was purchased by the Company in 2012.

Mr. Galainena has served as Executive Vice President, General Counsel and Secretary of the Company since April 2019. Prior to joining the Company, Mr. Galainena was in private practice as a Partner at Winston & Strawn LLP, an international law firm, which he joined in 1995. Mr. Galainena has more than thirty years of private practice experience concentrating in structured finance, capital markets and general financing matters.

Mr. McPherson has served as Executive Vice President, North America Operations of the Company since May 2020. Mr. McPherson previously served as Regional Vice President Operations for the Company's U.S. Southwest Region between May 2018 and May 2020 and as Vice President Operations for Hertz Local Edition from January 2016 to May 2018. Mr. McPherson began his career at the Company in 1986 and has held a variety of positions and leadership roles in Operations.

Mr. Langley-Hawthorne has served as Executive Vice President and Chief Information Officer of the Company since October 2021. Prior to joining the Company, Mr. Langley-Hawthorne served as Senior Vice President, Chief Information Officer at Hitachi Vantara, a hi-tech subsidiary of Hitachi Ltd. operating in more than 100 countries, from January 2020 to October 2021 and as Vice President, Technology Operations and Business Management from May 2018 to December 2019. Before joining Hitachi Vantara, Mr. Langley-Hawthorne served as Senior Vice President, Technology Operations at Western Union from April 2017 to April 2018 and as Senior Vice President, Global Customer Care Operations and Technology from January 2015 to March 2017 and as Vice President, Technology Governance from October 2012 to December 2014. Prior to that, Mr. Langley-Hawthorne spent 20 years in various information technology, consulting and commercial roles at Information Services Group, Electronic Data Systems, and IBM Australia.

Ms. Smith has served as Executive Vice President, Sales, Marketing and Customer Experience of the Company since December 2020 and previously served as Executive Vice President, Global Marketing and Customer Experience of the Company beginning June 2020. Ms. Smith previously served as Senior Vice President, Customer Experience of the Company from August 2019 to June 2020. Prior to this, Ms. Smith served as Vice President, Customer Experience of the Company from October 2017 to August 2019 and as Senior Director, Customer Service Excellence from February 2016 to September 2017. Ms. Smith began her career at the Company in 2002 and has held a variety of leadership positions in Operations and Marketing.

Mr. Leef has served as Executive Vice President and Chief Human Resources Officer of the Company since February 2021 and previously served as Senior Vice President and Chief Human Resources Officer beginning September 2020. Prior to joining the Company, Mr. Leef served as Senior Vice President, Chief Human Resources Officer at Atria Senior Living, from October 2019 to July 2020. Prior to that, Mr. Leef served as Executive Director, HR Client Support for GE and GE Appliances, a Haier Company, from 2013 to September 2019 and held various other HR roles for GE Appliances since 2003.

Ms. Brav has served as President - Hertz International for the Company since November 2019. Prior to joining the Company, Ms. Brav served as Principal and Owner at AB Consulting & Advisors, a hospitality and entrepreneurial consulting firm she founded in January 2018. From August 2011 to December 2017, Ms. Brav served as Chief Executive Officer, Europe and Northern Africa for InterContinental Hotels Group ("IHG"), a multinational hospitality company. From January 2001 to August 2011, Ms. Brav held multiple operational and strategic roles in the U.S. and Europe for IHG, including Chief Operating Officer, North America and other senior executive positions.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

INFORMATION ABOUT OUR EXECUTIVE OFFICERS (Continued)

Ms. Brooks has served as Senior Vice President, Chief Accounting Officer of the Company since October 2020. She previously served as Senior Vice President, Internal Audit from June 2020 to October 2020. Prior to joining the Company, Ms. Brooks was the Vice President, Internal Audit at Aptiv PLC (“Aptiv”), a global technology company, beginning May 2015. Before joining Aptiv, Ms. Brooks was the Chief Financial Officer for Champion Windows and Home Exteriors, a home improvement company, from 2013 to 2015. Prior to that, Ms. Brooks was in a variety of leadership roles at the General Electric Company, a multinational conglomerate, including Global Controller for the Aviation segment, Executive Technical Advisor to the Corporate Audit Staff, and Global Controller for the Plastics division. Ms. Brooks also worked at the General Motors Company in a variety of finance and accounting roles. She began her career with Pricewaterhouse Coopers, a professional services firm, and is a Certified Public Accountant.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES***HERTZ GLOBAL***

As of February 17, 2022, there were 971 holders of record of Hertz Holdings common stock.

Hertz Holdings paid no cash dividends on its common stock in 2021 or 2020, and it does not expect to pay dividends on its common stock for the foreseeable future.

Since Hertz Holdings does not conduct business itself, it primarily funds dividends on, and repurchases of, its common stock using dividends from Hertz or amounts borrowed under a master loan agreement with Hertz. The credit agreements governing Hertz's First Lien Credit Facilities restrict Hertz's ability to make dividends and certain payments, including payments to Hertz Holdings for dividends on Hertz Holdings' common stock or for share repurchases.

NYSE Delisting and Nasdaq Listing

As a result of the filing of the Chapter 11 Cases, the New York Stock Exchange (the "NYSE") suspended trading of Hertz Global common stock after the market close on October 29, 2020. On October 30, 2020, Hertz Global common stock began trading exclusively on the over-the-counter ("OTC") market under the symbol "HTZGQ," and was delisted from the NYSE on November 10, 2020. Upon deregistration of Hertz Global common stock under Section 12(b) of the Exchange Act, Hertz Global common stock remained registered under Section 12(g) of the Exchange Act. On the Effective Date, all of the Hertz Global common stock then existing was cancelled and Hertz Global issued 471,102,462 shares of its new common stock pursuant to the Plan of Reorganization.

On November 8, 2021, reorganized Hertz Global successfully completed the registration of its new common stock and Public Warrants with the SEC for a public offering by certain selling stockholders pursuant to a Registration Statement on Form S-1. On November 9, 2021, reorganized Hertz Global's common stock and Public Warrants began trading on The Nasdaq Global Select Market ("Nasdaq") under the trading symbols "HTZ" and "HTZWW," respectively.

In conjunction with the Nasdaq listing, certain selling stockholders offered and sold 44,520,000 shares of Hertz Global's common stock to the public. Of these shares, Hertz Global repurchased from the underwriters 10,344,828 shares for an aggregate purchase price of \$300 million. This amount is included in treasury stock in the accompanying Hertz Global consolidated balance sheet as of December 31, 2021 under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

Repurchases of Equity Securities**Share Repurchase Program for Common Stock**

In November 2021, Hertz Global's Board of Directors approved a share repurchase program that authorizes the repurchase of up to \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Any repurchases will be made at the discretion of management through a variety of methods, such as open-market transactions (including pre-set trading plans pursuant to Rule 10b5-1 of the Exchange Act), privately negotiated transactions, accelerated share repurchases, and other transactions in accordance with applicable securities laws. The share repurchase authorization has no initial time limit, does not obligate us to acquire any particular amount of common

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES (Continued)

stock and can be discontinued at any time. There can be no assurance as to the timing or number of shares of any repurchases.

Between the inception of the share repurchase program and December 31, 2021, a total of 17,106,026 shares of Hertz Global's common stock were repurchased at an average share price of \$23.83, resulting in an aggregate purchase price of \$408 million. Between January 1, 2022 and February 17, 2022, a total of 20,589,620 shares of Hertz Global's common stock were repurchased at an average share price of \$20.95 resulting in an aggregate purchase price of \$431 million.

Tender Offer for Repurchase of Series A Preferred Stock

On November 23, 2021, Hertz Global commenced a tender offer (the "Tender Offer") to repurchase all 1,500,000 outstanding shares of its Series A Preferred Stock at a per-share price of \$1,250. On December 21, 2021, the Tender Offer expired and all 1,500,000 shares of the Series A Preferred Stock were repurchased at \$1,250 per share for aggregate payments by Hertz Global of \$1.9 billion, including approximately \$7 million in certain fees. Hertz Global funded the share repurchases in the Tender Offer with available cash, including proceeds from Hertz's offering of the Senior Notes Due 2026 and Senior Notes Due 2029 which were contributed to Hertz Global through a dividend distribution from Hertz. The repurchased shares of Series A Preferred Stock were simultaneously retired. In connection with the Tender Offer, any unpaid dividends that the Preferred Stockholders were entitled to pursuant to the original Preferred Stock terms were forfeited upon acceptance of the Tender Offer.

The following table provides a breakdown of our equity security repurchases during the fourth quarter of fiscal year 2021.

	(a) Total number of shares purchased	(b) Average price paid per share	(c) Total number of shares purchased as part of the publicly announced plan or program	(d) Maximum number (or approximate dollar value) of shares that may yet be purchased under the publicly announced plan or program (In thousands, except share data)
Common Stock				
October 1 – October 31, 2021	0	\$ —	0	\$ 2,000,000
November 1 – November 30, 2021	11,528,793	\$ 28.51	1,183,965	\$ 1,971,339
December 1 – December 31, 2021	15,922,061	\$ 23.80	15,922,061	\$ 1,592,384
Total	27,450,854	\$ 25.78	17,106,026	\$ 1,592,384
Series A Preferred Stock				
October 1 – October 31, 2021	0	\$ —	0	1,500,000
November 1 – November 30, 2021	0	\$ —	0	1,500,000
December 1 – December 31, 2021	1,500,000	\$ 1,250.00	1,500,000	0
Total	1,500,000	\$ 1,250.00	1,500,000	0

Performance Graph

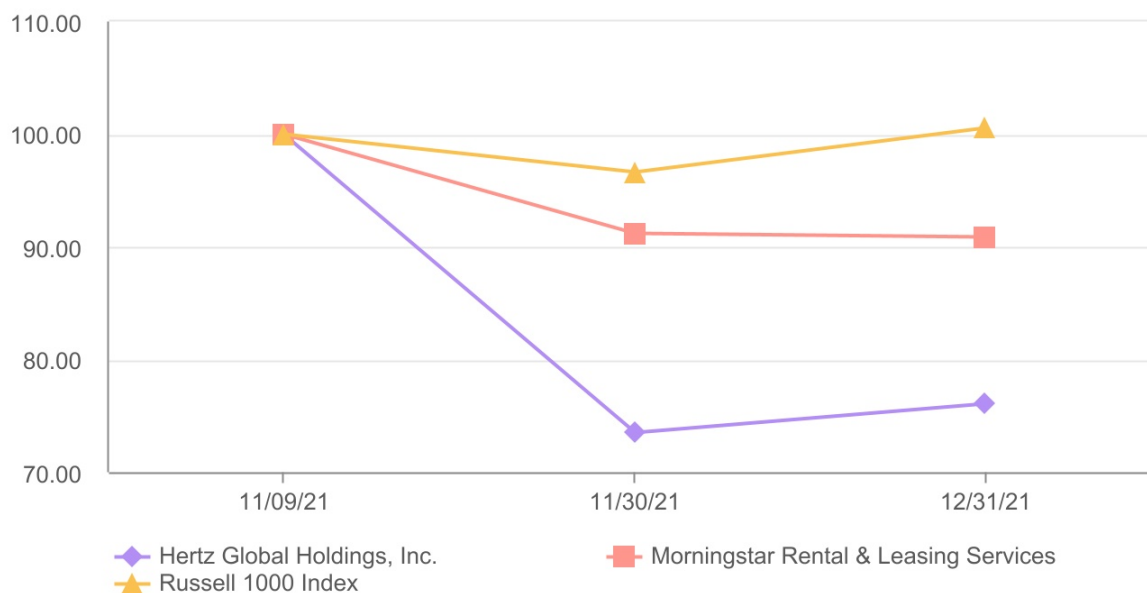
The graph that follows compares the cumulative total stockholder return on Hertz Holdings common stock with the Russell 1000 Index and the Morningstar Rental & Leasing Services Industry Group. The Russell 1000 Index is included because it is comprised of the 1,000 largest publicly traded issues. The Morningstar Rental & Leasing Services Industry Group is a published, market capitalization-weighted index representing stocks of companies, including Hertz Holdings, that rent or lease various durable goods to the commercial and consumer market including vehicles and trucks, medical and industrial equipment, appliances, tools and other miscellaneous goods. The results are based on an assumed \$100 invested on November 9, 2021 (the first day of trading on Nasdaq following Hertz

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES (Continued)

Global's emergence from bankruptcy and the Nasdaq listing), at the market close, through December 31, 2021. Share price performance presented below is not necessarily indicative of future results.

**COMPARISON OF CUMULATIVE TOTAL RETURN AMONG HERTZ GLOBAL HOLDINGS, INC.,
RUSSELL 1000 INDEX AND MORNINGSTAR RENTAL & LEASING SERVICES
INDUSTRY GROUP
ASSUMES DIVIDEND REINVESTMENT**



Issuance of Unregistered Securities

On the Effective Date, in accordance with the Plan of Reorganization, reorganized Hertz Global issued common stock and received cash proceeds as further described in Note 1, "Background," and Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

In addition, on the Effective Date, in accordance with the Plan of Reorganization, we issued 1,500,000 shares of preferred stock. In December 2021, all outstanding shares of the preferred stock were redeemed. See Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

With the exception of shares of Hertz Holdings common stock issued on account of the backstop obligation under the EPCA, the direct investment commitment under the EPCA and the 2021 Rights Offering, the shares of Hertz Holdings common stock and the Warrants issued pursuant to the Plan of Reorganization were issued pursuant to the exemption from the registration requirements of the Securities Act, under Section 1145 of the Bankruptcy Code, which generally exempts from such registration requirements the issuance of certain securities under a plan of reorganization. Shares of Hertz Holdings common stock and shares of preferred stock issued on account of the backstop obligation under the EPCA, the direct investment commitment under the EPCA and the 2021 Rights Offering were issued under Section 4(a)(2) of the Securities Act.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES (Continued)

HERTZ

There is no established public trading market for the common stock of Hertz. Rental Car Intermediate Holdings, LLC, which is wholly-owned by Hertz Holdings, owns all of the outstanding common stock of Hertz.

The credit agreements governing Hertz's First Lien Credit Facilities restrict Hertz's ability to make dividends and certain payments, including payments to Hertz Holdings for dividends on Hertz Holdings' common stock or for share repurchases. Following receipt of consent obtained from the lenders of Hertz's First Lien Credit Facilities to permit the retirement of the preferred shares through the Tender Offer as further disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global", Hertz paid dividends to Hertz Holdings of \$2.5 billion in 2021 to help fund the Tender Offer and common stock repurchases as further disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global" to the Notes to its consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." Hertz did not pay dividends in 2020 to Hertz Holdings. The credit agreements governing Hertz's First Lien Credit Facilities restrict Hertz's ability to make dividends and certain payments to Hertz Holdings.

ITEM 6. [RESERVED]

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Hertz Global Holdings, Inc. is a holding company and its principal, wholly-owned subsidiary is The Hertz Corporation. Hertz Global consolidates Hertz for financial statement purposes, and Hertz comprises approximately the entire balance of Hertz Global's assets, liabilities and operating cash flows. In addition, Hertz's operating revenues and operating expenses comprise nearly 100% of Hertz Global's revenues and operating expenses. As such, Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") that follows herein is for Hertz and also applies to Hertz Global in all material respects, unless otherwise noted. Differences between the operations and results of Hertz and Hertz Global are separately disclosed and explained. We sometimes use the words "we," "our," "us," and the "Company" in this MD&A for disclosures that relate to all of Hertz and Hertz Global.

The statements in this MD&A regarding industry outlook, our expectations regarding the performance of our business and the other non-historical statements are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in Item 1A, "Risk Factors." The following MD&A provides information that we believe to be relevant to an understanding of our consolidated financial condition and results of operations. Our actual results may differ materially from those contained in or implied by any forward-looking statements. You should read the following MD&A together with the sections entitled "Cautionary Note Regarding Forward-Looking Statements and Summary of Risk Factors," Item 1A, "Risk Factors," and our consolidated financial statements and related notes included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

In this MD&A we refer to the following non-GAAP measure and key metrics:

- Adjusted Corporate EBITDA - important non-GAAP measure to management because it allows management to assess the operational performance of our business, exclusive of certain items, and allows management to assess the performance of the entire business on the same basis as the segment measure of profitability. Management believes that it is important to investors for the same reasons it is important to management and because it allows investors to assess our operational performance on the same basis that management uses internally. Adjusted EBITDA, the segment measure of profitability and accordingly a GAAP measure, is calculated exclusive of certain items which are largely consistent with those used in the calculation of Adjusted Corporate EBITDA.*

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

- *Depreciation Per Unit Per Month - important key metric to management and investors as depreciation of revenue earning vehicles and lease charges is one of our largest expenses for the vehicle rental business and is driven by the number of vehicles, expected residual values at the expected time of disposal and expected hold period of the vehicles. Depreciation Per Unit Per Month is reflective of how we are managing the costs of our vehicles and facilitates a comparison with other participants in the vehicle rental industry.*
- *Total Revenue Per Transaction Day ("Total RPD," also referred to as "pricing") - important key metric to management and investors as it represents a measurement of the changes in underlying pricing in the vehicle rental business and encompasses the elements in vehicle rental pricing that management has the ability to control. Effective in the third quarter of 2021, we revised our calculation of Total RPD to include ancillary retail vehicle sales revenues to better align with current industry practice, and accordingly, prior periods have been restated to conform with the revised definition.*
- *Total Revenue Per Unit Per Month ("Total RPU") - important key metric to management and investors as it provides a measure of revenue productivity relative to the total number of vehicles in our fleet whether owned or leased ("Average Vehicles" or "fleet capacity"). Effective in the third quarter of 2021, we revised our calculation of Total RPU to include ancillary retail vehicle sales revenues to better align with current industry practice, and accordingly, prior periods have been restated to conform with the revised definition.*
- *Transaction Days - important key metric to management and investors as it represents the number of revenue generating days ("volume"). It is used as a component to measure Total RPD and Vehicle Utilization. Transaction Days represent the total number of 24-hour periods, with any partial period counted as one Transaction Day, that vehicles were on rent (the period between when a rental contract is opened and closed) in a given period. Thus, it is possible for a vehicle to attain more than one Transaction Day in a 24-hour period.*
- *Vehicle Utilization - important key metric to management and investors because it is the measurement of the proportion of our vehicles that are being used to generate revenues relative to fleet capacity. Higher Vehicle Utilization means more vehicles are being utilized to generate revenues.*

Our non-GAAP measure and key metrics should not be considered in isolation and should not be considered superior to, or a substitute for, financial measures calculated in accordance with U.S. GAAP. The above non-GAAP measure and key metrics are defined, and the non-GAAP measure is reconciled to its most comparable U.S. GAAP measure, in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" section of this MD&A.

OVERVIEW OF OUR BUSINESS AND OPERATING ENVIRONMENT

Impact of COVID-19 on our Business

In March 2020, the World Health Organization declared COVID-19 a pandemic, affecting multiple global regions. The impact of this pandemic has been extensive in many aspects of society, which has resulted in significant disruptions to the global economy, as well as businesses around the world. In an effort to halt the spread of COVID-19, many governments around the world placed significant restrictions on travel, individuals voluntarily reduced their air and other travel in attempts to avoid the outbreak and many businesses announced closures and imposed travel restrictions. In 2021, individuals across the globe have increasingly gained access to COVID-19 vaccinations, particularly in the U.S. During 2021, many of the government-imposed restrictions have been lifted or eased, and travel, particularly domestic leisure travel, has experienced a strong rebound. There remains continued uncertainty about the duration of the negative impact from COVID-19 and its variants, including the length and scope of travel restrictions and business closures that may be imposed by governments of impacted countries or voluntarily undertaken by individuals and private businesses.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Chapter 11 and Emergence

On May 22, 2020, the Debtors filed Petitions under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Chapter 11 Cases were jointly administered for procedural purposes only under the caption *In re The Hertz Corporation, et al., Case No. 20-11218 (MFW)*. While in Chapter 11, in general we were allowed to operate our ongoing business, but could not engage in transactions outside the ordinary course of our business without the prior approval of the Bankruptcy Court. On May 14, 2021, the Debtors filed the Plan of Reorganization, and the solicitation version of the Supplement to the Disclosure Statement which was approved by the Bankruptcy Court on May 14, 2021. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court. On June 30, 2021, the Effective Date, the Plan of Reorganization became effective in accordance with its terms and the Debtors emerged from Chapter 11. Additional information about the Chapter 11 Cases, including access to documents filed with the Bankruptcy Court, is available online at <https://restructuring.primeclerk.com/hertz>, a website administered by Prime Clerk. The information on this website is not incorporated by reference and does not constitute part of this 2021 Annual Report.

On the Effective Date, as a result of the Plan of Reorganization, we received cash proceeds of \$7.5 billion comprised of:

- \$2.8 billion from the purchase of Hertz Global common stock by the Plan Sponsors and certain other investment funds and entities;
- \$1.6 billion from the purchase of Hertz Global common stock pursuant to the 2021 Rights Offering;
- \$1.5 billion (less a 2% upfront discount and stock issuance fees) from the purchase of preferred stock of reorganized Hertz Global by Apollo; and
- \$1.5 billion in proceeds from our secured exit term loan facilities (the "Term Loans").

Such cash proceeds were used, in part, to provide payments to our stakeholders pursuant to the terms of the Plan of Reorganization as follows:

- the holders of administrative, priority and secured claims received payment in cash in full;
- the holders of the approximately \$1.0 billion of obligations owed with respect to the DIP Credit Agreement received payment in cash in full;
- the holders of the Senior Term Loan, Senior RCF and Letter of Credit Facility received payment in cash in full with respect to all non-contingent liquidated claims;
- the holders of claims with respect to the Senior Second Priority Secured Notes received payment in cash in full;
- the holders of the €725 million European Vehicle Notes received payment in cash in full;
- the holders of the €257 million Second HIL Credit Agreement received payment in cash in full;
- the holders of claims with respect to the Senior Notes and the holders of claims with respect to the Alternative Letter of Credit Facility received payment in cash with respect to (i) all remaining principal, (ii) accrued and unpaid interest as of the Petition Date at the contract rate, and (iii) accrued and unpaid interest from the Petition Date to the Effective Date at the federal judgment rate (at such rate in effect as of the Petition Date), subject to the rights of creditors (if any) to bring a claim for the payment of additional interest and/or premiums; and
- the holders of general unsecured claims will receive payment in cash in full plus interest at the federal judgment rate from the Petition Date to the date of payment (at such rate in effect as of the Petition Date), subject to the rights of creditors to bring a claim for payment of additional interest.

All of the Hertz Global equity interests existing as of the Effective Date were cancelled on such date in accordance with the Plan of Reorganization with existing equity holders receiving (i) cash in the amount of \$1.53 per share of existing interests, (ii) their pro rata share of 3% of the common shares of reorganized Hertz Global, subject to dilution, and (iii) either Public Warrants, for in the aggregate of up to 18% of reorganized Hertz Global common

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

stock issued and outstanding on the Effective Date, subject to dilution and certain conditions, or subscription rights to participate in the 2021 Rights Offering as discussed below.

In accordance with the Plan of Reorganization, Hertz Global commenced a 2021 Rights Offering, under which eligible holders of Hertz Global's common stock and certain eligible holders of the Senior Notes and lenders under the Alternative Letter of Credit Facility could purchase up to \$1.6 billion of shares of the reorganized Hertz Global common stock at a purchase price of \$10.00 per share. Pursuant to the EPCA, the Backstop Parties agreed to purchase all unsubscribed shares in the 2021 Rights Offering. The final expiration date for the 2021 Rights Offering occurred on June 15, 2021, with eligible holders subscribing to purchase 127,362,114 shares (approximately \$1.3 billion), with the Backstop Parties to purchase the remaining 36,137,887 shares (approximately \$361 million). Hertz Global closed the 2021 Rights Offering upon emergence from the Chapter 11 Cases on June 30, 2021. Pursuant to the terms of the EPCA, the Backstop Parties received a backstop fee equal in amount of \$164 million (payable in shares of reorganized Hertz Global common stock valued at \$10.00 per share).

As a result of these transactions, on the Effective Date, Hertz Global issued 471,102,462 shares of common stock as follows:

- 14,133,024 shares to existing stockholders;
- 277,119,438 shares to Plan Sponsors pursuant to the EPCA;
- 127,362,114 shares to eligible participants pursuant to the Rights Offering; and
- 52,487,886 shares to the Backstop Parties pursuant to the EPCA.

On the Effective Date, in accordance with the Plan of Reorganization, reorganized Hertz Global issued 1,500,000 shares of preferred stock (the "Series A Preferred Stock") to Apollo and received gross proceeds of \$1.5 billion, less a 2% upfront discount and stock issuance fees. As discussed below, during the fourth quarter of 2021, all shares of the Series A Preferred Stock were repurchased and retired by Hertz Global at \$1,250 per share.

On the Effective Date, in accordance with the Plan of Reorganization and the Public Warrant Agreement, reorganized Hertz Global issued 89,049,029 Public Warrants. The Public Warrants are exercisable from the date of issuance until June 30, 2051 at which time all unexercised Public Warrants will expire and the rights of the holders of such expired Public Warrants will terminate. The Public Warrants have an initial exercise price of \$13.80 and are subject to adjustment from time to time upon the occurrence of any payments of cash dividends, certain dilutive events and recurring fair value adjustments.

On the Effective Date, reorganized Hertz entered into the First Lien Credit Agreement that provides for an aggregate amount of \$2.8 billion comprised of the First Lien RCF in an aggregate committed amount of \$1.3 billion plus Term Loans in an aggregate principal amount of \$1.5 billion. Additionally, reorganized Hertz entered into a new HVF III ABS facility in an aggregate of \$6.8 billion comprised of variable funding notes with a principal amount up to \$2.8 billion and medium term notes in an aggregate principal amount of \$4.0 billion. On the Effective Date, substantially all non-vehicle debt and all existing ABS facilities under the HVF II U.S. ABS Program were repaid in full and terminated in accordance with the Plan of Reorganization. See Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report for additional information.

NYSE Delisting and Nasdaq Listing

As a result of the filing of the Chapter 11 Cases, the NYSE suspended trading of Hertz Global common stock after the market close on October 29, 2020. On October 30, 2020, Hertz Global common stock began trading exclusively on the OTC market under the symbol "HTZGQ," and was delisted from the NYSE on November 10, 2020. Upon deregistration of Hertz Global common stock under Section 12(b) of the Exchange Act, Hertz Global common stock remained registered under Section 12(g) of the Exchange Act. As discussed above, on the Effective Date, all of the Hertz Global common stock then existing was cancelled and Hertz Global issued 471,102,462 shares of its new common stock pursuant to the Plan of Reorganization.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

On November 8, 2021, reorganized Hertz Global successfully completed its Nasdaq listing, in which shares of its new common stock were registered with the SEC for a public offering by certain selling stockholders. On November 9, 2021, reorganized Hertz Global's common stock and Public Warrants began trading on Nasdaq under the trading symbols "HTZ" and "HTZWW," respectively.

In conjunction with the Nasdaq listing certain selling stockholders offered and sold 44,520,000 shares of Hertz Global's common stock to the public. Of these shares, Hertz Global repurchased from the underwriters 10,344,828 shares for an aggregate purchase price of \$300 million. This amount is included in treasury stock in the accompanying Hertz Global consolidated balance sheet as of December 31, 2021 under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

Share Repurchase Program for Common Stock

In November 2021, Hertz Global's Board of Directors approved a share repurchase program that authorizes the repurchase of up to \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Any repurchases will be made at the discretion of management through a variety of methods, such as open-market transactions (including pre-set trading plans pursuant to Rule 10b5-1 of the Exchange Act), privately negotiated transactions, accelerated share repurchases, and other transactions in accordance with applicable securities laws. The share repurchase authorization has no initial time limit, does not obligate us to acquire any particular amount of common stock and can be discontinued at any time. There can be no assurance as to the timing or number of shares of any repurchases.

Between the inception of the share repurchase program and December 31, 2021, a total of 17,106,026 shares of Hertz Global's common stock were repurchased at an average share price of \$23.83, resulting in an aggregate purchase price of \$408 million. Between January 1, 2022 and February 17, 2022, a total of 20,589,620 shares of Hertz Global's common stock were repurchased at an average share price of \$20.95 resulting in an aggregate purchase price of \$431 million.

Tender Offer for Repurchase of Series A Preferred Stock

In November 2021, Hertz Global commenced a tender offer (the "Tender Offer") to repurchase all 1,500,000 outstanding shares of its Series A Preferred Stock at a per-share price of \$1,250. In December 2021, the Tender Offer expired and all 1,500,000 shares of the Series A Preferred Stock were repurchased at \$1,250 per share for aggregate payments by Hertz Global of \$1.9 billion, including approximately \$7 million in certain fees. Hertz Global funded the share repurchases in the Tender Offer with available cash, including proceeds from Hertz's offering of the Senior Notes Due 2026 and Senior Notes Due 2029 which were contributed to Hertz Global through a dividend distribution from Hertz. The repurchased shares of Series A Preferred Stock were simultaneously retired. In connection with the Tender Offer, any unpaid dividends that the Preferred Stockholders were entitled to pursuant to the original Preferred Stock terms were forfeited upon acceptance of the Tender Offer.

For additional information about our restructured debt and equity, see Note 6, "Debt," and Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

Our Business

We are engaged principally in the business of renting vehicles primarily through our Hertz, Dollar and Thrifty brands. In addition to vehicle rental, we provided integrated vehicle leasing and fleet management solutions through our Donlen subsidiary, where in the fourth quarter of 2020, we entered into a stock and asset purchase agreement to sell substantially all of the assets and certain liabilities as discussed below. The sale was completed on March 30, 2021. Our profitability is primarily a function of the volume, mix and pricing of rental transactions and the utilization of vehicles, the related ownership cost of vehicles and other operating costs. Significant changes in the purchase price or residual values of vehicles or interest rates can have a significant effect on our profitability depending on

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

our ability to adjust pricing for these changes. We continue to balance our mix of non-program and program vehicles based on market conditions, including residual values. Our business requires significant expenditures for vehicles, and as such, we require substantial liquidity to finance such expenditures.

Our strategy includes optimization of our vehicle rental operations, disciplined performance management and evaluation of all locations. In October 2021, we announced several new initiatives as part of a plan to offer the largest EV rental fleet, to lead in providing access to EVs for ride sharing and to digitize our vehicle disposition process. These efforts are aimed at positioning us to be a leader in the future mobility ecosystem.

Our revenues are primarily derived from rental and related charges and consist of worldwide vehicle rental revenues from all company-operated vehicle rental operations, including charges to customers for the reimbursement of costs incurred relating to airport concession fees and vehicle license fees, the fueling of vehicles and revenues associated with value-added services, including the sale of loss or collision damage waivers, theft protection, liability and personal accident/effects insurance coverage, premium emergency roadside service and other products and fees. Also included are ancillary revenues associated with retail vehicle sales and certain royalty fees from our franchisees (such fees are less than 2% of total revenues each period).

We also had revenues from vehicle leasing and fleet management services by our Donlen business, which was sold on March 30, 2021.

Our expenses primarily consist of:

- Direct vehicle and operating expense ("DOE"), primarily wages and related benefits; commissions and concession fees paid to airport authorities, travel agents and others; facility, self-insurance and reservation costs; and other costs relating to the operation and rental of revenue earning vehicles, such as damage, maintenance and fuel costs;
- Depreciation expense and lease charges relating to revenue earning vehicles, including gains and losses and related costs associated with the disposal of vehicles;
- Depreciation and amortization expense relating to non-vehicle assets;
- Selling, general and administrative expense ("SG&A"), which includes advertising costs and administrative personnel costs, along with costs for information technology and finance transformation programs;
- Interest expense, net; and
- Reorganization items, net, which includes charges associated with the Chapter 11 Cases, primarily professional fees which concluded on the Effective Date as a result of the implementation of the Plan of Reorganization.

To accommodate increased demand, we increase our available fleet and staff. As demand declines, fleet and staff are decreased accordingly. A number of our other major operating costs, including airport concession fees, commissions and vehicle liability expenses, are directly related to revenues or transaction volumes. We also maintain a flexible workforce, with a significant number of part-time and seasonal workers. Certain operating expenses, including real estate taxes, rent, insurance, utilities, maintenance and other facility-related expenses, and minimum staffing costs, remain fixed and cannot be adjusted for demand.

Our Reportable Segments

In the second quarter of 2021, in connection with the Chapter 11 Emergence, and changes in how our CODM regularly reviews operating results and allocates resources, we revised our reportable segments to include Canada, Latin America and the Caribbean in our Americas RAC reportable segment, which were previously included in our International RAC reportable segment. Accordingly, prior periods have been restated to conform with the revised presentation. We have identified two reportable segments, which are consistent with our operating segments and

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

organized based on the products and services provided and the geographic areas in which business is conducted, as follows:

- Americas RAC - Rental of vehicles, as well as sales of value-added services, in the U.S. Canada, Latin America and the Caribbean; and
- International RAC - Rental and leasing of vehicles, as well as sales of value-added services, internationally and consists primarily of our Europe and other international locations.

Also, in the second quarter of 2021, as a result of the Donlen Sale, as further disclosed in Note 3, "Divestitures," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report, the All Other Operations reportable segment which was primarily comprised of the Donlen business was no longer deemed to be a reportable segment.

In addition to the above reportable segments, we have corporate operations. We assess performance and allocate resources based upon the financial information for our operating segments.

Revenue Earning Vehicles

Revenue earning vehicles used in our rental and leasing operations are recorded at cost, net of related discounts and incentives from manufacturers. Holding periods typically range from six to thirty-six months. Also included in revenue earning vehicles are vehicles placed on our retail lots for sale or actively in the process of being sold through other disposition channels.

Program vehicles are purchased under repurchase or guaranteed depreciation programs with vehicle manufacturers wherein the manufacturers agree to repurchase vehicles at a specified price or guarantee the depreciation rate on the vehicles during established repurchase periods, subject to, among other things, certain vehicle condition, mileage and holding period requirements. Guaranteed depreciation programs guarantee the residual value of the program vehicle upon sale, subject to, among other things, certain vehicle condition, mileage and holding period requirements. Program vehicles generally provide us with flexibility to increase or reduce the size of our fleet based on market demand. When we increase the percentage of program vehicles, the average age of our fleet decreases since the average holding period for program vehicles is shorter than that for non-program vehicles.

When a revenue earning vehicle is acquired outside of a vehicle repurchase program, we estimate the period that we will hold the asset, primarily based on historical measures of the amount of rental activity (e.g., automobile mileage). We also estimate the residual value of the applicable revenue earning vehicles at the expected time of disposal, considering factors such as make, model and options, age, physical condition, mileage, sale location, time of the year, channel disposition (e.g., auction, retail, dealer direct) and market conditions. The vehicle is depreciated using a rate based on these estimates. Depreciation rates are reviewed on a quarterly basis based on management's ongoing assessment of present and estimated future market conditions, their effect on residual values at the expected time of disposal and the estimated holding period of the vehicle. Differences between actual residual values and those estimated result in an adjustment to depreciation upon disposition of the vehicle. Our depreciation of revenue earning vehicles and lease charges also includes costs associated with the disposal of vehicles and rents paid for vehicles leased.

We dispose of our non-program vehicles via auction, dealer direct and retail locations. In October 2021, we announced a nationwide agreement with Carvana with respect to our vehicle disposition process and our plan to position us at the center of the modern mobility ecosystem. The Carvana arrangement allows us to digitize and modernize our retail sales process, reduce our reliance on wholesale channels and allow us to renew our vehicle supply more rapidly. Non-program vehicles disposed of through our retail locations allow us the opportunity for value-added revenue, such as warranty, financing and title fees. We periodically review and adjust the mix between program and non-program vehicles in our fleet based on contract negotiations and the economic environment

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

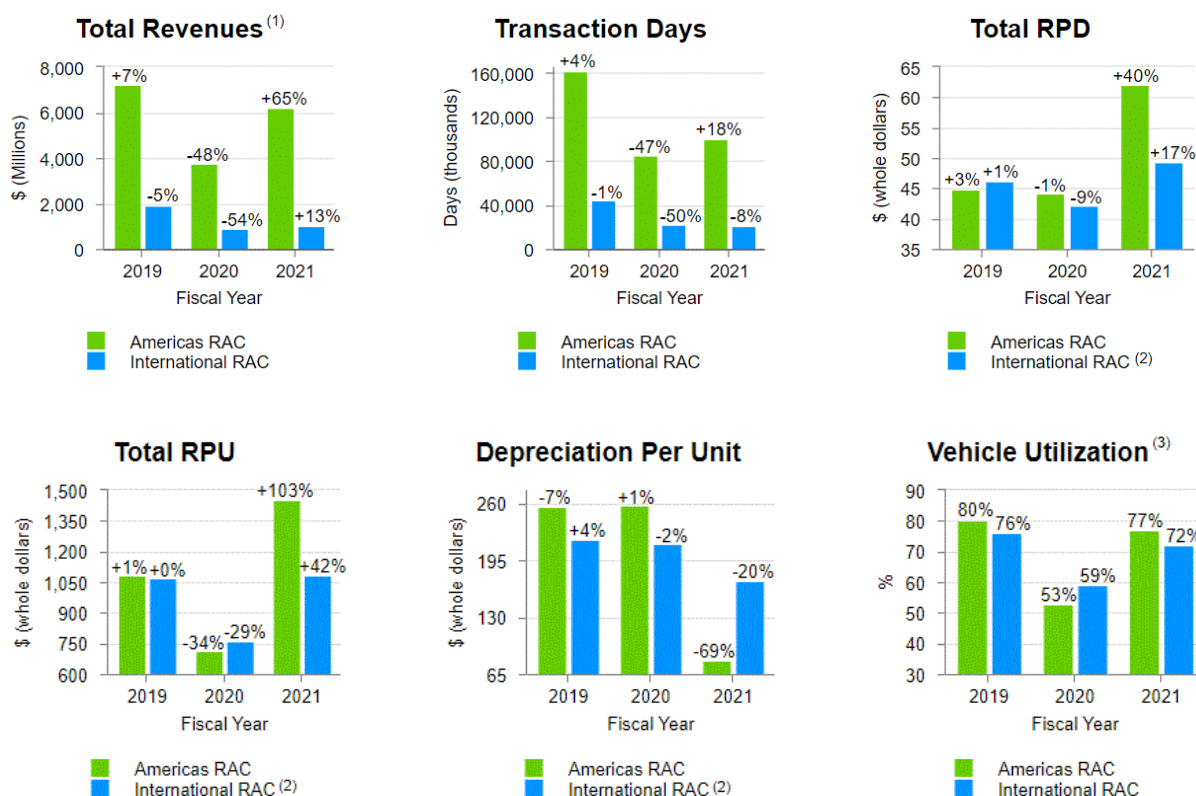
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

pertaining to our industry in an effort to optimize the mix of vehicles. Additionally, the use of program vehicles reduces the volatility associated with residual value estimation.

2021 Operating Overview

Effective during the third quarter of 2021, we changed our definition of Total RPD and Total RPU to include ancillary retail sales revenues to better align with current industry practice, and accordingly, prior periods have been restated to conform with the revised definition. Effective during the second quarter of 2021, we began reporting non-vehicle depreciation expense on a separate line item in the consolidated statement of operations, and accordingly prior periods have been restated to reflect this change.

The following charts provide several key factors influencing our results for the years ended December 31, 2021, 2020 and 2019.



- (1) Includes impact of foreign currency exchange at average rates ("fx").
- (2) Results shown are in constant currency as of December 31, 2020.
- (3) The percentages shown in this chart reflect Vehicle Utilization versus period-over-period change.

For more information on the above, see the discussion of our results on a consolidated basis and by segment that follows herein. In this MD&A, certain amounts in the following tables are denoted in millions. Amounts such as percentages are calculated from the underlying numbers in thousands, and as a result, may not agree to the amount when calculated from the tables in millions.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

CONSOLIDATED RESULTS OF OPERATIONS - HERTZ

(\$ In millions)	Years Ended December 31,			Percent Increase/(Decrease)	
	2021	2020	2019	2021 vs. 2020	2020 vs. 2019
Total revenues	\$ 7,336	\$ 5,258	\$ 9,779	40%	(46)%
Direct vehicle and operating expenses	3,920	3,423	5,305	15	(35)
Depreciation of revenue earning vehicles and lease charges	497	2,030	2,563	(76)	(21)
Non-vehicle depreciation and amortization	196	225	203	(13)	11
Selling, general and administrative expenses	688	645	949	7	(32)
Interest expense, net:					
Vehicle	284	455	494	(38)	(8)
Non-vehicle	185	151	304	23	(50)
Total Interest expense, net	469	606	798	(23)	(24)
Technology-related intangible and other asset impairments	—	213	—	(100)	NM
Write-off of intercompany loan	—	133	—	(100)	NM
Other (income) expense, net	(21)	(9)	(59)	NM	(85)
Reorganization items, net	513	175	—	NM	NM
(Gain) from the sale of a business	(400)	—	—	NM	NM
Income (loss) before income taxes	1,474	(2,183)	20	NM	NM
Income tax (provision) benefit	(318)	328	(65)	NM	NM
Net income (loss)	1,156	(1,855)	(45)	NM	NM
Net (income) loss attributable to noncontrolling interests	1	9	(8)	(90)	NM
Net income (loss) attributable to Hertz	\$ 1,157	\$ (1,846)	\$ (53)	NM	NM
Adjusted Corporate EBITDA ^(a)	\$ 2,130	\$ (995)	\$ 649	NM	NM

Footnotes to the table above are shown at the end of the Results of Operations and Selected Operating Data by Segment section of this MD&A.

NM - Not meaningful

Year Ended December 31, 2021 Compared with Year Ended December 31, 2020

Total revenues increased \$2.1 billion in 2021 compared to 2020 due primarily to an increase of \$2.5 billion and \$113 million in our Americas RAC and International RAC segments, respectively, partially offset by a decrease of \$494 million in all other operations. Americas RAC revenues increased due primarily to increased pricing resulting from growth in travel demand and industry constraints on vehicles due to the Chip Shortage affecting new vehicle production. Excluding a \$42 million impact of fx, revenues for our International RAC segment increased \$71 million also due primarily to increased pricing resulting primarily from industry constraints on vehicles due to the Chip Shortage affecting new vehicle production, partially offset by lower volume. The decrease in all other operations was the result of the Donlen Sale in the first quarter of 2021.

DOE increased \$497 million in 2021 compared to 2020 due primarily to an increase of \$540 million in our Americas RAC segment, partially offset by a decrease of \$42 million in our International RAC segment. The increase in DOE for our Americas RAC segment was due primarily to higher volume, partially offset by lower fleet costs due to reduced fleet size and lower fixed costs resulting from cost-reduction initiatives. Excluding the \$30 million impact of fx, DOE for International RAC decreased \$72 million due primarily to lower volume and lower fixed costs resulting from cost-reduction initiatives.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Depreciation of revenue earning vehicles and lease charges decreased \$1.5 billion in 2021 compared to 2020 due primarily to decreases of \$1.0 billion, \$435 million, and \$89 million in our Americas RAC segment, all other operations, and International RAC segment, respectively. The decrease in our Americas RAC was due primarily to increasing residual values and longer vehicle holding periods resulting in an increase in vehicles that were fully depreciated and an increase in gains recognized on the disposition of vehicles. The decrease in all other operations was due to the sale of our Donlen business in the first quarter of 2021. Excluding a \$6 million impact of fx, depreciation of revenue earning vehicles and lease charges for our International RAC segment decreased \$95 million due primarily to right sizing of the fleet, the Chip Shortage affecting new vehicle production and strength in residual values.

Non-vehicle depreciation and amortization decreased \$29 million in 2021 compared to 2020 due primarily to lower depreciation expense resulting in part from the Lease Rejection Orders in our Americas RAC segment in 2020 and fully depreciated intangible assets related to concession rights.

SG&A increased \$43 million in 2021 compared to 2020 due primarily to an increase of \$81 million in our corporate operations due primarily to increased personnel costs, partially offset by decreases of \$28 million and \$9 million in our International RAC segment and all other operations, respectively. Excluding a \$6 million fx impact, SG&A in our International RAC segment decreased \$34 million due primarily to lower professional fees and lower personnel costs, partially offset by higher marketing spend.

Vehicle interest expense, net decreased \$171 million in 2021 compared to 2020 due primarily to lower average balances and lower average rates primarily in our Americas RAC segment.

Non-vehicle interest expense, net increased \$34 million in 2021 compared to 2020 due primarily to higher amortization of capitalized deferred financing costs, higher letter of credit fees and higher average interest rates due primarily to the issuance of new unsecured senior notes in the fourth quarter of 2021, the issuance of the Term Loans in the second quarter of 2021 and the DIP Credit Agreement which was entered into in the third quarter of 2020, partially offset by interest on certain non-vehicle debt being suspended as a result of filing the Chapter 11 Cases.

We incurred charges of \$213 million for impairment of intangible and other assets in 2020 due primarily to \$124 million impairment of technology-related intangible assets and \$69 million impairment of capitalized cloud computing implementation costs in our corporate operations due to uncertainty surrounding our financial ability to complete certain information technology projects as a result of COVID-19 and the filing of the Chapter 11 Cases. Additionally, we incurred a charge of \$20 million for impairment of the Hertz tradename in our historical International RAC segment as a result of our annual testing of the recoverability of our indefinite-lived intangible assets.

We incurred a charge of \$133 million in 2020 in our corporate operations resulting from the full write-off of the 2019 Master Loan with Hertz Holdings due to the filing of the Chapter 11 Cases.

We had other income of \$21 million in 2021 compared to other income of \$9 million in 2020. Other income in 2021 was comprised in part to gains relating to derivative instruments in our corporate operations, the gain on the sales of certain franchises in our Americas RAC segment and income from an equity investment in our corporate operations. Other income of \$9 million in 2020 was primarily comprised of a \$20 million gain due to additional cash received from the sale of non-vehicle capital assets, primarily offset by \$11 million in pension-related settlement charges.

We incurred \$513 million of net reorganization charges in 2021, primarily in our corporate operations, which was comprised primarily of professional fees associated with the Chapter 11 Cases, the loss on extinguishment of certain debt resulting from the implementation of the Plan of Reorganization, a prior plan sponsor breakup fee and other miscellaneous charges related to the implementation of the Plan of Reorganization. We incurred \$175 million of net reorganization charges in 2020 in our corporate operations for professional fees and other costs associated with the Chapter 11 Cases.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Gain from the Donlen Sale of \$400 million in 2021 resulting from the completion of the Donlen Sale in the first quarter of 2021 which was recorded in our corporate operations.

The effective tax rate in 2021 was 22% compared to 15% in 2020. We recorded a tax provision of \$318 million in 2021 compared to a tax benefit of \$328 million in 2020. The increase in the tax provision in 2021 compared to 2020 was driven by improvements in our financial performance in 2021, change in the mix of earnings and losses in jurisdictions in which no tax benefit can be recognized, non-deductible bankruptcy expenses, and reduced by the tax benefits of the European reorganization.

Year Ended December 31, 2020 Compared with Year Ended December 31, 2019

Total revenues decreased \$4.5 billion in 2020 compared to 2019 due to reduced demand related to the impact from COVID-19 where there were decreases of \$3.5 billion and \$1.0 billion in our Americas RAC and International RAC segments, respectively. Americas RAC revenues decreased due primarily to lower volume. Excluding a \$6 million impact of fx, revenues for our International RAC segment decreased \$1.0 billion also due primarily to lower volume and pricing.

DOE decreased \$1.9 billion in 2020 compared to 2019 due primarily to decreases of \$1.4 billion and \$482 million in our Americas RAC and International RAC segments, respectively. The decrease in our Americas RAC segment was due primarily to lower volume driven by the impact from COVID-19 on total revenues described above, lower personnel costs and other cost elimination initiatives. Excluding the \$4 million impact of fx, DOE for International RAC decreased \$486 million due primarily to lower volume driven by the impact from COVID-19 on total revenues described above and lower personnel costs due to employee furloughs and associated government support across Europe related to COVID-19.

Depreciation of revenue earning vehicles and lease charges decreased \$533 million in 2020 compared to 2019 due primarily to decreases of \$354 million and \$144 million in our Americas RAC and International RAC segments, respectively. The decreases in our Americas RAC and International RAC segments were due primarily to a reduction in fleet size in response to pandemic-related declines in consumer demand.

Non-vehicle depreciation and amortization increased \$22 million in 2020 compared to 2019 due primarily to in-service placement of internally developed software assets in our Americas RAC segment.

SG&A decreased \$305 million in 2020 compared to 2019 due primarily to lower marketing costs in our Americas RAC and International RAC segments, lower personnel costs in our Americas RAC segment and lower information technology and finance transformation costs in our corporate operations.

Vehicle interest expense, net decreased \$38 million in 2020 compared to 2019 due primarily to lower vehicle debt levels primarily in our Americas RAC segment.

Non-vehicle interest expense, net decreased \$154 million in 2020 compared to 2019 due primarily to lower debt levels, lower market interest rates and the suspension of interest on certain non-vehicle debt as a result of filing the Chapter 11 Cases.

We incurred charges of \$213 million for impairment of intangible and other assets in 2020 due primarily to \$124 million impairment of technology-related intangible assets and \$69 million impairment of capitalized cloud computing implementation costs in our corporate operations due to uncertainty surrounding our financial ability to complete certain information technology projects as a result of COVID-19 and the filing of the Chapter 11 Cases. Additionally, we incurred a charge of \$20 million for impairment of the Hertz tradename in our historical International RAC segment as a result of our annual testing of the recoverability of our indefinite-lived intangible assets.

We incurred a charge of \$133 million in 2020 in our corporate operations resulting from the full write-off of the 2019 Master Loan with Hertz Holdings due to the filing of the Chapter 11 Cases.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Other income of \$9 million in 2020 was primarily comprised of a \$20 million gain due to additional cash received from the sale of non-vehicle capital assets, primarily offset by \$11 million in pension-related settlement charges. Other income of \$59 million in 2019 was primarily comprised of a \$30 million gain on marketable securities and a \$39 million gain on non-vehicle capital assets.

We incurred \$175 million of net reorganization charges in 2020 in our corporate operations for professional fees and other costs associated with the Chapter 11 Cases.

The effective tax rate in 2020 was 15% compared to 326% in 2019. We recorded a tax benefit of \$328 million in 2020 compared to a tax provision of \$65 million in 2019. The effective income tax rate and related tax benefit in 2020 compared to 2019 were driven by increased losses on our operations due to the effects of COVID-19, primarily offset by the impact of valuation allowances on net deferred tax assets for certain foreign and domestic jurisdictions.

CONSOLIDATED RESULTS OF OPERATIONS - HERTZ GLOBAL

The above discussion for Hertz also applies to Hertz Global.

Hertz Global had \$627 million of expense from the change in fair value of Public Warrants that was incremental to Hertz for the year ended December 31, 2021. Hertz Global also had \$164 million of reorganization items, net for the year ended December 31, 2021 that was incremental to the amounts shown for Hertz, which represent certain effects from the implementation of the Plan of Reorganization.

Hertz Global had \$2 million and \$7 million of interest expense, net, during 2020 and 2019, respectively, that was incremental to the amounts shown for Hertz. These amounts represent interest associated with amounts outstanding under a master loan agreement between the companies. Hertz includes this amount as interest income in its statements of operations, but this amount is eliminated in consolidation for purposes of Hertz Global.

In 2020, Hertz Global had \$1 million of income tax benefit that was incremental to the amounts shown for Hertz due primarily to the \$133 million master loan write-off included in Hertz's consolidated statements of operations. In 2019, Hertz had \$2 million of tax provision that was incremental to the amounts shown for Hertz Global.

RESULTS OF OPERATIONS AND SELECTED OPERATING DATA BY SEGMENT

Americas RAC

As of December 31, 2021, our Americas RAC operations had a total of approximately 5,400 corporate and franchisee locations, comprised of 1,900 airport and 3,500 off airport locations.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Results of operations and our discussion and analysis for our Americas RAC segment were as follows:

(\$ In millions, except as noted)	Years Ended December 31,			Percent Increase/(Decrease)	
	2021	2020	2019	2021 vs. 2020	2020 vs. 2019
Total revenues	\$ 6,215	\$ 3,756	\$ 7,208	65%	(48)%
Depreciation of revenue earning vehicles and lease charges	\$ 343	\$ 1,352	\$ 1,706	(75)	(21)
Direct vehicle and operating expenses	\$ 3,302	\$ 2,763	\$ 4,163	20	(34)
Direct vehicle and operating expenses as a percentage of total revenues	53 %	74 %	58 %		
Non-vehicle depreciation and amortization	\$ 166	\$ 182	\$ 159	(9)	15
Selling, general and administrative expenses	\$ 282	\$ 283	\$ 499	—	(43)
Selling, general and administrative expenses as a percentage of total revenues	5 %	8 %	7 %		
Vehicle interest expense	\$ 213	\$ 329	\$ 353	(35)	(7)
Reorganization items, net	\$ 80	\$ 8	\$ —	NM	NM
Adjusted EBITDA	\$ 2,173	\$ (810)	\$ 512	NM	NM
Transaction Days (in thousands) ^(b)	100,085	85,016	161,278	18	(47)
Average Vehicles (in whole units) ^(c)	355,647	437,547	555,220	(19)	(21)
Vehicle Utilization ^(c)	77 %	53 %	80 %		
Total RPD (in whole dollars) ^(d)	\$ 62.07	\$ 44.22	\$ 44.75	40	(1)
Total RPU Per Month (in whole dollars) ^(e)	\$ 1,456	\$ 716	\$ 1,083	NM	(34)
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 80	\$ 258	\$ 256	(69)	1
Percentage of program vehicles as of period end	0.4 %	3 %	11 %		

Footnotes to the table above are shown at the end of the Results of Operations and Selected Operating Data by Segment section of this MD&A.

NM - Not meaningful

Year Ended December 31, 2021 Compared with Year Ended December 31, 2020

Total revenues for Americas RAC increased \$2.5 billion in 2021 compared to 2020 due primarily to higher pricing and volume. The 40% increase in Total RPD was driven primarily by higher pricing across the industry due to growth in travel demand and industry-wide constraints on vehicles due to the Chip Shortage affecting new vehicle production. The 18% increase in Transaction Days was driven primarily by volume increases in leisure and most business categories as government-imposed travel restrictions began to lift in 2021 due to increased access to COVID-19 vaccines. Volume increased in our airport locations by 44%. Airport revenues comprised 70% of total revenues for the segment in 2021 compared to 56% in 2020.

Depreciation of revenue earning vehicles and lease charges for Americas RAC decreased \$1.0 billion in 2021 compared to 2020. Average Vehicles decreased 19% and Depreciation Per Unit Per Month decreased to \$80 compared to \$258 in 2020, due primarily to increasing residual values and longer vehicle holding periods resulting in an increase in vehicles that were fully depreciated and an increase in gains recognized on the disposition of vehicles.

DOE for Americas RAC increased \$540 million in 2021 compared to 2020. Excluding a \$5 million fx impact, DOE increased \$534 million due primarily to higher volume driven by the increased travel demand discussed above and increased vehicle maintenance costs due primarily to longer vehicle holding periods resulting from new vehicle

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

production constraints due to the Chip Shortage, partially offset by lower fleet-related costs due to a reduced fleet size and lower facility costs resulting from cost-reduction initiatives.

Non-vehicle depreciation and amortization for Americas RAC decreased \$16 million in 2021 compared to 2020 resulting in part from the Lease Rejection Orders in 2020 and fully depreciated intangible assets related to concession rights.

SG&A for Americas RAC was comparable to 2020 in which 2021 incurred lower personnel costs due to cost-reduction initiatives, partially offset by higher marketing spend during our peak season in 2021.

Vehicle interest expense for Americas RAC decreased \$116 million in 2021 compared to 2020 due primarily to lower average balances and lower average rates resulting from the issuance of the HVF III ABS Notes and the full repayment and termination of the HVF II ABS Notes in accordance with the Plan of Reorganization.

Reorganization items, net for Americas RAC increased \$73 million in 2021 compared to 2020 due primarily to the loss on extinguishment of certain vehicle debt resulting from the implementation of the Plan of Reorganization and certain contract-related charges in the first half of 2021.

Year Ended December 31, 2020 Compared with Year Ended December 31, 2019

Total Americas RAC revenues decreased \$3.5 billion in 2020 compared to 2019 due primarily to lower volume. The 47% decrease in Transaction Days was driven by the impact from COVID-19 with declines in leisure and most business categories, excluding delivery services in our off airport locations where volume and pricing increased compared to 2019. Volume decreased in both our airport and off airport locations by 59% and 29%, respectively. Total RPD decreased by 2%. Off airport revenues comprised 44% of total revenues in 2020 as compared to 32% for 2019 due primarily to customer demand changes associated with COVID-19.

Depreciation of revenue earning vehicles and lease charges for Americas RAC decreased \$354 million in 2020 compared to 2019. Average Vehicles decreased 21% due in part to a reduction in fleet size in response to pandemic-related declines in consumer demand. Depreciation Per Unit Per Month was comparable to 2019.

DOE for Americas RAC decreased \$1.4 billion in 2020 compared to 2019 due primarily to lower volume driven by the impact from COVID-19 on total revenues described above, lower personnel costs due to an employee restructuring program that commenced in 2020 in response to COVID-19 and other cost elimination initiatives.

Non-vehicle depreciation and amortization for Americas RAC increased \$24 million in 2020 compared to 2019 due primarily to in-service placement of internally developed software assets.

SG&A for Americas RAC decreased \$216 million in 2020 compared to 2019 due primarily to lower marketing and personnel costs in response to COVID-19 and other cost elimination initiatives.

Vehicle interest expense for Americas RAC decreased \$24 million in 2020 compared to 2019 due primarily to lower debt levels as a result of vehicle dispositions resulting from the Interim Lease Order.

International RAC

As of December 31, 2021, our International RAC operations had approximately 6,000 corporate and franchisee locations, comprised of 1,400 airport and 4,600 off airport locations in approximately 110 countries and regions including the countries of Australia, New Zealand, and in the regions of Africa, Asia, Europe and the Middle East.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Results of operations and our discussion and analysis for our International RAC segment were as follows:

(\$ In millions, except as noted)	Years Ended December 31,			Percent Increase/(Decrease)	
	2021	2020	2019	2021 vs. 2020	2020 vs. 2019
Total revenues	\$ 985	\$ 872	\$ 1,899	13%	(54)%
Depreciation of revenue earning vehicles and lease charges	\$ 154	\$ 243	\$ 388	(37)	(37)
Direct vehicle and operating expenses	\$ 606	\$ 647	\$ 1,128	(6)	(43)
Direct vehicle and operating expenses as a percentage of total revenues	61 %	74 %	59 %		
Non-vehicle depreciation and amortization	\$ 16	\$ 19	\$ 20	(17)	(7)
Selling, general and administrative expenses	\$ 136	\$ 164	\$ 202	(17)	(19)
Selling, general and administrative expenses as a percentage of total revenues	14 %	19 %	11 %		
Vehicle interest expense	\$ 59	\$ 80	\$ 89	(26)	(10)
Reorganization items, net	\$ 12	\$ —	\$ —	NM	NM
Adjusted EBITDA	\$ 90	\$ (229)	\$ 115	NM	NM
Transaction Days (in thousands) ^(b)	20,488	22,283	44,720	(8)	(50)
Average Vehicles (in whole units) ^(c)	77,643	102,793	160,382	(24)	(36)
Vehicle Utilization ^(c)	72 %	59 %	76 %		
Total RPD (in whole dollars) ^(d)	\$ 49.30	\$ 42.12	\$ 46.18	17	(9)
Total RPU Per Month (in whole dollars) ^(e)	\$ 1,084	\$ 761	\$ 1,073	42	(29)
Net Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 171	\$ 214	\$ 219	(20)	(2)
Percentage of program vehicles as of period end	32 %	31 %	43 %		

Footnotes to the table above are shown at the end of the Results of Operations and Selected Operating Data by Segment section of this MD&A.

NM - Not meaningful

Year Ended December 31, 2021 Compared with Year Ended December 31, 2020

Total revenues for International RAC increased \$113 million in 2021 compared to 2020 due to higher pricing, partially offset by lower volume. Excluding a \$42 million fx impact, revenues increased \$71 million due to higher pricing and higher leisure mix in Europe. Total RPD increased 17% driven primarily by higher pricing across the industry due to industry-wide constraints on vehicle supply due to the Chip Shortage affecting new vehicle production and higher leisure mix in Europe beginning in the second half of 2021. Transaction Days decreased 8% driven primarily by lower volume in most leisure and business categories due to continued government-imposed travel restrictions.

Depreciation of revenue earning vehicles and lease charges for International RAC decreased \$89 million in 2021 compared to 2020. Excluding a \$6 million fx impact, depreciation decreased \$95 million. Average Vehicles for International RAC decreased 24% due to fleet reductions in 2020 in response to lower demand during the pandemic and vehicle supply shortages limiting fleet expansion as demand began to return in 2021. Depreciation Per Unit Per Month for International RAC decreased to \$171 from \$214 for 2021 versus 2020 due to strength in residual values resulting in lower gross depreciation, offset by higher vehicle sales gains.

DOE for International RAC decreased \$42 million in 2021 compared to 2020. Excluding a \$30 million fx impact, DOE decreased \$72 million due primarily to lower volume driven by the impact of travel restrictions resulting from

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

COVID-19 and lower facility costs resulting from cost-reduction initiatives, partially offset by increases related to restructuring initiatives.

Non-vehicle depreciation and amortization for International RAC decreased \$3 million in 2021 compared to 2020 due primarily to in-service placement of internally developed software assets.

SG&A for International RAC decreased \$28 million in 2021 compared to 2020. Excluding a \$6 million fx impact, SG&A decreased \$34 million due primarily to lower professional fees resulting from debt restructuring initiatives during 2020 and lower personnel costs, partially offset by higher marketing spend.

Vehicle interest expense for International RAC decreased \$21 million in 2021 compared to 2020 due primarily to lower debt levels, partially offset by higher average rates.

Reorganization items, net for International RAC increased \$12 million in 2021 compared to 2020 due primarily to advisory fees related to debt refinancings and the loss on extinguishment of the European Vehicle Notes resulting from the implementation of the Plan of Reorganization during the first half of 2021.

Year Ended December 31, 2020 Compared with Year Ended December 31, 2019

Total revenues for International RAC decreased \$1.0 billion in 2020 compared to 2019 due to lower volume and pricing. Transaction Days decreased 50% and Total RPD decreased 9%. Excluding a \$6 million fx impact, revenues decreased \$1.0 billion due to lower volume and pricing, primarily in Europe, across all leisure and business categories driven by the impact of COVID-19.

Depreciation of revenue earning vehicles and lease charges for International RAC decreased \$144 million in 2020 compared to 2019, where the fx impact was immaterial. Average Vehicles for International RAC decreased 36% due to downsizing the fleet as a result of COVID-19. Depreciation Per Unit Per Month for International RAC decreased to \$197 from \$202 for 2020 versus 2019.

DOE for International RAC decreased \$482 million in 2020 compared to 2019. Excluding a \$4 million fx impact, DOE decreased \$486 million due primarily to lower volume driven by the impact from COVID-19 on total revenues described above and lower personnel costs due to employee furloughs and associated government support across Europe related to COVID-19.

SG&A for International RAC decreased \$38 million in 2020 compared to 2019. Excluding a \$9 million fx impact, SG&A decreased \$47 million due primarily to lower marketing and facility costs.

Vehicle interest expense for International RAC decreased \$9 million in 2020 compared to 2019 due primarily to downsizing the fleet as a result of COVID-19 market conditions.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Footnotes to the Results of Operations and Selected Operating Data by Segment Tables

(a) Adjusted Corporate EBITDA is calculated as net income (loss) attributable to Hertz or Hertz Global, adjusted for income taxes; non-vehicle depreciation and amortization; non-vehicle debt interest, net; vehicle debt-related charges; restructuring and restructuring related charges; information technology and finance transformation costs; reorganization items, net; pre-reorganization items and non-debtor financing charges; gain from the sale of a business and certain other miscellaneous items. When evaluating our operating performance, investors should not consider Adjusted Corporate EBITDA in isolation of, or as a substitute for, measures of our financial performance determined in accordance with U.S. GAAP. The reconciliations to the most comparable consolidated U.S. GAAP measure are presented below:

HERTZ

(In millions)	Years Ended December 31,		
	2021	2020	2019
Net income (loss) attributable to Hertz	\$ 1,157	\$ (1,846)	\$ (53)
Adjustments:			
Income tax provision (benefit)	318	(328)	65
Non-vehicle depreciation and amortization	196	225	203
Non-vehicle debt interest, net ⁽¹⁾	185	151	304
Vehicle debt-related charges ⁽²⁾	72	55	38
Restructuring and restructuring related charges ⁽³⁾	76	64	14
Intangible and other asset impairment ⁽⁴⁾	—	213	—
Write-off of intercompany loan ⁽⁵⁾	—	133	—
Information technology and finance transformation costs ⁽⁶⁾	12	42	114
Reorganization items, net ⁽⁷⁾	513	175	—
Pre-reorganization and non-debtor financing charges ⁽⁸⁾	42	109	—
Gain from the sale of Donlen ⁽⁹⁾	(400)	—	—
Other items ⁽¹⁰⁾	(41)	12	(36)
Adjusted Corporate EBITDA	<u>\$ 2,130</u>	<u>\$ (995)</u>	<u>\$ 649</u>

HERTZ GLOBAL

(In millions)	Years Ended December 31,		
	2021	2020	2019
Net income (loss) attributable to Hertz Global	\$ 366	\$ (1,714)	\$ (58)
Adjustments:			
Income tax provision (benefit)	318	(329)	63
Non-vehicle depreciation and amortization	196	225	203
Non-vehicle debt interest, net ⁽¹⁾	185	153	311
Vehicle debt-related charges ⁽²⁾	72	55	38
Restructuring and restructuring related charges ⁽³⁾	76	64	14
Intangible and other asset impairment ⁽⁴⁾	—	213	—
Information technology and finance transformation costs ⁽⁶⁾	12	42	114
Reorganization items, net ⁽⁷⁾	677	175	—
Pre-reorganization and non-debtor financing charges ⁽⁸⁾	42	109	—
Gain from the sale of Donlen ⁽⁹⁾	(400)	—	—
Change in fair value of Public Warrants ⁽¹¹⁾	627	—	—
Other items ⁽¹⁰⁾	(41)	12	(36)
Adjusted Corporate EBITDA	<u>\$ 2,130</u>	<u>\$ (995)</u>	<u>\$ 649</u>

(1) In 2021, includes \$8 million of loss on extinguishment of debt associated with the payoff and termination of the HIL Credit Agreement recorded in the second quarter. See Note 6, "Debt," in Part II, Item 8 of this 2021 Annual Report for further information.

(2) Represents vehicle debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums.

(3) Represents charges incurred under restructuring actions as defined in U.S. GAAP, excluding impairments and asset write-downs. See Note 10, "Restructuring," in Part II, Item 8 of this 2021 Annual Report for further information. Also included restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

- (4) Represents the impairment of technology-related intangible assets and capitalized cloud computing cost. In 2020, also represented impairment of other assets and the Hertz tradename. See Note 5, "Goodwill and Intangible Assets, Net," in Part II, Item 8 of this 2021 Annual Report.
- (5) Represented the write-off of the 2019 Master Loan between Hertz and Hertz Holdings, as disclosed in Note 15, "Related Party Transactions," in Part II, Item 8 of this 2021 Annual Report.
- (6) Represents costs associated with our information technology and finance transformation programs, both of which are multi-year initiatives to upgrade and modernize our systems and processes.
- (7) Represents charges associated with the filing of and the emergence from the Chapter 11 Cases, as described in Note 21, "Reorganization Items, Net," in Part II, Item 8 of this 2021 Annual Report.
- (8) Represents charges incurred prior to the filing of the Chapter 11 Cases, which were comprised of preparation charges for the reorganization, such as professional fees. Also included certain non-debtor financing and professional fee charges. See Note 1, "Background," in Part II, Item 8 of this 2021 Annual Report.
- (9) Represents the net gain from the sale of our Donlen business on March 30, 2021 recorded in Corporate as disclosed in Note 3, "Divestitures," in Part II, Item 8 of this 2021 Annual Report.
- (10) Represents miscellaneous items, including non-cash stock-based compensation charges, and amounts attributable to non-controlling interests. For 2021, also includes \$100 million associated with the suspension of depreciation during the first quarter for the Donlen business while classified as held for sale, partially offset by \$17 million for certain professional fees, \$14 million of charges related to the settlement of bankruptcy claims, charges for a multiemployer pension plan withdrawal liability and letter of credit fees. For 2020, also included charges of \$18 million for losses associated with certain vehicle damages which were recorded in the second quarter, partially offset by a \$20 million gain on the sale of non-vehicle capital assets, which was recorded in the first quarter.
- (11) Represents the change in fair value during the reporting period for the Company's outstanding Public Warrants, as disclosed in Note 12, "Fair Value Measurements," in Part II, Item 8 of this 2021 Annual Report.
- (b) Transaction Days represent the total number of 24-hour periods, with any partial period counted as one Transaction Day, that vehicles were on rent (the period between when a rental contract is opened and closed) in a given period. Thus, it is possible for a vehicle to attain more than one Transaction Day in a 24-hour period.
- (c) Average Vehicles are determined using a simple average of the number of vehicles at the beginning and end of a given period. Among other things, Average Vehicles is used to calculate our Vehicle Utilization which represents the portion of our vehicles that are being utilized to generate revenue. Vehicle Utilization is calculated by dividing total Transaction Days by Available Car Days. The calculation of Vehicle Utilization is shown in the table below:

	Americas RAC			International RAC		
	Years Ended December 31,					
	2021	2020	2019	2021	2020	2019
Transaction Days (in thousands)	100,085	85,016	161,278	20,488	22,283	44,720
Average Vehicles (in whole units)	355,647	437,547	555,220	77,643	102,793	160,382
Number of days in period (in whole units)	365	366	365	365	366	365
Available Car Days (in thousands)	129,944	160,142	202,655	28,366	37,622	58,539
Vehicle Utilization	77 %	53 %	80 %	72 %	59 %	76 %

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

- (d) Total RPD is calculated as revenues with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates ("Total Revenues - adjusted for foreign currency"), divided by the total number of Transaction Days. As discussed above, effective in the third quarter of 2021, we revised our calculation of Total RPD to include ancillary retail vehicle sales revenues, and accordingly, prior periods have been restated to conform with the revised definition. Our management believes eliminating the effect of fluctuations in foreign currency exchange rates is useful in analyzing underlying trends. The calculation of Total RPD is shown below:

(\$ in millions, except as noted)	Americas RAC			International RAC		
	Years Ended December 31,					
	2021	2020	2019	2021	2020	2019
Revenues	\$ 6,215	\$ 3,756	\$ 7,208	\$ 985	\$ 872	\$ 1,899
Foreign currency adjustment ⁽¹⁾	(3)	3	8	25	66	166
Total Revenues-adjusted for foreign currency	\$ 6,212	\$ 3,759	\$ 7,216	\$ 1,010	\$ 938	\$ 2,065
Transaction Days (in thousands)	100,085	85,016	161,278	20,488	22,283	44,720
Total RPD (in dollars)	\$ 62.07	\$ 44.22	\$ 44.75	\$ 49.30	\$ 42.12	\$ 46.18

(1) Based on December 31, 2020 foreign currency exchange rates for all periods presented.

- (e) Total RPU Per Month is calculated as Total Revenues - adjusted for foreign currency divided by the Average Vehicles in each period and then divided by the number of months in the period reported. As discussed above, effective in the third quarter of 2021, we revised our calculation of Total RPU to include ancillary retail vehicle sales revenues, and accordingly, prior periods have been restated to conform with the revised definition. The calculation of Total RPU Per Month is shown below:

(\$ in millions, except as noted)	Americas RAC			International RAC		
	Years Ended December 31,					
	2021	2020	2019	2021	2020	2019
Total Revenues-adjusted for foreign currency	\$ 6,212	\$ 3,759	\$ 7,216	\$ 1,010	\$ 938	\$ 2,065
Average Vehicles (in whole units)	355,647	437,547	555,220	77,643	102,793	160,382
Total revenue per unit (in whole dollars)	\$ 17,467	\$ 8,591	\$ 12,997	\$ 13,009	\$ 9,130	\$ 12,877
Number of months in period (in whole units)	12	12	12	12	12	12
Total RPU Per Month (in whole dollars)	\$ 1,456	\$ 716	\$ 1,083	\$ 1,084	\$ 761	\$ 1,073

- (f) Depreciation Per Unit Per Month represents the amount of average depreciation expense and lease charges, per vehicle per month and is calculated as depreciation of revenue earning vehicles and lease charges, with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates, divided by the Average Vehicles in each period and then dividing by the number of months in the period reported. Our management believes eliminating the effect of fluctuations in foreign currency exchange rates is useful in analyzing underlying trends. The calculation of Depreciation Per Unit Per Month is shown below:

(\$ in millions, except as noted)	Americas RAC			International RAC		
	Years Ended December 31,					
	2021	2020	2019	2021	2020	2019
Depreciation of revenue earning vehicles and lease charges	\$ 343	\$ 1,352	\$ 1,706	\$ 154	\$ 243	\$ 388
Foreign currency adjustment ⁽¹⁾	—	1	1	5	21	34
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 343	\$ 1,353	\$ 1,707	\$ 159	\$ 264	\$ 422
Average Vehicles (in whole units)	355,647	437,547	555,220	77,643	102,793	160,382
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 964	\$ 3,093	\$ 3,075	\$ 2,051	\$ 2,567	\$ 2,631
Number of months in period (in whole units)	12	12	12	12	12	12
Depreciation Per Unit Per Month (in whole dollars)	\$ 80	\$ 258	\$ 256	\$ 171	\$ 214	\$ 219

(1) Based on December 31, 2020 foreign currency exchange rates for all periods presented.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

LIQUIDITY AND CAPITAL RESOURCES

Our U.S. and international operations are funded by cash provided by operating activities and by extensive financing arrangements, both debt and equity, maintained by us in the U.S. and internationally.

Cash and Cash Equivalents

As of December 31, 2021, we had \$2.3 billion of unrestricted cash and unrestricted cash equivalents and \$393 million of restricted cash and restricted cash equivalents. As of December 31, 2021, \$489 million of unrestricted cash and unrestricted cash equivalents and \$78 million of restricted cash and restricted cash equivalents were held by our subsidiaries outside of the U.S. Beginning in the quarterly period ending March 31, 2020, we no longer assert permanent reinvestment with respect to our non-U.S. earnings, and if not in the form of loan repayments or subject to favorable tax treaties, repatriation of some of these funds under current regulatory and tax law for use in domestic operations could expose us to additional cash taxes.

Voluntary Petitions for Bankruptcy and Emergence

On May 22, 2020, the Debtors filed Petitions under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Chapter 11 Cases were jointly administered for procedural purposes only under the caption *In re The Hertz Corporation, et al., Case No. 20-11218 (MFW)*. Additional information about the Chapter 11 Cases, including access to documents filed with the Bankruptcy Court, is available online at <https://restructuring.primeclerk.com/hertz>, a website administered by Prime Clerk, a third-party bankruptcy claims and noticing agent. The information on this website is not incorporated by reference and does not constitute part of this 2021 Annual Report.

As disclosed in Note 1, "Background," in Part II, Item 8 of this 2021 Annual Report, on May 14, 2021, the Debtors filed the Plan of Reorganization, and the solicitation version of the Supplement to the Disclosure Statement which was approved by the Bankruptcy Court on May 14, 2021. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court. On June 30, 2021, the Effective Date, the Plan of Reorganization became effective in accordance with its terms and the Debtors emerged from Chapter 11.

On the Effective Date, as a result of the Plan of Reorganization, we received cash proceeds of \$7.5 billion comprised of:

- \$2.8 billion from the purchase of reorganized Hertz Global common stock by the Plan Sponsors and certain other investment funds and entities;
- \$1.6 billion from the purchase of reorganized Hertz Global common stock pursuant to the 2021 Rights Offering;
- \$1.5 billion (less a 2% upfront discount and stock issuance fees) from the purchase of Series A Preferred Stock of reorganized Hertz Global by Apollo; and
- \$1.5 billion in proceeds from our Term Loans.

Such cash proceeds were used, in part, to provide payments to our stakeholders pursuant to the terms of the Plan of Reorganization as follows:

- the holders of administrative, priority and secured claims received payment in cash in full;
- the holders of the approximately \$1.0 billion of obligations owed with respect to the DIP Credit Agreement received payment in cash in full;
- the holders of the Senior Term Loan, Senior RCF and Letter of Credit Facility received payment in cash in full with respect to all non-contingent liquidated claims;
- the holders of claims with respect to the Senior Second Priority Secured Notes received payment in cash in full;
- the holders of the €725 million European Vehicle Notes received payment in cash in full;
- the holders of the €257 million Second HIL Credit Agreement received payment in cash in full;

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

- the holders of claims with respect to the Senior Notes and the holders of claims with respect to the Alternative Letter of Credit Facility received payment in cash with respect to (i) all remaining principal, (ii) accrued and unpaid interest as of the Petition Date at the contract rate, and (iii) accrued and unpaid interest from the Petition Date to the Effective Date at the federal judgment rate (at such rate in effect as of the Petition Date), subject to the rights of creditors (if any) to bring a claim for the payment of additional interest and/or premiums; and
- the holders of general unsecured claims will receive payment in cash in full plus interest at the federal judgment rate (at such rate in effect as of the Petition Date), subject to the rights of creditors to bring a claim for payment of additional interest.

On the Effective Date, reorganized Hertz entered into the First Lien Credit Agreement that provides for an aggregate amount of \$2.8 billion comprised of the First Lien RCF in an aggregate committed amount of \$1.3 billion plus Term Loans in an aggregate principal amount of \$1.5 billion. Additionally, reorganized Hertz entered into a new HVF III ABS facility in an aggregate of \$6.8 billion comprised of variable funding notes with a principal amount up to \$2.8 billion and medium term notes in an aggregate principal amount of \$4.0 billion.

On the Effective Date, substantially all then-existing non-vehicle debt and all then-existing ABS facilities under the HVF II U.S. ABS Program were repaid in full and terminated in accordance with the Plan of Reorganization. See Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report for additional information.

Public Warrants

On the Effective Date, in accordance with the Plan of Reorganization, we issued 89,049,029 Public Warrants. Between the Effective Date and December 31, 2021, 6,040,280 Public Warrants were exercised, of which 428,102 were cashless exercises and 5,612,178 were exercised for \$13.80 per share, resulting in cash proceeds to us of \$77 million. The outstanding warrants are exercisable through June 30, 2051. As of December 31, 2021, the exercise price remains \$13.80.

See the subsequent sections under "Equity Financing" and "Debt Financing" for additional discussions about liquidity events that occurred on the Effective Date and thereafter.

Cash Flows - Hertz

As of December 31, 2021 and 2020, Hertz had unrestricted cash and unrestricted cash equivalents of \$2.3 billion and \$1.1 billion, respectively, and restricted cash and restricted cash equivalents of \$393 million and \$383 million, respectively. The following table summarizes the net change in cash, cash equivalents, restricted cash and restricted cash equivalents for the periods shown:

(In millions)	Years Ended December 31,			2021 vs. 2020	2020 vs. 2019
	2021	2020	2019	\$ Change	\$ Change
Cash provided by (used in):					
Operating activities	\$ 1,806	\$ 956	\$ 2,907	\$ 850	\$ (1,951)
Investing activities	(3,544)	4,591	(4,425)	(8,135)	9,016
Financing activities	2,872	(5,403)	1,467	8,275	(6,870)
Effect of exchange rate changes	(34)	46	1	(80)	45
Net change in cash, cash equivalents, restricted cash and restricted cash equivalents	\$ 1,100	\$ 190	\$ (50)	\$ 910	\$ 240

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Year ended December 31, 2021 compared with year ended December 31, 2020

In 2021, cash flows from operating activities increased by \$850 million year over year due primarily to the \$1.5 billion change in net income, as adjusted for non-cash and non-operating items, partially offset by the associated reduction of \$607 million in working capital requirements. Cash flows from working capital accounts decreased due primarily to \$485 million cash paid for reorganization items in 2021 compared to \$102 million paid in 2020, and the payment of claims in the second half of 2021 that had been previously deferred and subject to compromise while in Chapter 11.

Our primary investing activities relate to the acquisition and disposal of revenue earning vehicles. During 2021, there was an \$8.1 billion decrease in the cash provided by investing activities compared to 2020 due primarily to a \$7.3 billion decrease in disposal proceeds in 2021 where disposals in 2020 increased due to the Interim Lease Order and the impact of COVID-19 on travel demand and a \$1.6 billion increase in purchased vehicles due to increasing travel demand, primarily in our Americas RAC segment. The net decrease in cash provided was partially offset by \$871 million net proceeds from the Donlen Sale.

Net financing cash inflows were \$2.9 billion in 2021 compared to cash outflows of \$5.4 billion in 2020. In 2021, cash inflows of \$5.6 billion were due to contributions from Hertz Holdings from net proceeds received from the issuance of reorganized Hertz Global equity which were partially offset by \$2.5 billion of cash dividends paid to Hertz Global to fund the Tender Offer and share repurchases. In 2020, cash outflows of \$10.8 billion were due to the repayment of vehicle debt which were partially offset by reduced borrowings of \$4.5 billion primarily resulting from the Chapter 11 Cases.

Year ended December 31, 2020 compared with year ended December 31, 2019

In 2020, cash flows from operating activities decreased by \$2.0 billion year over year due primarily to the \$1.8 billion change in net loss driven by the impact of COVID-19 discussed above, partially offset by the associated reduction of \$331 million in working capital requirements.

Our primary investing activities relate to the acquisition and disposal of revenue earning vehicles. However, Hertz disposed of approximately 198,000 lease vehicles between June 1, 2020 and December 31, 2020, pursuant to or otherwise in satisfaction of our vehicle disposition obligations under an order from the Bankruptcy Court (the "Interim Lease Order"). There was a \$9.0 billion decrease in the use of cash for investing activities year over year. Cash outflows for revenue earning vehicles decreased \$8.2 billion as we reduced our commitments to purchase vehicles, primarily in our Americas RAC segment, due to the impact from COVID-19 and a \$612 million increase of cash proceeds from disposals of revenue earning vehicles as we accelerated the disposition of vehicles due to the Interim Lease Order.

Net financing cash outflows were \$5.4 billion in 2020 compared to cash inflows of \$1.5 billion in 2019 primarily due to a \$8.5 billion reduction in vehicle debt borrowings as we reduced our commitments to purchase vehicles, partially offset by a \$1.7 billion reduction in non-vehicle repayments, net of new borrowings, primarily resulting from the Chapter 11 Cases.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Cash Flows - Hertz Global

As of December 31, 2021 and 2020, Hertz Global had unrestricted cash and unrestricted cash equivalents of \$2.3 billion and \$1.1 billion, respectively, and restricted cash and restricted cash equivalents of \$393 million and \$411 million, respectively. The following table summarizes the net change in cash, cash equivalents, restricted cash and restricted cash equivalents for Hertz Global for the periods shown:

(In millions)	Years Ended December 31,			2021 vs. 2020	2020 vs. 2019
	2021	2020	2019	\$ Change	\$ Change
Cash provided by (used in):					
Operating activities	\$ 1,806	\$ 953	\$ 2,900	\$ 853	\$ (1,947)
Investing activities	(3,544)	4,591	(4,425)	(8,135)	9,016
Financing activities	2,845	(5,372)	1,474	8,217	(6,846)
Effect of exchange rate changes	(34)	46	1	(80)	45
Net change in cash, cash equivalents, restricted cash and restricted cash equivalents	\$ 1,073	\$ 218	\$ (50)	\$ 855	\$ 268

Fluctuations in operating, investing and financing cash flows from period to period were due to the same factors as those disclosed for Hertz above, with the exception of any cash inflows or outflows related to proceeds or disbursements from the issuance or repurchase of stock as disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report, the issuance or exercise of Public Warrants as disclosed in Note 18, "Public Warrants - Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report and the master loan agreement between Hertz and Hertz Global.

Equity Financing

NYSE Delisting and Nasdaq Listing

As a result of the filing of the Chapter 11 Cases, the NYSE suspended trading of Hertz Global common stock after the market close on October 29, 2020. On October 30, 2020, Hertz Global common stock began trading exclusively on the over-the-counter under the symbol HTZGQ, and was delisted from the NYSE on November 10, 2020. Upon deregistration of Hertz Global common stock under Section 12(b) of the Exchange Act, Hertz Global common stock remained registered under Section 12(g) of the Exchange Act. As discussed above, on the Effective Date, all of the Hertz Global common stock then existing was cancelled and Hertz Global issued 471,102,462 shares of its new common stock pursuant to the Plan of Reorganization.

On November 8, 2021, reorganized Hertz Global successfully completed its Nasdaq listing, in which shares of its new common stock were registered with the SEC for a public offering by certain selling stockholders. On November 9, 2021, reorganized Hertz Global's common stock and Public Warrants began trading on Nasdaq under the trading symbols "HTZ" and "HTZWW," respectively.

In conjunction with the Nasdaq listing, certain selling stockholders offered and sold 44,520,000 shares of Hertz Global's common stock to the public. Of these shares, Hertz Global repurchased from the underwriters 10,344,828 shares for an aggregate purchase price of \$300 million which is included in treasury stock in the accompanying Hertz Global consolidated balance sheet as of December 31, 2021 under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Share Repurchase Program for Common Stock

In November 2021, Hertz Global's Board of Directors approved a share repurchase program that authorizes the repurchase of up to \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Any repurchases will be made at the discretion of management through a variety of methods, such as open-market transactions (including pre-set trading plans pursuant to Rule 10b5-1 of the Exchange Act), privately negotiated transactions, accelerated share repurchases, and other transactions in accordance with applicable securities laws. The share repurchase authorization has no initial time limit, does not obligate us to acquire any particular amount of common stock and can be discontinued at any time. There can be no assurance as to the timing or number of shares of any repurchases.

Between the inception of the share repurchase program and December 31, 2021, a total of 17,106,026 shares of Hertz Global's common stock were repurchased at an average share price of \$23.83, resulting in an aggregate purchase price of \$408 million which is included in treasury stock in the accompanying Hertz Global consolidated balance sheet as of December 31, 2021 under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

Between January 1, 2022 and February 17, 2022, a total of 20,589,620 shares of Hertz Global's common stock were repurchased at an average share price of \$20.95 resulting in an aggregate purchase price of \$431 million.

Tender Offer for Repurchase of Series A Preferred Stock

In November 2021, Hertz Global commenced the Tender Offer to repurchase all 1,500,000 outstanding shares of its Series A Preferred Stock at a per-share price of \$1,250. In December 2021, the Tender Offer expired and all 1,500,000 shares of the Series A Preferred Stock were repurchased at \$1,250 per share for aggregate payments by Hertz Global of \$1.9 billion, including approximately \$7 million in certain fees. Hertz Global funded the share repurchases in the Tender Offer with available cash, including proceeds from Hertz's offering of the Senior Notes Due 2026 and Senior Notes Due 2029 which were contributed to Hertz Global through a dividend distribution from Hertz. The repurchased shares of Series A Preferred Stock were simultaneously retired. In connection with the Tender Offer, any unpaid dividends that the Preferred Stockholders were entitled to pursuant to the original Preferred Stock terms were forfeited upon acceptance of the Tender Offer.

Refer to Note 16, "Equity and Mezzanine Equity – Hertz Global," and Note 18, "Public Warrants - Hertz Global," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data" for information on our equity financing arrangements.

Debt Financing

Refer to Note 6, "Debt," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data" for information on our outstanding debt obligations and our borrowing capacity and availability under our revolving credit facilities as of December 31, 2021.

Cash paid for interest during 2021 was \$198 million for interest on non-vehicle debt and \$257 million for interest on vehicle debt. Cash paid for interest during 2020 was \$109 million for interest on non-vehicle debt and \$335 million for interest on vehicle debt. The \$89 million increase in non-vehicle debt interest is primarily due to suspending interest payments on certain debt due to the filing of the Chapter 11 Cases.

A substantial portion of our liquidity requirements arise from servicing our indebtedness, funding our operations, including purchases of revenue earning vehicles, and funding non-vehicle capital expenditures. For a discussion of the risks associated with our high leverage, see Item 1A, "Risk Factors" in this 2021 Annual Report.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Our available corporate liquidity, which excludes unused commitments under our vehicle debt, was as follows:

(In millions)	As of December 31, 2021	As of December 31, 2020
Cash and cash equivalents	\$ 2,257	\$ 1,096
Availability under the First Lien RCF	925	—
Corporate liquidity	<u>\$ 3,182</u>	<u>\$ 1,096</u>

We believe that unrestricted cash and unrestricted cash equivalents generated by our operations and cash received on the disposal of vehicles, together with amounts available under various liquidity facilities and refinancing options available to us in the capital markets, will be sufficient to fund our operating activities and obligations contained in the subsequent table under the heading Contractual Obligations in this Item 7.

Significant financing activities during the year ended December 31, 2021 for our non-vehicle and vehicle debt were as follows:

Non-vehicle Debt

In accordance with the Plan of Reorganization, substantially all then-existing non-vehicle debt was repaid in full and cancelled on the Effective Date. On and after the Effective Date, we entered into new credit agreements, as discussed below. As of December 31, 2021, none of our non-vehicle debt is set to mature prior to 2026.

First Lien Credit Agreement

Pursuant to the Plan of Reorganization, on the Effective Date Hertz entered into the First Lien Credit Agreement that provides for the following:

- a term loan "B" facility (the "Term B Loan") for term loans in an aggregate principal amount of \$1.3 billion;
- a term loan "C" facility (the "Term C Loan") for term loans that are available to cash collateralize letters of credit in an aggregate principal amount of \$245 million; and
- the First Lien RCF for revolving loans and letters of credit up to an aggregate principal amount of \$1.3 billion.

Proceeds received under the First Lien Credit Agreement were used to (i) repay certain of our existing indebtedness; (ii) pay fees, expenses and costs associated with the consummation of the Plan of Reorganization; (iii) fund distributions required in connection with the Plan of Reorganization; (iv) provide funds for working capital and general corporate purposes; and (v) backstop letters of credit issued under the Term C Loan or replace existing letters of credit.

2021 Senior Notes

In November 2021, Hertz issued \$1.5 billion of unsecured senior notes consisting of \$500 million aggregate principal amount of 4.625% senior notes due December 2026 (the "Senior Notes Due 2026") and \$1.0 billion aggregate principal amount of 5.000% senior notes due December 2029 (the "Senior Notes Due 2029"). The Senior Notes Due 2026 and the Senior Notes Due 2029 are our senior unsecured obligations and are guaranteed by each of Hertz's direct and indirect U.S. subsidiaries that are guarantors under the First Lien Credit Agreement. Proceeds from the issuance of the Senior Notes Due 2026 and the Senior Notes Due 2029 were contributed to Hertz Global through a dividend distribution from Hertz to repurchase and retire all outstanding shares of Hertz Global's Series A Preferred Stock. See Note 6, "Debt," and Note 16, "Equity and Mezzanine Equity – Hertz Global," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)Letters of Credit

On the Effective Date, in accordance with the Plan of Reorganization, drawn letters of credit under the Senior RCF, the Letter of Credit Facility and the Alternative Letter of Credit Facility were paid in full and terminated. To the extent any of the related issued letters of credit remained outstanding as of the Effective Date, certain of these letters of credit were deemed to be issued under the First Lien RCF. For the remainder, we provide cash collateral to backstop these obligations.

As of December 31, 2021, there were outstanding standby letters of credit totaling \$591 million comprised primarily of \$245 million issued under the Term C Loan and \$330 million were issued under the First Lien RCF. As of December 31, 2021, there is no remaining capacity to issue letters of credit under the Term C Loan. Such letters of credit have been issued primarily to support our insurance programs, vehicle rental concessions and leaseholds as well as to provide credit enhancement for our asset-backed securitization facilities. As of December 31, 2021, none of the issued letters of credit have been drawn upon.

Vehicle Debt

We organize our discussion of significant vehicle debt financing facilities below by reportable segment.

Americas RAC

On the Effective Date, in accordance with the Plan of Reorganization, the then-existing HVF II notes and HVIF notes were paid in full and terminated. Repayment proceeds originated from the new HVF III ABS Facility, as discussed below.

HVF III ABS Facility

On the Effective Date, Hertz Vehicle Financing III LLC ("HVF III"), a wholly-owned, special-purpose and bankruptcy remote subsidiary of Hertz, established a securitization platform, the HVF III ABS facility program, to facilitate the financing activities relating to vehicles used in our U.S. daily vehicle rental operations. This facility provided an aggregate principal amount of \$6.8 billion comprised of variable funding notes with a principal amount up to \$2.8 billion and medium term notes in an aggregate principal amount of \$4.0 billion, as follows:

- HVF III Series 2021-A Notes with a maximum principal amount of up to \$2.8 billion and a maturity date of June 2023;
- HVF III Series 2021-1 Notes with an aggregate principal amount of \$2.0 billion; and
- HVF III Series 2021-2 Notes with an aggregate principal amount of \$2.0 billion.

On the Effective Date, proceeds received upon issuance from the HVF III Series 2021 Notes were used to fund the purchases of certain vehicles and for the repayment in full of (i) approximately \$3.5 billion in aggregate outstanding principal of notes issued by HVF II and (ii) approximately \$2.2 billion in aggregate outstanding principal of notes issued by HVIF. The manufacturer rebates associated with HVF and HVIF were transferred to HVF III as part of the purchase agreements with HVF and HVIF. Any remaining funds are expected to be used for the future purchase or refinancing of vehicles.

In December 2021, Hertz issued the Series 2021-A Class B Notes with a maximum principal amount of up to \$188 million.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

In January 2022, the Series 2022-1 Fixed Rate Rental Car Asset Backed Notes (the "Series 2022-1 Notes") and the Series 2022-2 Fixed Rate Rental Car Asset Backed Notes (the "Series 2022-2 Notes") were issued in an aggregate principal amount of \$1.5 billion, of which \$195 million were retained, as follows:

- HVF III Series 2022-1 Notes were issued in an aggregate principal amount of \$750 million. An affiliate of HVF III purchased the Class D Notes, and as a result approximately \$98 million of the aggregate principal amount is eliminated in consolidation.
- HVF III Series 2022-2 Notes were issued in an aggregate principal amount of \$750 million. An affiliate of HVF III purchased the Class D Notes, and as a result approximately \$98 million of the aggregate principal amount is eliminated in consolidation.

Proceeds from the issuance of the Series 2022-1 Notes and the Series 2022-2 Notes will be used to repay amounts outstanding on the Series 2021-A Notes. Any remaining funds are expected to be used for the future purchase or refinancing of vehicles.

Approximately \$190 million of the outstanding vehicle debt in our Americas RAC segment is scheduled to mature during the twelve months following the issuance of this 2021 Annual Report.

International RAC

In December 2021, the European ABS was amended to increase the aggregate maximum borrowings to €750 million and to extend the maturity to October 2023.

In January 2022, the Australian Securitization was amended to increase the aggregate maximum borrowings to AUD\$250 million and to extend the maturity to April 2024.

Covenants

The First Lien Credit Agreement requires us to comply with the following financial covenant subsequent to the expiration of the Relief Period which expired effective as of September 30, 2021: a First Lien Ratio of less than or equal to 3.00 to 1.00 in the first and last quarters of the calendar year and 3.50 to 1.00 in the second and third quarters of the calendar year. The financial covenant disclosed above was effective beginning in the third quarter of 2021. As of December 31, 2021, we were in compliance with the First Lien Ratio.

In addition to financial covenants, the First Lien Credit Agreement contains customary affirmative covenants including, among other things, the delivery of quarterly and annual financial statements and compliance certificates, conduct of business, maintenance of property and insurance, compliance with environmental laws and the granting of security interest for the benefit of the secured parties under that agreement on after-acquired real property, fixtures and future subsidiaries. The First Lien Credit Agreement also contains customary negative covenants, including, among other things, the incurrence of liens, indebtedness, asset dispositions and restricted payments. As of December 31, 2021, we were in compliance with all covenants in the First Lien Credit Agreement.

Vehicle Financing Risks

Our program vehicles are subject to repurchase by vehicle manufacturers under contractual repurchase or guaranteed depreciation programs. Under these programs, vehicle manufacturers agree to repurchase vehicles at a specified price or guarantee the depreciation rate on the vehicles during a specified time period, typically subject to certain vehicle condition and mileage requirements. We use values derived from this specified price or guaranteed depreciation rate to calculate financing capacity under certain asset-backed and asset-based financing arrangements.

In the event of a bankruptcy of a vehicle manufacturer, our liquidity could be impacted by several factors including reductions in fleet residual values and the risk that we would be unable to collect outstanding receivables due to us from such bankrupt manufacturer. In addition, the program vehicles manufactured by any such company would

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

need to be removed from our financing facilities or re-designated as non-program vehicles, which would require us to furnish additional credit enhancement associated with these program vehicles.

We rely significantly on asset-backed and asset-based financing arrangements to purchase vehicles for our U.S. and international vehicle rental fleets. For further information concerning our asset-backed financing programs and our indebtedness, see Note 6, "Debt," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." For a discussion of the risks associated with our reliance on asset-backed and asset-based financing and the significant amount of indebtedness, see Item 1A, "Risk Factors" in this 2021 Annual Report.

Capital Expenditures

Revenue Earning Vehicles Expenditures and Disposals

The table below sets forth our revenue earning vehicles expenditures and related disposal proceeds for the annual periods shown:

Cash inflow (cash outflow) (In millions)	Revenue Earning Vehicles		
	Capital Expenditures	Disposal Proceeds	Net Capital Proceeds (Expenditures)
2021	\$ (7,154)	\$ 2,818	\$ (4,336)
2020	(5,542)	10,098	4,556
2019	(13,714)	9,486	(4,228)

The table below sets forth expenditures for revenue earning vehicles, net of proceeds from disposal, by segment:

Cash inflow (cash outflow) (\$ in millions)	Years Ended December 31,			2021 vs. 2020		2020 vs. 2019	
	2021	2020	2019	\$ Change	% Change	\$ Change	% Change
Americas RAC segment	\$ (3,763)	\$ 3,903	\$ (3,075)	\$ (7,666)	NM	\$ 6,978	NM
International RAC segment	(489)	929	(466)	(1,418)	NM	1,395	NM
All other operations	(84)	(276)	(687)	192	(70)	411	(60)
Total	<u>\$ (4,336)</u>	<u>\$ 4,556</u>	<u>\$ (4,228)</u>	<u>\$ (8,892)</u>	NM	<u>\$ 8,784</u>	NM

NM - Not meaningful

Year ended December 31, 2021 compared with year ended December 31, 2020

In 2021, revenue earning vehicle cash flows decreased by \$8.9 billion, primarily in our Americas RAC segment, as a result of reduced disposal proceeds in 2021 where disposals in 2020 increased due to the Interim Lease Order and the impact of COVID-19 on travel demand, partially offset by a slight increase in vehicle purchases due to increasing demand resulting from government-imposed travel restrictions that began to lift in 2021 due to increased access to COVID-19 vaccines.

Year ended December 31, 2020 compared with year ended December 31, 2019

In 2020, revenue earning vehicle cash flows increased by \$8.8 billion, primarily in our Americas RAC segment, as we reduced our commitments to purchase vehicles due to the impact from COVID-19, partially offset by an increase of cash proceeds from disposals of revenue earning vehicles as we accelerated the disposition of vehicles due to the Interim Lease Order and the impact of COVID-19 on travel demand.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Non-Vehicle Capital Asset Expenditures and Disposals

The table below sets forth our non-vehicle capital asset expenditures, and related disposal proceeds from non-vehicle capital assets disposed of or to be disposed of for the annual periods shown:

<u>Cash inflow (cash outflow)</u> (In millions)	Non-Vehicle Capital Assets		
	Capital Expenditures	Disposal Proceeds	Net Capital Expenditures
2021	\$ (71)	\$ 16	\$ (55)
2020	(98)	60	(38)
2019	(224)	27	(197)

The table below sets forth non-vehicle capital asset expenditures, net of disposal proceeds, by segment:

<u>Cash inflow (cash outflow)</u> (\$ in millions)	Years Ended December 31,			2021 vs. 2020		2020 vs. 2019	
	2021	2020	2019	\$ Change	% Change	\$ Change	% Change
Americas RAC segment	\$ (35)	\$ 3	\$ (72)	\$ (38)	NM	\$ 75	NM
International RAC segment	(8)	(4)	(12)	(4)	100	8	(67)
All other operations	(1)	(4)	(4)	3	(75)	—	—
Corporate	(11)	(33)	(109)	22	(67)	76	(70)
Total	\$ (55)	\$ (38)	\$ (197)	\$ (17)	45	\$ 159	(81)

NM - Not meaningful

Year ended December 31, 2021 compared with year ended December 31, 2020

In 2021, net expenditures for non-vehicle capital assets increased by \$17 million, driven primarily by our Americas RAC segment, resulting from the restart of location refurbishment projects put on hold during the Chapter 11 Cases, partially offset by a reduction in information technology and finance transformation program costs in our corporate operations.

Year ended December 31, 2020 compared with year ended December 31, 2019

In 2020, net expenditures for non-vehicle capital assets decreased by \$76 million in our corporate operations primarily due to a reduction in information technology and finance transformation program costs.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

CONTRACTUAL OBLIGATIONS

The following table details our contractual cash obligations as of December 31, 2021:

(In millions)	Total	Payments Due by Period			
		2022	2023 to 2024	2025 to 2026	After 2026
Vehicles:					
Debt obligation	\$ 7,954	\$ 311	\$ 5,643	\$ 2,000	\$ —
Interest on debt ⁽¹⁾	459	165	209	85	—
Non-Vehicle:					
Debt obligation	3,055	20	35	526	2,474
Interest on debt ⁽¹⁾	1,007	157	296	296	258
Minimum fixed obligations for operating leases	2,536	390	616	377	1,153
Purchase obligations and other ⁽²⁾	170	91	53	—	26
Total	\$ 15,181	\$ 1,134	\$ 6,852	\$ 3,284	\$ 3,911

(1) Amounts represent the estimated commitment fees and interest payments based on the principal amounts, minimum non-cancelable maturity dates and interest rates on the debt as of December 31, 2021. See Note 6, "Debt," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data" for further details.

(2) Represents agreements to purchase goods or services that are legally binding on us and that specify all significant terms, including fixed or minimum quantities; fixed, minimum or variable price provisions; and the approximate timing of the transaction, as well as liabilities for uncertain tax positions and other liabilities, and excludes any obligations to employees. Only the minimum non-cancelable portion of purchase agreements and related cancellation penalties are included as obligations. In the case of contracts that state minimum quantities of goods or services, amounts reflect only the stipulated minimums; all other contracts reflect estimated amounts. Purchase obligations include \$26 million representing our tax liability for uncertain tax positions and related net accrued interest and penalties.

We have agreements with vehicle manufacturers to purchase vehicles over the next 12 months. We expect purchases under these agreements to be approximately \$5.7 billion, which will be financed primarily through the issuance of vehicle debt. These purchases are subject to vehicle manufacturers satisfying their performance commitments under such agreements. Additionally, the table excludes pension and other postretirement benefit obligations as disclosed in Note 7, "Employee Retirement Benefits," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

Indemnification Obligations

In the ordinary course of business, we execute contracts involving indemnification obligations customary in the relevant industry and indemnifications specific to a transaction such as the sale of a business. These indemnification obligations might include claims relating to the following: environmental matters; intellectual property rights; governmental regulations and employment-related matters; customer, supplier and other commercial contractual relationships and financial matters. Performance under these indemnification obligations would generally be triggered by a breach of terms of the contract or by a third-party claim. We regularly evaluate the probability of having to incur costs associated with these indemnification obligations and have accrued for expected losses that are probable and estimable.

Environmental

We have indemnified various parties for the costs associated with remediating numerous hazardous substance storage, recycling or disposal sites in many states and, in some instances, for natural resource damages. The amount of any such expenses or related natural resource damages for which we may be held responsible could be substantial. The probable expenses that we expect to incur for such matters have been accrued, and those expenses are reflected in our consolidated financial statements within accrued liabilities. Amounts accrued represent the estimated cost to study potential environmental issues at sites deemed to require investigation or clean-up activities, and the estimated cost to implement remediation actions, including on-going maintenance, as

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

required. Initial cost estimates are based on historical experience at similar sites and are refined over time on the basis of in-depth studies of the sites. For many sites, the remediation costs and other damages for which we ultimately may be responsible cannot be reasonably estimated because of uncertainties with respect to factors such as our connection to the site, the materials there, the involvement of other potentially responsible parties, the application of laws and other standards or regulations, site conditions, and the nature and scope of investigations, studies, and remediation to be undertaken (including the technologies to be required and the extent, duration, and success of remediation).

EMPLOYEE RETIREMENT BENEFITS

Pension

We sponsor defined benefit pension plans worldwide. Pension obligations give rise to expenses that are dependent on assumptions discussed in Note 7, "Employee Retirement Benefits," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." Previously we sponsored the Hertz Corporation Benefit Equalization Plan and the Hertz Corporation Supplemental Executive Retirement Plans which were rejected by the Bankruptcy Court and terminated in connection with the Plan of Reorganization.

Our 2021 worldwide net periodic pension expense included in the accompanying consolidated statement of operations for the year ended December 31, 2021 is \$7 million, which was comparable to 2020.

The funded status (i.e., the dollar amount by which the projected benefit obligations exceeded the market value of pension plan assets) of the Hertz Retirement Plan, as defined in Note 7, "Employee Retirement Benefits," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data," improved in December 31, 2021 compared with December 31, 2020 primarily due to actuarial gains resulting from increased discount rates. We did not contribute to the Hertz Retirement Plan during 2021, and we do not anticipate contributing to the Hertz Retirement Plan during 2022. For the international plans, we anticipate contributing \$2 million during 2022. The level of 2022 and future contributions will vary, and is dependent on a number of factors including investment returns, interest rate fluctuations, plan demographics, funding regulations and the results of the final actuarial valuation.

We participate in several "multiemployer" pension plans. We have accrued \$20 million for benefit payments under our multiemployer pension plans which represents the net present value of the projected liabilities from withdrawal claims as of December 31, 2021. In the event that we withdraw from participation in one of these plans, then applicable law could require us to make an additional lump-sum contribution to the plan, payable in installments over a minimum of twenty years, which would be reflected as a liability on a discounted basis on our consolidated balance sheet. Our withdrawal liability for any multiemployer plan would depend on the extent of the plan's funding of vested benefits. Our multiemployer plans could have significant underfunded liabilities. Such underfunding may increase in the event other employers become insolvent or withdraw from the applicable plan or upon the inability or failure of withdrawing employers to pay their withdrawal liability. In addition, such underfunding may increase as a result of lower than expected returns on pension fund assets or other funding deficiencies. The occurrence of any of these events could have a material adverse effect on our consolidated financial position, results of operations or cash flows. For a discussion of the risks associated with our pension plans, see Item 1A, "Risk Factors" in this 2021 Annual Report.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the U.S. The preparation of the consolidated financial statements requires management to make estimates and judgments that affect the reported amounts in our consolidated financial statements and accompanying notes.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

The following accounting policies involve a higher degree of judgment and complexity in their application, and therefore, represent the critical accounting policies used in the preparation of our consolidated financial statements. If different assumptions or conditions were to prevail, the results could be materially different from our reported results. For additional discussion of our critical accounting policies, as well as our significant accounting policies, see Note 2, "Significant Accounting Policies," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

The continued uncertainty of the impact from COVID-19 could have a material impact to certain critical accounting estimates, and as a result, may have an adverse impact on our future operating results.

Revenue Earning Vehicles

Our principal assets are revenue earning vehicles, which represented approximately 47% of our total assets as of December 31, 2021. Revenue earning vehicles consist of vehicles utilized in our vehicle rental operations. For the year ended December 31, 2021, 11% of the vehicles purchased for our combined U.S. and International vehicle rental fleets were vehicles purchased under repurchase or guaranteed depreciation programs with vehicle manufacturers, or program vehicles.

Under our vehicle repurchase programs, the manufacturers agree to repurchase vehicles at a specified price or guarantee the depreciation rate on the vehicles during established repurchase periods, subject to, among other things, certain vehicle condition, mileage and holding period requirements. Vehicle repurchase programs guarantee on an aggregate basis the residual value of the vehicles covered by the programs upon sale according to certain parameters which include the holding period, mileage and condition of the vehicles. We record a provision for excess mileage and vehicle condition, as necessary, during the holding period. These repurchase and guaranteed depreciation programs limit our residual risk with respect to vehicles purchased under the programs and allow us to reduce the variability of depreciation expense for such vehicles, however, typically the acquisition cost is higher. Incentives received from the manufacturers for purchases of vehicles reduce the cost.

For all other vehicles, we use historical experience, industry residual value guidebooks and the monitoring of market conditions to set depreciation rates. Generally, when revenue earning vehicles are acquired outside of a vehicle repurchase program, (i.e., non-program vehicles) we estimate the period that we will hold the asset, primarily based on historical measures of the amount of rental activity (e.g., automobile mileage) and the targeted age of vehicles at the time of disposal. We also estimate the residual value of the applicable revenue earning vehicles at the expected time of disposal. The residual values for rental vehicles are affected by many factors, including make, model and options, age, physical condition, mileage, sale location, time of the year and channel of disposition (e.g., auction, dealer direct, retail). Depreciation is recorded over the estimated holding period. Depreciation rates are reviewed on a quarterly basis based on management's ongoing assessment of present and estimated future market conditions, their effect on residual values at the expected time of disposal and the estimated holding periods. Market conditions for used vehicle sales can also be affected by external factors such as the economy, natural disasters, fuel prices, new and used vehicle supply levels, and incentives offered by manufacturers of new vehicles. These key factors are considered when estimating future residual values. Depreciation rates are adjusted prospectively through the remaining expected holding period based on the estimated residual value. As a result of this ongoing assessment, we make periodic adjustments to depreciation rates of revenue earning vehicles in response to changing market conditions. Upon disposal of revenue earning vehicles, depreciation of revenue earning vehicles and lease charges in the accompanying statements of operations is adjusted for any difference between the net proceeds received and the remaining net book value and a corresponding gain or loss is recorded.

COVID-19 may continue to have a significant impact on the used-vehicle market, which may impact our current fleet and sales plans resulting in changes to the holding period of our vehicles as well as our ability to acquire and dispose of vehicles in the period originally anticipated. Changes in estimated residual values or holding periods could cause a material change in our estimates of non-program depreciation expense.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Self-insured Liabilities

Self-insured liabilities on our consolidated balance sheets include public liability, property damage, general liability, liability insurance supplement, personal accident insurance, and workers compensation. These represent an estimate for both reported accident claims not yet paid, and claims incurred but not yet reported and are recorded on an undiscounted basis. Reserve requirements are based on rental volume and actuarial evaluations of historical accident claim experience and trends, as well as future projections of ultimate losses, expenses and administrative costs. The adequacy of the liability is regularly monitored based on evolving accident claim history and insurance related state legislation changes. If our estimates change or if actual results differ from these assumptions, the amount of the recorded liability is adjusted to reflect these results.

Recoverability of Goodwill and Indefinite-lived Intangible Assets

On an annual basis as of October 1, and at interim periods when circumstances require as a result of a triggering event as defined by Accounting Standards Codification 350 – *Intangibles, Goodwill and Other* ("ASC 350"), we test the recoverability of our goodwill and indefinite-lived intangible assets by performing an impairment analysis. An impairment is deemed to exist if the carrying value of goodwill or indefinite-lived intangible assets exceed their fair value as determined using level 3 inputs under the GAAP fair value hierarchy. The reviews of fair value involve judgment and estimates, including projected revenues, long-term growth rates, royalty rates and discount rates. We believe our valuation techniques and assumptions are reasonable for this purpose.

For goodwill, we determine the fair value using an income approach based on the discounted cash flows of each reporting unit. A reporting unit is an operating segment or a business one level below that operating segment (the component level) if discrete financial information is prepared and regularly reviewed by segment management. Components are aggregated into a single reporting unit when they have similar economic characteristics. We have two reporting units (operating segments): Americas Rental Car and International Rental Car. Key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, cash flow projections, tax rates and terminal value rates. Discount rates are set by using the Weighted-Average Cost of Capital ("WACC") methodology. The WACC used in the discounted cash flow model methodology is calculated based upon the fair value of our debt and stock price with a debt-to-equity ratio comparable to the vehicle rental car industry as well specific risk factors for each reporting unit. The discount rate utilized for each reporting unit is indicative of the return an investor would expect to receive for investing in such a business. Our cash flow projections represent management's most recent planning assumptions, which are based on a combination of industry outlooks, views on general economic conditions, our expected pricing plans and expected future savings. Terminal value rates are determined using a common methodology of capturing the present value of perpetual cash flow estimates beyond the last projected period assuming a constant WACC and long-term growth rates.

Our indefinite-lived intangible assets primarily consist of the Hertz and Dollar Thrifty tradenames. For tradenames, we determine the fair value using a relief-from-royalty income approach, which utilizes our revenue projections for each asset along with assumptions for royalty rates, tax rates and the WACC.

A significant decline in either projected revenues, projected cash flows or increased discount rates (the WACC) used to determine fair value could result in an impairment charge. Further deterioration in the global economic conditions in the travel industry and the Chip Shortage affecting new vehicle production, our cash flows and our ability to obtain future financing to maintain our fleet or the weighted average cost of capital assumptions may result in an impairment charge to earnings in future periods. We will continue to closely monitor actual results versus our expectations as well as any significant changes in market events or conditions, including the impact of COVID-19 on our business and the global travel industry, and the resulting impact to our assumptions about future estimated cash flows, and the weighted average cost of capital. If our expectations of the operating results, both in magnitude or timing, do not materialize, or if our weighted average cost of capital increases, we may be required to record goodwill and indefinite-lived intangible asset impairment charges, which could be material.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Income Taxes

Our income tax expense or benefit, deferred tax assets and liabilities and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. Deferred tax asset valuation allowances and our liabilities for unrecognized tax benefits require significant management judgment regarding applicable statutes and their related interpretation, the status of various income tax audits and our particular facts and circumstances.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Valuation allowances are estimated and recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, and results of operations. In projecting future taxable income, we consider historical results and incorporate assumptions about the amount of future state, federal and foreign pretax operating income adjusted for items that do not have tax consequences. Our assumptions regarding future taxable income are consistent with the plans and estimates we use to manage our underlying businesses. Subsequent changes to these estimates, enacted tax rates and changes to the global mix of operating results will result in changes to the tax rates used to calculate deferred taxes and any related valuation allowances. We record deferred tax assets for NOL carry forwards in various tax jurisdictions when applicable. Upon utilization of those carry forwards, the taxing authorities may examine the positions that led to the generation of those NOLs and determine that some of those losses are disallowed, which could result in additional income tax payable to us.

We evaluate our exposures associated with our various tax filing positions and recognize a tax benefit only if it is more likely than not that the tax position will be sustained upon examination by the relevant taxing authorities, including resolutions of any related appeals or litigation processes, based on the technical merits of our position. For uncertain tax positions that do not meet this threshold, we record a related liability. We adjust our unrecognized tax benefit liability and income tax expense in the period in which the uncertain tax position is effectively settled, the statute of limitations expires for the relevant taxing authority to examine the tax position or when new information becomes available. There is a reasonable possibility that our unrecognized tax benefit liability as of December 31, 2021 will be adjusted within twelve months due to the expiration of a statute of limitations and/or resolution of examinations with taxing authorities.

Our income tax returns are periodically audited by domestic and foreign tax authorities. These audits include review of our tax filing positions, including the timing and amount of deductions taken and the allocation of income between tax jurisdictions.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements, see Note 2, "Significant Accounting Policies," — "Recently Issued Accounting Pronouncements," to the Notes to our consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK***RISK MANAGEMENT***

For a discussion of additional risks arising from our operations, including vehicle liability, general liability and property damage insurable risks, see "Item 1—Business—Risk Management" included in this 2021 Annual Report.

MARKET RISKS

We are exposed to a variety of market risks, including the effects of changes in interest rates (including credit spreads), foreign currency exchange rates and fluctuations in fuel prices. We manage our exposure to these market risks through our regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. Derivative financial instruments are viewed as risk management tools and have not been used for speculative or trading purposes. In addition, derivative financial instruments are entered into with a diversified group of major financial institutions in order to manage our exposure to counterparty nonperformance on such instruments.

As a result of our declining credit profile from the impact from COVID-19 beginning in 2020, we were not able to enter into certain derivative financial instruments or renew existing derivative financial instruments in order to mitigate market risks arising from the effects of changes in foreign currency exchange rates and interest rates (including credit spreads). As a result of our emergence from Chapter 11, during the third quarter of 2021, we began to enter into certain new derivative financial instruments as described below.

Interest Rate Risk

We have a significant amount of indebtedness with a mix of fixed and variable rates of interest. Floating rate debt carries interest based generally on LIBOR, Euro inter-bank offer rate ("EURIBOR") or their equivalents for local currencies or bank conduit commercial paper rates plus an applicable margin. Increase in interest rates could therefore significantly increase the associated interest payments that we are required to make on this debt. See Note 6, "Debt," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2021 Annual Report.

We have assessed our exposure to changes in interest rates by analyzing the sensitivity to our operating results assuming various changes in market interest rates. Assuming a hypothetical increase of one percentage point in interest rates on our debt portfolio and cash equivalents and investments as of December 31, 2021, our pre-tax operating results would decrease by an estimated \$36 million over a twelve-month period.

From time to time, we may enter into interest rate swap agreements and/or interest rate cap agreements to manage interest rate risk and our mix of fixed and floating rate debt. As of December 31, 2021, we do not have material exposures resulting from interest rate swap agreements or interest rate cap agreements.

Consistent with terms of certain agreements governing respective debt obligations, we may be required to hedge a portion of the floating rate interest exposure under the various debt facilities to provide protection in respect of such exposure.

Foreign Currency Exchange Rate Risk

We have exposure to foreign currency exchange rate fluctuations worldwide and primarily with respect to the Euro, Canadian dollar, Australian dollar and British pound. We have exposure to foreign currency exchange rate fluctuations on cross currency obligations, primarily intercompany loans. As a result of our emergence from Chapter 11, during the third quarter of 2021, we began to enter into foreign currency exchange rate derivative financial instruments, which are not material. Assuming a hypothetical change of one percentage point to the foreign currency exchange rates on our intercompany loan balance as of December 31, 2021, our pre-tax operating results would increase (decrease) by approximately \$4 million. Additionally, each one percentage point change in foreign

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK (Continued)

currency movements is estimated to impact our Adjusted Corporate EBITDA by an estimated \$3 million over a twelve-month period.

Fuel Risks

We purchase unleaded gasoline and diesel fuel at prevailing market rates. We are subject to price exposure related to the fluctuations in the price of fuel. We anticipate that fuel risk will remain a market risk for the foreseeable future. We have determined that a 10% hypothetical change in the price of fuel will not have a material impact on our operating results.

Inflation

The increased cost of vehicles and staffing costs are the primary inflationary factors affecting us. Many of our other operating expenses are also expected to increase with inflation, including health care costs and gasoline. Management does not expect that the effect of inflation on our overall operating costs will be greater for us than for our competitors.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

	Index	Page
Hertz Global Holdings, Inc. and Subsidiaries		
Reports of Independent Registered Public Accounting Firm (PCAOB ID: 42)		84
Consolidated Balance Sheets as of December 31, 2021 and December 31, 2020		92
Consolidated Statements of Operations for Years Ended December 31, 2021, 2020 and 2019		93
Consolidated Statements of Comprehensive Income (Loss) for Years Ended December 31, 2021, 2020 and 2019		94
Consolidated Statements of Changes in Mezzanine Equity and Stockholders' Equity for Years Ended December 31, 2021, 2020 and 2019		95
Consolidated Statements of Cash Flows for Years Ended December 31, 2021, 2020 and 2019		97
The Hertz Corporation and Subsidiaries		
Reports of Independent Registered Public Accounting Firm (PCAOB ID: 42)		88
Consolidated Balance Sheets as of December 31, 2021 and December 31, 2020		99
Consolidated Statements of Operations for Years Ended December 31, 2021, 2020 and 2019		100
Consolidated Statements of Comprehensive Income (Loss) for Years Ended December 31, 2021, 2020 and 2019		101
Consolidated Statements of Changes in Stockholder's Equity (Deficit) for Years Ended December 31, 2021, 2020 and 2019		102
Consolidated Statements of Cash Flows for Years Ended December 31, 2021, 2020 and 2019		103
Notes to the Consolidated Financial Statements		
Note 1	Background	105
Note 2	Significant Accounting Policies	107
Note 3	Divestitures	115
Note 4	Revenue Earning Vehicles	117
Note 5	Goodwill and Intangible Assets, Net	117
Note 6	Debt	120
Note 7	Employee Retirement Benefits	130
Note 8	Stock-Based Compensation	138
Note 9	Leases	143
Note 10	Restructuring	145
Note 11	Income Tax (Provision) Benefit	147
Note 12	Fair Value Measurements	151
Note 13	Accumulated Other Comprehensive Income (Loss)	153
Note 14	Contingencies and Off-Balance Sheet Commitments	153
Note 15	Related Party Transactions	156
Note 16	Equity and Mezzanine Equity – Hertz Global	157
Note 17	Earnings (Loss) Per Share – Hertz Global	161
Note 18	Public Warrants - Hertz Global	161
Note 19	Segment Information	162
Note 20	Liabilities Subject to Compromise	168
Note 21	Reorganization Items, Net	168
Schedule I		
Condensed Financial Information of Registrant Hertz Global Holdings, Inc.		170
Schedule II		
Valuation and Qualifying Accounts		175

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Hertz Global Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hertz Global Holdings, Inc. and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), changes in mezzanine equity and stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedules listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 23, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Calculation of Non-Program Depreciation on Revenue Earning Vehicles in the Americas Rental Car ("RAC") Segment***Description of the Matter***

For the year ended December 31, 2021, total depreciation of revenue earning vehicles and lease charges in the Americas RAC segment was \$343 million, including gains and losses on disposals. As discussed in Note 2 to the consolidated financial statements, depreciation rates are reviewed on a quarterly basis based on management's ongoing assessment of present and estimated future market conditions, the effect of these conditions on residual values at the expected time of disposal and the estimated holding period for the revenue earning vehicles. The Company's fleet is comprised of vehicles that are subject to and are not subject to vehicle repurchase programs ("program vehicles" and "non-program vehicles," respectively). For program vehicles, the manufacturers guarantee a specified price or depreciation rate upon disposal, versus non-program vehicles where the Company estimates the residual value of the vehicle at the expected time of disposal.

Auditing the Company's calculation of depreciation for non-program vehicles related to the Americas RAC segment was complex due to the significant estimation uncertainty and management judgment to determine the estimated residual values at the expected time of disposal. The significant estimation uncertainty was primarily due to management's assumptions of future consumer demand for vehicles within their current fleet, the disposal channel of those vehicles and other external market conditions. Additionally, auditing the calculation of depreciation was challenging due to the volume of data inputs utilized in management's calculation, including historical sales data from multiple sources at varying levels of disaggregation along with additional data specific to the Company's current fleet.

*How We
Addressed the
Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's measurement of depreciation expense for non-program vehicles related to the Americas RAC segment. For example, we tested controls over management's quarterly review of the depreciation rates, which included their procedures to validate the completeness and accuracy of the data used in the calculation and their assessment of significant assumptions, specifically the estimated residual values of non-program vehicles related to the Americas RAC segment.

To test the depreciation calculation for non-program vehicles, our audit procedures included, among others, testing the completeness and accuracy of the underlying data by comparing historical sales data and vehicle information used in the calculation (e.g., make, model, trim) to external sources and the Company's records. We tested the base depreciation rate calculations performed within the IT application and evaluated the reasonableness of other significant assumptions such as resale market conditions, including consumer demand for specific vehicles, and disposition channels to assess the reasonableness of the residual value estimates made by management. Additionally, we performed analytical procedures to evaluate historical gains and losses recognized upon disposal in order to retrospectively review the reasonableness of management's estimates.

Valuation of Self-insured Liabilities

*Description of the
Matter*

As disclosed in Notes 2 and 14 to the consolidated financial statements, the Company is self-insured for public liability, property damage, general liability, liability insurance supplement and worker's compensation. The Company records liabilities for these matters based on actuarial analyses of historical claim activity and estimates of both reported accident claims not yet paid and claims incurred but not yet reported. The estimated self-insured liabilities as of December 31, 2021 were \$463 million. The actuarial analyses that determine the claims incurred but not yet reported portion of the liability balances considers a variety of factors, including the frequency and severity of losses, changes in claim reporting and resolution patterns, insurance industry practices, the regulatory environment and legal precedent. The adequacy of the liabilities is regularly monitored based on evolving accident claim history and insurance related state legislation changes. If the Company's estimates change or if actual results differ from these assumptions, the amount of the recorded liabilities are adjusted to reflect these results.

Auditing self-insured liabilities is complex and required the involvement of our actuarial specialists due to the significant valuation uncertainty associated with the estimate, management's application of complex judgments and the use of actuarial methods. In addition, the self-insured liabilities estimates are sensitive to management's assumptions, including claim frequency, actuarial evaluations of historical claim experience and future projections of ultimate losses used in the computation of self-insured liabilities.

*How We
Addressed the
Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's self-insured liabilities process. For example, we tested controls over management's review of the assumptions outlined above that are used in the self-insured liabilities calculation and the completeness and accuracy of the data underlying the self-insured liabilities.

To test the valuation of the self-insured liabilities, we performed audit procedures that included involving our internal actuarial specialists to assist us in developing an independent estimate of liability and evaluating the methods used by management and the reasonableness of assumptions used in their models (e.g., actuarial evaluations of historical claim experience and future projections of ultimate losses). We compared the Company's reserve to the estimate of liability developed by our actuarial specialists based on the underlying claims data and independently selected assumptions.

Valuation of Indefinite-Lived Intangible Tradename Assets in the International Rental Car ("RAC") Segment

Description of the Matter

As disclosed in Note 5 to the consolidated financial statements, the Company's indefinite-lived intangible tradename assets totaled \$2.794 billion, with \$600 million relating to indefinite-lived intangible tradename assets in the International RAC segment, as of December 31, 2021. As disclosed in Note 2 to the consolidated financial statements, indefinite-lived intangible assets are tested for impairment on an annual basis, as of October 1, and at interim periods when circumstances require as a result of a triggering event.

Auditing the Company's indefinite-lived intangible tradename assets in the International RAC segment was complex and highly judgmental due to the significant estimation required to determine its fair value as a result of the Company's future projections, operating performance and the current industry and economic environment in which the Company operates. The Company's estimate of fair value for the indefinite-lived intangible tradename assets in the International RAC segment required significant judgment to estimate the impact of changes in revenues and profitability, industry trends on future operating results and the future cash flows expected to be generated. In addition, the fair value estimate of these indefinite-lived intangible tradename assets in the International RAC segment was sensitive to significant assumptions such as projected revenues, royalty rates, terminal period revenue growth rates and the weighted average cost of capital. These significant assumptions are affected by expected future market or economic conditions, including the continuing impact of COVID-19 and the Chip Shortage as defined in the Company's Form 10-K.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's indefinite-lived intangible tradename assets impairment review processes. For example, we tested controls over management's review of the assumptions, including assumptions related to projected financial information, as outlined above that are used in the indefinite-lived intangible tradename assets impairment test.

To test the estimated fair value of the International RAC segment's indefinite-lived intangible tradename assets, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions and the completeness and accuracy of the underlying data used by the Company in its analyses. We compared the significant assumptions used by management to current industry and economic trends, expected changes to the Company's business model, the Company's historical results and other relevant factors. We assessed the historical accuracy of management's estimates, including projected financial information, and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the International RAC segment indefinite-lived intangible tradename assets that would result from hypothetical changes in the assumptions. We also involved valuation specialists to assist in our evaluation of the Company's model, valuation methodologies, and certain significant assumptions, such as the royalty rates, the terminal period revenue growth rates and the weighted average cost of capital.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

Tampa, Florida
February 23, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Hertz Global Holdings, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Hertz Global Holdings, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Hertz Global Holdings, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), changes in mezzanine equity and stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedules listed in the Index at Item 15(a) and our report dated February 23, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Tampa, Florida
February 23, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and the Board of Directors of The Hertz Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of The Hertz Corporation and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), changes in stockholder's equity (deficit) and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 23, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Calculation of Non-Program Depreciation on Revenue Earning Vehicles in the Americas Rental Car ("RAC") Segment***Description of the Matter***

For the year ended December 31, 2021, total depreciation of revenue earning vehicles and lease charges in the Americas RAC segment was \$343 million, including gains and losses on disposals. As discussed in Note 2 to the consolidated financial statements, depreciation rates are reviewed on a quarterly basis based on management's ongoing assessment of present and estimated future market conditions, the effect of these conditions on residual values at the expected time of disposal and the estimated holding period for the revenue earning vehicles. The Company's fleet is comprised of vehicles that are subject to and are not subject to vehicle repurchase programs ("program vehicles" and "non-program vehicles," respectively). For program vehicles, the manufacturers guarantee a specified price or depreciation rate upon disposal, versus non-program vehicles where the Company estimates the residual value of the vehicle at the expected time of disposal.

Auditing the Company's calculation of depreciation for non-program vehicles related to the Americas RAC segment was complex due to the significant estimation uncertainty and management judgment to determine the estimated residual values at the expected time of disposal. The significant estimation uncertainty was primarily due to management's assumptions of future consumer demand for vehicles within their current fleet, the disposal channel of those vehicles and other external market conditions. Additionally, auditing the calculation of depreciation was challenging due to the volume of data inputs utilized in management's calculation, including historical sales data from multiple sources at varying levels of disaggregation along with additional data specific to the Company's current fleet.

*How We
Addressed the
Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's measurement of depreciation expense for non-program vehicles related to the Americas RAC segment. For example, we tested controls over management's quarterly review of the depreciation rates, which included their procedures to validate the completeness and accuracy of the data used in the calculation and their assessment of significant assumptions, specifically the estimated residual values of non-program vehicles related to the Americas RAC segment.

To test the depreciation calculation for non-program vehicles, our audit procedures included, among others, testing the completeness and accuracy of the underlying data by comparing historical sales data and vehicle information used in the calculation (e.g., make, model, trim) to external sources and the Company's records. We tested the base depreciation rate calculations performed within the IT application and evaluated the reasonableness of other significant assumptions such as resale market conditions, including consumer demand for specific vehicles, and disposition channels to assess the reasonableness of the residual value estimates made by management. Additionally, we performed analytical procedures to evaluate historical gains and losses recognized upon disposal in order to retrospectively review the reasonableness of management's estimates.

Valuation of Self-insured Liabilities

*Description of the
Matter*

As disclosed in Notes 2 and 14 to the consolidated financial statements, the Company is self-insured for public liability, property damage, general liability, liability insurance supplement and worker's compensation. The Company records liabilities for these matters based on actuarial analyses of historical claim activity and estimates of both reported accident claims not yet paid and claims incurred but not yet reported. The estimated self-insured liabilities as of December 31, 2021 were \$463 million. The actuarial analyses that determine the claims incurred but not yet reported portion of the liability balances considers a variety of factors, including the frequency and severity of losses, changes in claim reporting and resolution patterns, insurance industry practices, the regulatory environment and legal precedent. The adequacy of the liabilities is regularly monitored based on evolving accident claim history and insurance related state legislation changes. If the Company's estimates change or if actual results differ from these assumptions, the amount of the recorded liabilities are adjusted to reflect these results.

Auditing self-insured liabilities is complex and required the involvement of our actuarial specialists due to the significant valuation uncertainty associated with the estimate, management's application of complex judgments and the use of actuarial methods. In addition, the self-insured liabilities estimates are sensitive to management's assumptions, including claim frequency, actuarial evaluations of historical claim experience and future projections of ultimate losses used in the computation of self-insured liabilities.

*How We
Addressed the
Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's self-insured liabilities process. For example, we tested controls over management's review of the assumptions outlined above that are used in the self-insured liabilities calculation and the completeness and accuracy of the data underlying the self-insured liabilities.

To test the valuation of the self-insured liabilities, we performed audit procedures that included involving our internal actuarial specialists to assist us in developing an independent estimate of liability and evaluating the methods used by management and the reasonableness of assumptions used in their models (e.g., actuarial evaluations of historical claim experience and future projections of ultimate losses). We compared the Company's reserve to the estimate of liability developed by our actuarial specialists based on the underlying claims data and independently selected assumptions.

Valuation of Indefinite-Lived Intangible Tradename Assets in the International Rental Car ("RAC") Segment

Description of the Matter

As disclosed in Note 5 to the consolidated financial statements, the Company's indefinite-lived intangible tradename assets totaled \$2.794 billion, with \$600 million relating to indefinite-lived intangible tradename assets in the International RAC segment, as of December 31, 2021. As disclosed in Note 2 to the consolidated financial statements, indefinite-lived intangible assets are tested for impairment on an annual basis, as of October 1, and at interim periods when circumstances require as a result of a triggering event.

Auditing the Company's indefinite-lived intangible tradename assets in the International RAC segment was complex and highly judgmental due to the significant estimation required to determine its fair value as a result of the Company's future projections, operating performance and the current industry and economic environment in which the Company operates. The Company's estimate of fair value for the indefinite-lived intangible tradename assets in the International RAC segment required significant judgment to estimate the impact of changes in revenues and profitability, industry trends on future operating results and the future cash flows expected to be generated. In addition, the fair value estimate of these indefinite-lived intangible tradename assets in the International RAC segment was sensitive to significant assumptions such as projected revenues, royalty rates, terminal period revenue growth rates and the weighted average cost of capital. These significant assumptions are affected by expected future market or economic conditions, including the continuing impact of COVID-19 and the Chip Shortage as defined in the Company's Form 10-K.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's indefinite-lived intangible tradename assets impairment review processes. For example, we tested controls over management's review of the assumptions, including assumptions related to projected financial information, as outlined above that are used in the indefinite-lived intangible tradename assets impairment test.

To test the estimated fair value of the International RAC segment's indefinite-lived intangible tradename assets, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions and the completeness and accuracy of the underlying data used by the Company in its analyses. We compared the significant assumptions used by management to current industry and economic trends, expected changes to the Company's business model, the Company's historical results and other relevant factors. We assessed the historical accuracy of management's estimates, including projected financial information, and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the International RAC segment indefinite-lived intangible tradename assets that would result from hypothetical changes in the assumptions. We also involved valuation specialists to assist in our evaluation of the Company's model, valuation methodologies, and certain significant assumptions, such as the royalty rates, the terminal period revenue growth rates and the weighted average cost of capital.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

Tampa, Florida
February 23, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and the Board of Directors of The Hertz Corporation

Opinion on Internal Control Over Financial Reporting

We have audited The Hertz Corporation and subsidiaries' internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, The Hertz Corporation and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), changes in stockholder's equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 23, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Tampa, Florida
February 23, 2022

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except par value and share data)

	December 31, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	\$ 2,258	\$ 1,096
Restricted cash and cash equivalents:		
Vehicle	77	50
Non-vehicle	316	361
Total restricted cash and cash equivalents	393	411
Total cash, cash equivalents, restricted cash and restricted cash equivalents	2,651	1,507
Receivables:		
Vehicle	62	164
Non-vehicle, net of allowance of \$48 and \$46, respectively	696	613
Total receivables, net	758	777
Prepaid expenses and other assets	1,017	373
Revenue earning vehicles:		
Vehicles	10,836	7,540
Less: accumulated depreciation	(1,610)	(1,478)
Total revenue earning vehicles, net	9,226	6,062
Property and equipment, net	608	666
Operating lease right-of-use assets	1,566	1,675
Intangible assets, net	2,912	2,992
Goodwill	1,045	1,045
Assets held for sale	—	1,811
Total assets ⁽¹⁾	\$ 19,783	\$ 16,908
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable:		
Vehicle	\$ 56	\$ 29
Non-vehicle	516	389
Total accounts payable	572	418
Accrued liabilities	863	759
Accrued taxes, net	157	121
Debt:		
Vehicle	7,921	6,024
Non-vehicle	2,986	243
Total debt	10,907	6,267
Public Warrants	1,324	—
Operating lease liabilities	1,510	1,636
Self-insured liabilities	463	488
Deferred income taxes, net	1,010	730
Total liabilities not subject to compromise	16,806	10,419
Liabilities subject to compromise	—	4,965
Liabilities held for sale	—	1,431
Total liabilities ⁽¹⁾	16,806	16,815
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 477,233,278 and 158,235,410 shares issued, respectively, and 449,782,424 and 156,206,478 shares outstanding, respectively	5	2
Treasury stock, at cost, 27,450,854 and 2,028,932 common shares, respectively	(708)	(100)
Additional paid-in capital	6,209	3,047
Retained earnings (Accumulated deficit)	(2,315)	(2,681)
Accumulated other comprehensive income (loss)	(214)	(212)
Stockholders' equity attributable to Hertz Global	2,977	56
Noncontrolling interests	—	37
Total stockholders' equity	2,977	93
Total liabilities and stockholders' equity	\$ 19,783	\$ 16,908

(1) Hertz Global Holdings, Inc.'s consolidated total assets as of December 31, 2021 and December 31, 2020 included total assets of variable interest entities ("VIEs") of \$734 million and \$511 million, respectively, which can only be used to settle obligations of the VIEs. Hertz Global Holdings, Inc.'s consolidated total liabilities as of December 31, 2021 and December 31, 2020 included total liabilities of VIEs of \$733 million and \$475 million, respectively, for which the creditors of the VIEs have no recourse to Hertz Global Holdings, Inc. See "Pledges Related to Vehicle Financing" in Note 6, "Debt," and "Termination of 767 Auto Leasing Agreement" in Note 3, "Divestitures," for further information.

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)

	Years Ended December 31,		
	2021	2020	2019
Revenues	\$ 7,336	\$ 5,258	\$ 9,779
Expenses:			
Direct vehicle and operating	3,920	3,423	5,305
Depreciation of revenue earning vehicles and lease charges	497	2,030	2,563
Non-vehicle depreciation and amortization	196	225	203
Selling, general and administrative	688	645	949
Interest expense, net:			
Vehicle	284	455	494
Non-vehicle (excludes contractual interest of \$129 million for the year ended December 31, 2020)	185	153	311
Total interest expense, net	469	608	805
Technology-related intangible and other asset impairments	—	213	—
Other (income) expense, net	(21)	(9)	(59)
Reorganization items, net	677	175	—
(Gain) from the sale of a business	(400)	—	—
Change in fair value of Public Warrants	627	—	—
Total expenses	6,653	7,310	9,766
Income (loss) before income taxes	683	(2,052)	13
Income tax (provision) benefit	(318)	329	(63)
Net income (loss)	365	(1,723)	(50)
Net (income) loss attributable to noncontrolling interests	1	9	(8)
Net income (loss) attributable to Hertz Global	366	(1,714)	(58)
Series A Preferred Stock deemed dividends	(450)	—	—
Net income (loss) available to Hertz Global common stockholders	\$ (84)	\$ (1,714)	\$ (58)
Weighted-average common shares outstanding:			
Basic	315	150	117
Diluted	315	150	117
Earnings (loss) per common share:			
Basic	\$ (0.27)	\$ (11.44)	\$ (0.49)
Diluted	\$ (0.27)	\$ (11.44)	\$ (0.49)

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)

	Years Ended December 31,		
	2021	2020	2019
Net income (loss)	\$ 365	\$ (1,723)	\$ (50)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(36)	(19)	6
Net gain (loss) on pension and postretirement benefit plans	25	(11)	(11)
Reclassification from other comprehensive income (loss) to other (income) expense for amortization of actuarial net losses	15	13	11
Total other comprehensive income (loss) before income taxes	4	(17)	6
Income tax (provision) benefit related to pension and postretirement benefit plans	(3)	(4)	(1)
Income tax (provision) benefit related to reclassified amounts of net periodic costs on pension and postretirement benefit plans	(3)	(2)	(2)
Total other comprehensive income (loss)	(2)	(23)	3
Total comprehensive income (loss)	363	(1,746)	(47)
Comprehensive (income) loss attributable to noncontrolling interests	1	9	(8)
Comprehensive income (loss) attributable to Hertz Global	\$ 364	\$ (1,737)	\$ (55)

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY
(In millions)

Balance as of:	Mezzanine Equity					Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock Shares	Treasury Stock Amount	Stockholders' Equity Attributable to Hertz Global	Non-controlling Interests	Total Stockholders' Equity
	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital							
December 31, 2018	—	\$ —	84	\$ 1	\$ 2,261	\$ (909)	\$ (192)	2	\$ (100)	\$ 1,061	\$ 59	\$ 1,120
Net income (loss)	—	—	—	—	—	(58)	—	—	—	(58)	8	(50)
Other comprehensive income (loss)	—	—	—	—	—	—	3	—	—	3	—	3
Net settlement on vesting of restricted stock	—	—	—	—	(3)	—	—	—	—	(3)	—	(3)
Stock-based compensation charges	—	—	—	—	18	—	—	—	—	18	—	18
2019 Rights Offering, net	—	—	58	—	748	—	—	—	—	748	—	748
Contributions from noncontrolling interests	—	—	—	—	—	—	—	—	—	—	52	52
December 31, 2019	—	—	142	1	3,024	(967)	(189)	2	(100)	1,769	119	1,888
Net income (loss)	—	—	—	—	—	(1,714)	—	—	—	(1,714)	(9)	(1,723)
Other comprehensive income (loss)	—	—	—	—	—	—	(23)	—	—	(23)	—	(23)
Net settlement on vesting of restricted stock	—	—	—	—	(3)	—	—	—	—	(3)	—	(3)
Stock-based compensation charges	—	—	—	—	(2)	—	—	—	—	(2)	—	(2)
ATM Program, net	—	—	14	1	28	—	—	—	—	29	—	29
Distributions to noncontrolling interests, net	—	—	—	—	—	—	—	—	—	—	(73)	(73)
December 31, 2020	—	—	156	2	3,047	(2,681)	(212)	2	(100)	56	37	93
Net income (loss)	—	—	—	—	—	366	—	—	—	366	(1)	365
Other comprehensive income (loss)	—	—	—	—	—	—	(2)	—	—	(2)	—	(2)
Stock-based compensation charges	—	—	—	—	10	—	—	—	—	10	—	10
Cancellation of stock-based awards	—	—	—	—	(10)	—	—	—	—	(10)	—	(10)
Cancellation of common and treasury shares in exchange for new common shares	—	—	(142)	(2)	(98)	—	—	(2)	100	—	—	—
Distributions to common stockholders	—	—	—	—	(239)	—	—	—	—	(239)	—	(239)
Contributions from Plan Sponsors	—	—	277	3	2,778	—	—	—	—	2,781	—	2,781
2021 Rights Offering, net	—	—	181	2	1,800	—	—	—	—	1,802	—	1,802
Public Warrant issuance	—	—	—	—	(800)	—	—	—	—	(800)	—	(800)
Preferred stock issuance, net	2	1,433	—	—	—	—	—	—	—	1,433	—	1,433
Repurchase of preferred stock, net	(2)	(1,433)	—	—	(450)	—	—	—	—	(1,883)	—	(1,883)
Public Warrant exercises ⁽¹⁾	—	—	5	—	180	—	—	—	—	180	—	180
Nasdaq listing and share repurchases ⁽²⁾	—	—	(27)	—	(9)	—	—	27	(708)	(717)	—	(717)
Distributions to noncontrolling interests ⁽³⁾	—	—	—	—	—	—	—	—	—	—	(36)	(36)
December 31, 2021	—	\$ —	450	\$ 5	\$ 6,209	\$ (2,315)	\$ (214)	27	\$ (708)	\$ 2,977	\$ —	\$ 2,977

The accompanying notes are an integral part of these financial statements.

- (1) The amounts presented herein may be rounded to agree to amounts in the audited consolidated balance sheet. Also see Note 18, "Public Warrants - Hertz Global."
- (2) See Registration Status of Stock Issued on the Effective Date and Nasdaq Listing and Share Repurchase Program for Common Stock in Note 16, "Equity and Mezzanine Equity – Hertz Global."
- (3) Effective October 31, 2021, the 767 lease agreement was terminated. See Note 3, "Divestitures."

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income (loss)	\$ 365	\$ (1,723)	\$ (50)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and reserves for revenue earning vehicles	600	2,259	2,791
Depreciation and amortization, non-vehicle	196	225	203
Amortization of deferred financing costs and debt discount (premium)	122	59	52
Loss on extinguishment of debt	8	5	43
Stock-based compensation charges	10	(2)	18
Provision for receivables allowance	125	94	53
Deferred income taxes, net	270	(353)	27
Technology-related intangible and other asset impairments	—	213	—
Reorganization items, net	314	8	—
(Gain) loss from the sale of a business	(400)	—	—
(Gain) loss on marketable securities	—	—	(30)
(Gain) loss on sale of non-vehicle capital assets	(8)	(24)	(39)
Change in fair value of Public Warrants	627	—	—
Other	(5)	5	(9)
Changes in assets and liabilities:			
Non-vehicle receivables	(210)	195	(88)
Prepaid expenses and other assets	(20)	92	(8)
Operating lease right-of-use assets	274	366	402
Non-vehicle accounts payable	(70)	98	65
Accrued liabilities	(108)	(61)	(98)
Accrued taxes, net	24	(52)	14
Operating lease liabilities	(291)	(375)	(428)
Self-insured liabilities	(17)	(76)	(18)
Net cash provided by (used in) operating activities	<u>1,806</u>	<u>953</u>	<u>2,900</u>
Cash flows from investing activities:			
Revenue earning vehicles expenditures	(7,154)	(5,542)	(13,714)
Proceeds from disposal of revenue earning vehicles	2,818	10,098	9,486
Non-vehicle capital asset expenditures	(71)	(98)	(224)
Proceeds from non-vehicle capital assets disposed of or to be disposed of	16	60	27
Sales of marketable securities	—	74	—
Collateral payments	(303)	—	—
Collateral returned in exchange for letters of credit	280	—	—
Proceeds from the sale of a business, net of cash sold	871	—	—
Other	(1)	(1)	—
Net cash provided by (used in) investing activities	<u>(3,544)</u>	<u>4,591</u>	<u>(4,425)</u>
Cash flows from financing activities:			
Proceeds from issuance of vehicle debt	14,323	4,546	13,013
Repayments of vehicle debt	(12,607)	(10,751)	(11,530)
Proceeds from issuance of non-vehicle debt	4,644	1,812	3,016

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Repayments of non-vehicle debt	(6,352)	(855)	(3,732)
Payment of financing costs	(185)	(75)	(53)
Proceeds from Plan Sponsors	2,781	—	—
Early redemption premium payment	(85)	—	(34)
Proceeds from issuance of common stock, net	—	28	—
Proceeds from exercises of Public Warrants	77	—	—
Proceeds from the issuance of preferred stock, net	1,433	—	—
Distributions to common stockholders	(239)	—	—
Contributions from (distributions to) noncontrolling interests	(38)	(75)	49
Proceeds from rights offerings, net	1,639	—	748
Share repurchases	(654)	—	—
Repurchase of preferred stock	(1,883)	—	—
Payments for Nasdaq listing costs	(9)	—	—
Other	—	(2)	(3)
Net cash provided by (used in) financing activities	2,845	(5,372)	1,474
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(34)	46	1
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	1,073	218	(50)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period ⁽¹⁾	1,578	1,360	1,410
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period ⁽¹⁾	\$ 2,651	\$ 1,578	\$ 1,360

Supplemental disclosures of cash flow information:

Cash paid during the period for:

Interest, net of amounts capitalized:			
Vehicle	\$ 257	\$ 335	\$ 431
Non-vehicle	198	109	272
Income taxes, net of refunds	40	(11)	21
Operating lease liabilities	472	546	575

Supplemental disclosures of non-cash information:

Purchases of revenue earning vehicles included in accounts payable, net of incentives	\$ 27	\$ 9	\$ 165
Sales of revenue earning vehicles included in vehicle receivables	33	144	667
Fleet payables included in liabilities subject to compromise	—	2	—
Purchases of non-vehicle capital assets included in accounts payable	24	7	40
Revenue earning vehicles and non-vehicle capital assets acquired through capital leases	79	32	23
Purchases of non-vehicle capital assets included in liabilities subject to compromise	—	18	—
Operating lease right-of-use assets obtained in exchange for lease liabilities	177	152	680
Public Warrant issuance	800	—	—
Public Warrant exercises	103	—	—
Backstop equity issuance	164	—	—
Accrual for purchases of treasury shares	54	—	—

(1) Amounts include cash and cash equivalents and restricted cash and cash equivalents which were held for sale as of December 31, 2020, prior to the completion of the Donlen Sale in the first quarter of 2021, as described in Note 3, "Divestitures."

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except par value and share data)

	December 31, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	\$ 2,257	\$ 1,096
Restricted cash and cash equivalents:		
Vehicle	77	50
Non-vehicle	316	333
Total restricted cash and cash equivalents	393	383
Total cash, cash equivalents, restricted cash and restricted cash equivalents	2,650	1,479
Receivables:		
Vehicle	62	164
Non-vehicle, net of allowance of \$48 and \$46, respectively	695	613
Total receivables, net	757	777
Due from Hertz Holdings	—	1
Prepaid expenses and other assets	1,016	372
Revenue earning vehicles:		
Vehicles	10,836	7,540
Less: accumulated depreciation	(1,610)	(1,478)
Total revenue earning vehicles, net	9,226	6,062
Property and equipment, net	608	666
Operating lease right-of-use assets	1,566	1,675
Intangible assets, net	2,912	2,992
Goodwill	1,045	1,045
Assets held for sale	—	1,811
Total assets ⁽¹⁾	\$ 19,780	\$ 16,880
LIABILITIES AND STOCKHOLDER'S EQUITY (DEFICIT)		
Accounts payable:		
Vehicle	\$ 56	\$ 29
Non-vehicle	516	389
Total accounts payable	572	418
Accrued liabilities	809	759
Accrued taxes, net	157	121
Debt:		
Vehicle	7,921	6,024
Non-vehicle	2,986	243
Total debt	10,907	6,267
Operating lease liabilities	1,510	1,636
Self-insured liabilities	463	488
Deferred income taxes, net	1,012	735
Total liabilities not subject to compromise	15,430	10,424
Liabilities subject to compromise	—	5,030
Liabilities held for sale	—	1,431
Total liabilities ⁽¹⁾	15,430	16,885
Commitments and contingencies		
Stockholder's equity (deficit):		
Common stock, \$0.01 par value, 3,000 shares authorized and 100 shares issued and outstanding	—	—
Additional paid-in capital	7,190	3,953
Retained earnings (Accumulated deficit)	(2,626)	(3,783)
Accumulated other comprehensive income (loss)	(214)	(212)
Stockholder's equity (deficit) attributable to Hertz	4,350	(42)
Noncontrolling interests	—	37
Total stockholder's equity (deficit)	4,350	(5)
Total liabilities and stockholder's equity (deficit)	\$ 19,780	\$ 16,880

(1) The Hertz Corporation's consolidated total assets as of December 31, 2021 and December 31, 2020 included total assets of VIEs of \$734 million and \$511 million, respectively, which can only be used to settle obligations of the VIEs. The Hertz Corporation's consolidated total liabilities as of December 31, 2021 and December 31, 2020 included total liabilities of VIEs of \$733 million and \$475 million, respectively, for which the creditors of the VIEs have no recourse to The Hertz Corporation. See "Pledges Related to Vehicle Financing" in Note 6, "Debt," and "Termination of 767 Auto Leasing Agreement" in Note 3, "Divestitures," for further information.

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Revenues	\$ 7,336	\$ 5,258	\$ 9,779
Expenses:			
Direct vehicle and operating	3,920	3,423	5,305
Depreciation of revenue earning vehicles and lease charges	497	2,030	2,563
Non-vehicle depreciation and amortization	196	225	203
Selling, general and administrative	688	645	949
Interest expense, net:			
Vehicle	284	455	494
Non-vehicle (excludes contractual interest of \$129 million for the year ended December 31, 2020)	185	151	304
Total interest expense, net	469	606	798
Technology-related intangible and other asset impairments	—	213	—
Write-off of intercompany loan	—	133	—
Other (income) expense, net	(21)	(9)	(59)
Reorganization items, net	513	175	—
(Gain) from the sale of a business	(400)	—	—
Total expenses	5,862	7,441	9,759
Income (loss) before income taxes	1,474	(2,183)	20
Income tax (provision) benefit	(318)	328	(65)
Net income (loss)	1,156	(1,855)	(45)
Net (income) loss attributable to noncontrolling interests	1	9	(8)
Net income (loss) attributable to Hertz	\$ 1,157	\$ (1,846)	\$ (53)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)

	Years Ended December 31,		
	2021	2020	2019
Net income (loss)	\$ 1,156	\$ (1,855)	\$ (45)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(36)	(19)	6
Net gain (loss) on pension and postretirement benefit plans	25	(11)	(11)
Reclassification from other comprehensive income (loss) to other (income) expense for amortization of actuarial net losses	15	13	11
Total other comprehensive income (loss) before income taxes	4	(17)	6
Income tax (provision) benefit related to pension and postretirement benefit plans	(3)	(4)	(1)
Income tax (provision) benefit related to reclassified amounts of net periodic costs on pension and postretirement benefit plans	(3)	(2)	(2)
Total other comprehensive income (loss)	(2)	(23)	3
Total comprehensive income (loss)	1,154	(1,878)	(42)
Comprehensive (income) loss attributable to noncontrolling interests	1	9	(8)
Comprehensive income (loss) attributable to Hertz	\$ 1,155	\$ (1,869)	\$ (50)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY (DEFICIT)

(In millions)

Balance as of:	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Due From Affiliate	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Stockholder's Equity (Deficit) Attributable to Hertz	Noncontrolling Interests	Total Stockholder's Equity (Deficit)
December 31, 2018	100	—	3,187	(52)	(1,884)	(192)	1,059	59	1,118
Net income (loss)	—	—	—	—	(53)	—	(53)	8	(45)
Other comprehensive income (loss)	—	—	—	—	—	3	3	—	3
Due from Hertz Holdings	—	—	—	(12)	—	—	(12)	—	(12)
Stock-based compensation charges	—	—	18	—	—	—	18	—	18
Contributions from Hertz Holdings	—	—	750	—	—	—	750	—	750
Contributions from noncontrolling interests	—	—	—	—	—	—	—	52	52
December 31, 2019	100	—	3,955	(64)	(1,937)	(189)	1,765	119	1,884
Net income (loss)	—	—	—	—	(1,846)	—	(1,846)	(9)	(1,855)
Other comprehensive income (loss)	—	—	—	—	—	(23)	(23)	—	(23)
Due from Hertz Holdings	—	—	—	(4)	—	—	(4)	—	(4)
Liabilities subject to compromise ⁽¹⁾	—	—	—	(65)	—	—	(65)	—	(65)
Write-off of intercompany loan ⁽¹⁾	—	—	—	133	—	—	133	—	133
Stock-based compensation charges	—	—	(2)	—	—	—	(2)	—	(2)
Distributions to noncontrolling interests, net	—	—	—	—	—	—	—	(73)	(73)
December 31, 2020	100	—	3,953	—	(3,783)	(212)	(42)	37	(5)
Net income (loss)	—	—	—	—	1,157	—	1,157	(1)	1,156
Other comprehensive income (loss)	—	—	—	—	—	(2)	(2)	—	(2)
Non-cash distribution ⁽¹⁾	—	—	65	—	—	—	65	—	65
Stock-based compensation charges	—	—	10	—	—	—	10	—	10
Cancellation of stock-based awards	—	—	(10)	—	—	—	(10)	—	(10)
Contributions from Hertz Holdings	—	—	5,642	—	—	—	5,642	—	5,642
Dividends to Hertz Holdings	—	—	(2,470)	—	—	—	(2,470)	—	(2,470)
Distributions to noncontrolling interests ⁽²⁾	—	—	—	—	—	—	—	(36)	(36)
December 31, 2021	100	\$ —	\$ 7,190	\$ —	\$ (2,626)	\$ (214)	\$ 4,350	\$ —	\$ 4,350

(1) See Note 15, "Related Party Transactions."

(2) Effective October 31, 2021, the 767 lease agreement was terminated. See Note 3, "Divestitures."

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income (loss)	\$ 1,156	\$ (1,855)	\$ (45)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and reserves for revenue earning vehicles	600	2,259	2,791
Depreciation and amortization, non-vehicle	196	225	203
Amortization of deferred financing costs and debt discount (premium)	122	59	52
Loss on extinguishment of debt	8	5	43
Stock-based compensation charges	10	(2)	18
Provision for receivables allowance	125	94	53
Deferred income taxes, net	270	(353)	28
Technology-related intangible and other asset impairments	—	213	—
Write-off of intercompany loan	—	133	—
Reorganization items, net	150	8	—
(Gain) loss from the sale of a business	(400)	—	—
(Gain) loss on marketable securities	—	—	(30)
(Gain) loss on sale of non-vehicle capital assets	(8)	(24)	(39)
Other	(5)	5	(8)
Changes in assets and liabilities:			
Non-vehicle receivables	(210)	195	(88)
Prepaid expenses and other assets	(20)	94	(8)
Operating lease right-of-use assets	274	366	402
Non-vehicle accounts payable	(70)	98	65
Accrued liabilities	(108)	(61)	(98)
Accrued taxes, net	24	(52)	14
Operating lease liabilities	(291)	(375)	(428)
Self-insured liabilities	(17)	(76)	(18)
Net cash provided by (used in) operating activities	<u>1,806</u>	<u>956</u>	<u>2,907</u>
Cash flows from investing activities:			
Revenue earning vehicles expenditures	(7,154)	(5,542)	(13,714)
Proceeds from disposal of revenue earning vehicles	2,818	10,098	9,486
Non-vehicle capital asset expenditures	(71)	(98)	(224)
Proceeds from non-vehicle capital assets disposed of or to be disposed of	16	60	27
Sales of marketable securities	—	74	—
Collateral payments	(303)	—	—
Collateral returned in exchange for letters of credit	280	—	—
Proceeds from the sale of a business, net of cash sold	871	—	—
Other	(1)	(1)	—
Net cash provided by (used in) investing activities	<u>(3,544)</u>	<u>4,591</u>	<u>(4,425)</u>
Cash flows from financing activities:			
Proceeds from issuance of vehicle debt	14,323	4,546	13,013
Repayments of vehicle debt	(12,607)	(10,751)	(11,530)
Proceeds from issuance of non-vehicle debt	4,644	1,812	3,016
Repayments of non-vehicle debt	(6,352)	(855)	(3,732)

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Payment of financing costs	(185)	(75)	(53)
Early redemption premium payment	(85)	—	(34)
Advances to Hertz Holdings	—	(5)	(12)
Contributions from (distributions to) noncontrolling interests	(38)	(75)	49
Dividends paid to Hertz Holdings	(2,470)	—	—
Contributions from Hertz Holdings	5,642	—	750
Net cash provided by (used in) financing activities	2,872	(5,403)	1,467
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(34)	46	1
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	1,100	190	(50)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period ⁽¹⁾	1,550	1,360	1,410
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period ⁽¹⁾	\$ 2,650	\$ 1,550	\$ 1,360
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest, net of amounts capitalized:			
Vehicle	\$ 257	\$ 335	\$ 431
Non-vehicle	198	109	272
Income taxes, net of refunds	40	(11)	21
Operating lease liabilities	472	546	575
Supplemental disclosures of non-cash information:			
Purchases of revenue earning vehicles included in accounts payable, net of incentives	\$ 27	\$ 9	\$ 165
Sales of revenue earning vehicles included in vehicle receivables	33	144	667
Fleet payables included in liabilities subject to compromise	—	2	—
Purchases of non-vehicle capital assets included in accounts payable	24	7	40
Revenue earning vehicles and non-vehicle capital assets acquired through capital leases	79	32	23
Purchases of non-vehicle capital assets included in liabilities subject to compromise	—	18	—
Operating lease right-of-use assets obtained in exchange for lease liabilities	177	152	680
Non-cash capital contribution from Hertz Holdings	65	—	—

(1) Amounts include cash and cash equivalents and restricted cash and cash equivalents which were held for sale as of December 31, 2020, prior to the completion of the Donlen Sale in the first quarter of 2021, as described in Note 3, "Divestitures."

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—Background

Hertz Global Holdings, Inc. was incorporated in Delaware in 2015 to serve as the top-level holding company for Rental Car Intermediate Holdings, LLC, which wholly owns The Hertz Corporation, Hertz Global's primary operating company. Hertz was incorporated in Delaware in 1967 and is a successor to corporations that have been engaged in the vehicle rental and leasing business since 1918. Hertz operates its vehicle rental business globally primarily through the Hertz, Dollar and Thrifty brands from company-owned, licensee and franchisee locations in the U.S., Africa, Asia, Australia, Canada, the Caribbean, Europe, Latin America, the Middle East and New Zealand. The Company also sells vehicles through Hertz Car Sales and operates the Firefly vehicle rental brand and Hertz 24/7 car sharing business in international markets. As disclosed in Note 3, "Divestitures," on March 30, 2021 the Company completed the Donlen Sale, a business which provided vehicle leasing and fleet management services.

Chapter 11 and Emergence

In March 2020, the World Health Organization declared COVID-19 a global pandemic. In response to COVID-19, local and national governments around the world instituted shelter-in-place and similar orders and travel restrictions, and airline and other travel decreased suddenly and dramatically. As a result of the impact of COVID-19 and the associated government responses on travel demand, late in the first quarter of 2020, the Company experienced a high level of rental cancellations and a significant decline in forward bookings. In response, the Company began aggressive actions to eliminate costs. However, it faced significant ongoing expenses, including a large lease payment with respect to its vehicle fleet that increased as a result of COVID-19's impact on the car market.

On the Petition Date, the Debtors filed petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Chapter 11 Cases were jointly administered for procedural purposes only under the caption *In re The Hertz Corporation, et al., Case No. 20-11218 (MFW)*. While in Chapter 11, the Debtors operated as debtors-in-possession under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. In general, as debtors-in-possession under the Bankruptcy Code, the Debtors were authorized to continue to operate as an ongoing business but could not engage in transactions outside the ordinary course of business without the prior approval of the Bankruptcy Court.

On May 14, 2021, the Debtors filed the Plan of Reorganization, and the solicitation version of the Supplement to the Disclosure Statement which was approved by the Bankruptcy Court on May 14, 2021. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court. On the Effective Date, the Plan of Reorganization became effective in accordance with its terms and the Debtors emerged from Chapter 11.

On the Effective Date, as a result of the Plan of Reorganization, the reorganized Company received cash proceeds of \$7.5 billion comprised of:

- \$2.8 billion from the purchase of common stock in reorganized Hertz Global by the Plan Sponsors and certain other investment funds and entities;
- \$1.6 billion from the purchase of common stock in reorganized Hertz Global pursuant to the 2021 Rights Offering;
- \$1.5 billion (less a 2% upfront discount and stock issuance fees) from the purchase of preferred stock of reorganized Hertz Global by Apollo; and
- \$1.5 billion in proceeds from the Company's secured exit term loan facilities (the "Term Loans").

Such cash proceeds were used, in part, to provide payments to the Company's stakeholders pursuant to the terms of the Plan of Reorganization as follows:

- the holders of administrative, priority and secured claims received payment in cash in full;
- the holders of the approximately \$1.0 billion of obligations owed with respect to the Company's DIP Credit Agreement received payment in cash in full;

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- the holders of the Company's Senior Term Loan, Senior RCF and Letter of Credit Facility received payment in cash in full with respect to all non-contingent liquidated claims;
- the holders of claims with respect to the Senior Second Priority Secured Notes received payment in cash in full;
- the holders of the Company's €725 million European Vehicle Notes received payment in cash in full;
- the holders of the €257 million term loan facility incurred by Hertz International Ltd. received payment in cash in full;
- the holders of claims with respect to the unsecured Senior Notes and the holders of claims with respect to the Alternative Letter of Credit Facility received payment in cash with respect to (i) all remaining principal, (ii) accrued and unpaid interest as of the Petition Date at the contract rate, and (iii) accrued and unpaid interest from the Petition Date to the Effective Date at the federal judgment rate (at such rate in effect as of the Petition Date), subject to the rights of creditors (if any) to bring a claim for the payment of additional interest and/or premiums, as further disclosed in Note 6, "Debt;" and
- the holders of general unsecured claims will receive payment in cash in full plus interest at the federal judgment rate from the Petition Date to the date of payment (at such rate in effect as of the Petition Date), subject to the rights of creditors to bring a claim for payment of additional interest.

All of the Hertz Global equity interests existing as of the Effective Date were cancelled on such date in accordance with the Plan of Reorganization with existing equity holders receiving (i) cash in the amount of \$1.53 per share of existing interests, (ii) their pro rata share of 3% of the common shares of reorganized Hertz Global, subject to dilution, and (iii) either Public Warrants, for in the aggregate of up to 18% of reorganized Hertz Global common stock issued and outstanding on the Effective Date, subject to dilution and certain conditions, or subscription rights to participate in the 2021 Rights Offering as disclosed below.

In accordance with the Plan of Reorganization, Hertz Global commenced a 2021 Rights Offering, under which eligible holders of Hertz Global's common stock and certain eligible holders of the Company's Senior Notes and lenders under the Alternative Letter of Credit Facility could purchase up to \$1.6 billion of shares of reorganized Hertz Global common stock at a purchase price of \$10.00 per share. Pursuant to the EPCA, certain parties agreed to purchase all unsubscribed shares in the 2021 Rights Offering (the "Backstop Parties"). The final expiration date for the 2021 Rights Offering occurred on June 15, 2021, with eligible holders subscribing to purchase 127,362,114 shares (approximately \$1.3 billion), with the Backstop Parties to purchase the remaining 36,137,887 shares (approximately \$361 million). Hertz Global closed the 2021 Rights Offering upon emergence from the Chapter 11 Cases on the Effective Date. Pursuant to the terms of the EPCA, the Backstop Parties received a backstop fee equal in the amount of \$164 million (payable in shares of reorganized Hertz Global common stock valued at \$10.00 per share). As a result of these transactions, on the Effective Date, Hertz Global issued 471,102,462 shares of common stock as follows:

- 14,133,024 shares to existing stockholders;
- 277,119,438 shares to Plan Sponsors pursuant to the EPCA;
- 127,362,114 shares to eligible participants pursuant to the Rights Offering; and
- 52,487,886 shares to the Backstop Parties pursuant to the EPCA.

During the third quarter of 2021, the Company issued additional shares pursuant to the rounding provisions of the 2021 Rights Offering for cash proceeds of approximately \$4 million at a purchase price of \$10.00.

On the Effective Date, in accordance with the Plan of Reorganization, reorganized Hertz Global issued 1,500,000 shares of preferred stock to Apollo and received gross proceeds of \$1.5 billion, less a 2% upfront discount and stock issuance fees. During the fourth quarter of 2021, all 1,500,000 shares of the Series A Preferred Stock were repurchased and retired by Hertz Global at \$1,250 per share.

On the Effective Date, in accordance with the Plan of Reorganization, reorganized Hertz Global entered into a public warrant agreement (the "Public Warrant Agreement") and issued 89,049,029 Public Warrants, subject to certain conditions. The Public Warrants are exercisable from the date of issuance until June 30, 2051 at which time

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

all unexercised Public Warrants will expire and the rights of the holders of such expired Public Warrants will terminate. The Public Warrants had an initial exercise price of \$13.80 and are subject to adjustment from time to time upon the occurrence of any payments of cash dividends, certain dilutive events, and recurring fair value adjustments (See Note 12, "Fair Value Measurements").

See Note 16, "Equity and Mezzanine Equity – Hertz Global," and Note 18, "Public Warrants - Hertz Global," for additional information on the new equity and Public Warrants issued upon the Company's Chapter 11 emergence.

On the Effective Date, the reorganized Company entered into the First Lien Credit Agreement in an aggregate amount of \$2.8 billion comprised of senior secured term loan facilities in an aggregate principal amount of \$1.5 billion plus the First Lien RCF in an aggregate committed amount of \$1.3 billion. Additionally, the reorganized Company entered into a new ABS facility program with an aggregate principal amount of \$6.8 billion comprised of variable funding notes with a principal amount up to \$2.8 billion and medium term notes in an aggregate principal amount of \$4.0 billion. On the Effective Date, substantially all existing non-vehicle debt and all existing ABS facilities under the HVF II U.S. ABS Program were repaid in full and terminated in accordance with the Plan of Reorganization. See Note 6, "Debt," for additional information.

NYSE Delisting and Nasdaq Listing

As a result of the filing of the Chapter 11 Cases, the NYSE suspended trading of Hertz Global common stock after the market close on October 29, 2020. On October 30, 2020, Hertz Global common stock began trading exclusively on the OTC market under the symbol "HTZGQ," and was delisted from the NYSE on November 10, 2020. Upon deregistration of Hertz Global common stock under Section 12(b) of the Exchange Act, Hertz Global common stock remained registered under Section 12(g) of the Exchange Act. As discussed above, on the Effective Date, all of the Hertz Global common stock then existing was cancelled and Hertz Global issued 471,102,462 shares of its new common stock pursuant to the Plan of Reorganization.

On November 8, 2021, reorganized Hertz Global successfully completed its Nasdaq listing, in which shares of its new common stock were registered with the SEC for a public offering by certain selling stockholders. On November 9, 2021, reorganized Hertz Global's common stock and Public Warrants began trading on Nasdaq under the trading symbols "HTZ" and "HTZWW," respectively. See Note 16, "Equity and Mezzanine Equity – Hertz Global."

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern and contemplate the realization of assets and the satisfaction of liabilities in the normal course of business. During the Chapter 11 Cases, the Company's ability to continue as a going concern was contingent upon the Company's ability to successfully implement the Company's Plan of Reorganization, among other factors. As a result of the implementation of the Plan of Reorganization, management believes there is no longer substantial doubt about the Company's ability to continue as a going concern.

Note 2—Significant Accounting Policies

Accounting Principles

The Company's consolidated financial statements have been prepared in accordance with U.S. GAAP.

Reclassifications

Certain prior period amounts have been reclassified to conform with current period presentation. Non-vehicle depreciation expense is now reported on a separate line item in the consolidated statement of operations for all periods presented.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Principles of Consolidation

The consolidated financial statements of Hertz Global include the accounts of Hertz Global, its wholly-owned and majority owned U.S. and international subsidiaries, and its VIEs, as applicable. The consolidated financial statements of Hertz include the accounts of Hertz, its wholly-owned and majority-owned U.S. and international subsidiaries, and its VIEs, as applicable. The Company consolidates a VIE when it is deemed the primary beneficiary. The Company accounts for its investment in joint ventures using the equity method when it has significant influence but not control and is not the primary beneficiary. All significant intercompany transactions are eliminated in consolidation.

Accounting Standards Codification 852 - Reorganizations

Effective on the Petition Date, the Company applied accounting standards applicable to reorganizations, Accounting Standards Codification ("ASC") 852 - *Reorganizations* ("Topic 852"), in preparing its consolidated financial statements, which required the financial statements, for periods subsequent to the commencement of the Chapter 11 Cases, to distinguish transactions and events that were directly associated with the reorganization from the ongoing operations of the business. Accordingly, Pre-petition obligations of the Debtors that were subject to the Chapter 11 Cases were classified as liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020. These liabilities were reported at the amounts the Company anticipated would be allowed by the Bankruptcy Court, even if they were subject to settlement at lesser amounts. See Note 20, "Liabilities Subject to Compromise," for additional information. In addition, certain charges related to the Chapter 11 Cases were recorded as reorganization items, net in the accompanying consolidated statements of operations for the years ended December 31, 2021 and 2020. See Note 21, "Reorganization Items, Net," for additional information.

Under Topic 852, companies must apply "fresh-start" accounting rules upon emergence from Chapter 11 reorganization if certain conditions are met. The Company did not qualify for "fresh-start" accounting under Topic 852 upon emergence from Chapter 11.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and footnotes. Actual results could differ materially from those estimates.

Significant estimates inherent in the preparation of the consolidated financial statements include depreciation of revenue earning vehicles, reserves for litigation and other contingencies, accounting for income taxes and related uncertain tax positions, pension and postretirement benefit costs, the recoverability of long-lived assets, useful lives and impairment of long-lived tangible and intangible assets including goodwill, valuation of stock-based compensation, self-insured liabilities, allowance for doubtful accounts, the retail value of loyalty points, and fair value of financial instruments, among others.

Revenue Earning Vehicles

Revenue earning vehicles are stated at cost, net of related discounts and incentives from manufacturers. Holding periods typically range from six to thirty-six months. Generally, when revenue earning vehicles are acquired outside of a vehicle repurchase program, the Company estimates the period that the Company will hold the asset, primarily based on historical measures of the amount of rental activity (e.g., automobile mileage). The Company also estimates the residual value of the applicable revenue earning vehicles at the expected time of disposal, taking into consideration factors such as make, model and options, age, physical condition, mileage, sale location, time of the year, channel of disposition (e.g., auction, dealer direct, retail) and market conditions. Depreciation is recorded over the estimated holding period. Depreciation rates are reviewed on a quarterly basis based on management's ongoing assessment of present and estimated future market conditions, their effect on residual values at the expected time of disposal and the estimated holding periods. Gains and losses on the sale of vehicles, including the costs

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

associated with disposals, are included in depreciation of revenue earning vehicles and lease charges in the accompanying consolidated statements of operations.

For program vehicles, the manufacturers agree to repurchase program vehicles at a specified price or guarantee the depreciation rate on the vehicles during established repurchase or auction periods, subject to, among other things, certain vehicle condition, mileage and holding period requirements. Guaranteed depreciation programs guarantee on an aggregate basis the residual value of the program vehicle upon sale according to certain parameters which include the holding period, mileage and condition of the vehicles. The Company records a provision in accumulated depreciation for excess mileage and vehicle condition, as necessary, during the holding period.

Donlen's revenue earning vehicles were leased under long term agreements with its customers. These leases contained provisions whereby Donlen had a contracted residual value guaranteed by the lessee, such that it did not bear the risk of any gains or losses on the disposal of these vehicles. Donlen accounted for its lease contracts using the appropriate lease classifications. The Donlen business was sold on March 30, 2021, as disclosed in Note 3, "Divestitures."

The Company continually evaluates revenue earning vehicles to determine whether events or changes in circumstances have occurred that may warrant revision of the residual value or holding period.

Self-insured Liabilities

Self-insured liabilities in the accompanying consolidated balance sheets include public liability, property damage, general liability, liability insurance supplement, personal accident insurance, and worker's compensation. These represent an estimate for both reported accident claims not yet paid, and claims incurred but not yet reported and are recorded on an undiscounted basis. Reserve requirements are based on rental volume and actuarial evaluations of historical accident claim experience and trends, as well as future projections of ultimate losses, expenses and administrative costs. The adequacy of the liability is regularly monitored based on evolving accident claim history and insurance related state legislation changes. If the Company's estimates change or if actual results differ from these assumptions, the amount of the recorded liability is adjusted to reflect these results.

Recoverability of Goodwill and Indefinite-lived Intangible Assets

The Company tests the recoverability of its goodwill and indefinite-lived intangible assets by performing an impairment analysis on an annual basis, as of October 1, and at interim periods when circumstances require as a result of a triggering event.

A goodwill impairment charge is calculated as the amount by which a reporting unit's carrying amount exceeds its fair value. For goodwill, fair value is determined using an income approach based on the discounted cash flows of each reporting unit. A reporting unit is an operating segment or a business one level below that operating segment (the component level) if discrete financial information is prepared and regularly reviewed by segment management. Components are aggregated into a single reporting unit when they have similar economic characteristics. In the second quarter of 2021, in connection with the Chapter 11 Emergence as disclosed in Note 1, "Background," and changes in how the Company's CODM regularly reviews operating results and allocates resources, the Company revised its reportable segments to include Canada, Latin America and the Caribbean in its Americas RAC reportable segment, which were previously included in its International RAC reportable segment. Accordingly, prior periods have been restated to conform with the revised presentation. The Company has identified two reportable segments, which are organized based on the products and services provided by its operating segments and the geographic areas in which its operating segments conduct business: Americas RAC and International RAC. The fair values of the reporting units are estimated using the net present value of discounted cash flows generated by each reporting unit and incorporate various assumptions related to discount rates, growth rates, cash flow projections, tax rates and terminal value rates specific to the reporting unit to which they are applied. Discount rates are set by using the

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

WACC methodology. The Company's discounted cash flows are based upon reasonable and appropriate assumptions about the underlying business activities of the Company's reporting units.

In the impairment analysis for an indefinite-lived intangible asset, the Company compares the carrying value of the asset to its estimated fair value and recognizes an impairment charge whenever the carrying amount of the asset exceeds its estimated fair value. The estimated fair value for a tradename utilizes a relief-from-royalty income approach, which includes the Company's revenue projections for each asset, along with assumptions for royalty rates, tax rates and WACC.

Income Taxes

The Company recognized the effects of the TCJA enacted on December 22, 2017, which created the global intangible low-tax income ("GILTI") provision that imposes U.S. tax on certain earnings of foreign subsidiaries that are subject to foreign tax below a certain threshold. GILTI taxes are recorded in current income tax expense as incurred. In 2018 and 2019, the Company asserted indefinite reinvestment on certain of its foreign earnings. Effective as of December 31, 2020, the Company no longer asserts permanent reinvestment of foreign earnings, due to the impact from COVID-19, as disclosed in Note 1, "Background."

Valuation Allowances

The Company's current and future provision for income taxes is impacted by the initial recognition of and changes in valuation allowances in certain jurisdictions. The Company intends to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. The Company's future provision for income taxes will include no tax benefit with respect to losses incurred in these jurisdictions. Accordingly, income taxes are impacted by changes in valuation allowances and the mix of earnings among jurisdictions.

The Company evaluates the realizability of its deferred tax assets on a quarterly basis. In completing this evaluation, the Company considers all available evidence in order to determine whether, based on the weight of the evidence, a valuation allowance for its deferred tax assets is necessary. Such evidence includes the evaluation of historical cumulative earnings and losses in recent years, future reversals of deferred tax liabilities, the availability of carry forwards and the remaining period of the respective carry forward, future taxable income (exclusive of the reversal of temporary differences and carryforwards), and any applicable tax-planning strategies that are available.

If, based on the weight of the evidence, it is more likely than not that all or a portion of the Company's deferred tax assets will not be realized, a valuation allowance is recorded. If operating results improve or decline on a continual basis in a particular jurisdiction, the Company's decision regarding the need for a valuation allowance could change resulting in either the initial recognition or reversal of a valuation allowance in that jurisdiction, which could have a significant impact on income tax expense in the period recognized and subsequent periods. In determining the provision for income taxes for financial statement purposes, the Company makes certain estimates and judgments, which affect its evaluation of the carrying value of its deferred tax assets, as well as its calculation of certain tax liabilities.

Uncertain Tax Positions

The calculation of the Company's gross unrecognized tax benefits and liabilities includes uncertainties in the application of, and changes in, complex tax regulations in a multitude of jurisdictions across its global operations. The Company recognizes tax benefits and liabilities based on its estimates of whether, and the extent to which, additional taxes will be due. The Company adjusts these benefits and liabilities based on changing facts and circumstances; however, due to the complexity of these uncertainties and the impact of tax audits, the ultimate resolutions may differ significantly from the Company's estimates.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Revenue Recognition

In February 2016, the FASB issued guidance that replaced the existing lease guidance in U.S. GAAP and in 2018 and 2019 issued amendments and updates to the new lease standard (collectively "Topic 842"). Upon adoption of Topic 842, on January 1, 2019, the Company accounts for revenue earned from vehicle rentals and rental related activities wherein an identified asset is transferred to the customer and the customer has the ability to control that asset under Topic 842, as further updated in 2021.

The Company recognizes two types of revenue: (i) lease revenue; and (ii) revenue from contracts with customers.

The Company reports revenues for taxes or non-concession fees collected from customers on behalf of governmental authorities on a net basis.

Vehicle Rental and Rental Related Revenues

The Company recognizes revenue from its vehicle rental operations when persuasive evidence of a contract exists, the performance obligations have been satisfied, the transaction price is fixed or determinable and collection is reasonably assured. Performance obligations associated with vehicle rental transactions are satisfied over the rental period, except for the portion associated with loyalty points, as further described below. Rental periods are short term in nature. Performance obligations associated with rental related activities, such as charges to the customer for the fueling of vehicles and value-added services such as loss damage waivers, insurance products, navigation units, supplemental equipment and other consumables, are also satisfied over the rental period. Revenue from charges that are charged to the customer, such as gasoline, vehicle licensing and airport concession fees, is recorded on a gross basis with a corresponding charge to direct vehicle and operating expense. Sales commissions paid to third parties are generally expensed when incurred due to the short-term nature of the related transaction on which the commission was earned and are recorded within selling, general and administrative expense. Payments are due from customers at the completion of the rental, except for customers with negotiated payment terms, generally net 30 days or less, which are invoiced and remain as accounts receivable until collected.

Loyalty Programs - The Company offers loyalty programs, primarily Hertz Gold Plus Rewards, wherein customers are eligible to earn loyalty points that are redeemable for free rental days or can be converted to loyalty points for redemption of products and services under loyalty programs of other companies. Upon adoption of ASC 606, *Revenue from Contracts with Customers* ("Topic 606"), each transaction that generates loyalty points results in the deferral of revenue equivalent to the retail value at the date the points are earned. The associated revenue is recognized when the customer redeems the loyalty points at some point in the future. The retail value of loyalty points is estimated based on the current retail value measured as of the date the loyalty points are earned, less an estimated amount representing loyalty points that are not expected to be redeemed ("breakage"). Breakage is reviewed on a quarterly basis and includes significant assumptions such as historical breakage trends and internal Company forecasts.

Customer Rebates - The Company has business customers that rent vehicles based on terms that have been negotiated through contracts with their employers, or other entities with which they are associated ("commercial contracts"), which can differ substantially from the terms on which the Company rents vehicles to the general public. Some of the commercial contracts contain provisions which allow for rebates to the entity based on achieving a specific rental volume threshold. Rebates are treated as lease incentives and are recognized as a reduction of revenue at the time of the rental based on the rebate expected to be earned by the entity.

Licensee Revenue

The Company has franchise agreements which allow an independent entity to rent their vehicles under the Company's brands, primarily Hertz, Dollar or Thrifty, for a franchise fee. Franchise fees are earned over time for the duration of the franchise agreement and are typically based on the larger of a minimum payment or an amount

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

representing a percentage of net sales of the franchised business. Franchise fees that relate to a future contract term, such as initial fees or renewal fees, are deferred and recognized over the term of the franchise agreement.

Ancillary Retail Vehicle Sales Revenue

Ancillary retail vehicle sales represent revenues generated from the sale of warranty contracts, financing and title fees, and other ancillary services associated with vehicles disposed of at the Company's retail outlets. These revenues are recorded at the point in time when the Company sells the product or provides the service to the customer. These revenues exclude the sale price of the vehicle which is a component of the gain or loss on the disposition and is included in depreciation of revenue earning vehicles and lease charges in the accompanying consolidated statements of operations.

Fleet Leasing and Fleet Management Revenue

The Company's Donlen subsidiary, which sold substantially all of its assets and certain liabilities on March 30, 2021, generated revenue from various fleet leasing and fleet management services. Donlen's operating leases for fleets had lease periods that were typically for twelve months, after which the lease converted to a month-to-month lease, allowing the vehicle to be surrendered any time thereafter. The Company's fleet leases contained a terminal rental adjustment clause ("TRAC") where, upon sale of the vehicle following the termination of the lease, a TRAC adjustment may result through which the lessee was credited or charged with the gain or loss on the vehicle's disposal. Such TRAC adjustments were considered variable charges. Fleet management services were comprised of fuel purchasing and management, preventive vehicle maintenance, repair consultation, toll management and accident management. Fleet management revenue was recognized net of any fees collected from customers on behalf of third-party service providers, as services were rendered.

Contract Balances

The Company recognizes receivables and liabilities resulting from its contracts with customers. Contract receivables primarily consist of receivables from customers for vehicle rentals. Contract liabilities primarily consist of obligations to customers for prepaid vehicle rentals and related to the Company's points-based loyalty programs.

Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents

Cash and cash equivalents include cash on hand and highly liquid investments with an original maturity of three months or less. The Company's cash and cash equivalents are invested in various investment grade institutional money market funds, and bank money market and interest-bearing accounts.

Restricted cash and restricted cash equivalents include cash and cash equivalents that are not readily available for use in the Company's operating activities. Restricted cash and restricted cash equivalents are primarily comprised of proceeds from the disposition of vehicles pledged under the terms of vehicle debt financing arrangements and are restricted for the purchase of revenue earning vehicles and other specified uses under the vehicle debt facilities, cash utilized as credit enhancement under those arrangements, proceeds from the Term Loan C which are utilized to collateralize letters of credit, and certain cash accounts supporting regulatory reserve requirements related to the Company's self-insurance. These funds are primarily held in demand deposit and money market accounts or in highly rated money market funds with investments primarily in government and corporate obligations.

Deposits held at financial institutions may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions with reputable credit and therefore bear minimal credit risk. The Company limits exposure relating to financial instruments by diversifying the financial instruments among various counterparties, which consist of major financial institutions.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Receivables, Net of Allowance

Receivables are stated net of allowances and primarily represent credit extended to vehicle manufacturers, customers that satisfy defined credit criteria, and amounts due from customers resulting from damage to rental vehicles. The estimate of the allowance for doubtful accounts is based on the Company's future expected losses and its judgement as to the likelihood of ultimate payment. Actual receivables are written-off against the allowance for doubtful accounts when the Company determines the balance will not be collected. Estimates for future credit memos are based on historical experience and are reflected as reductions to revenue, while bad debt expense is reflected as a component of direct vehicle and operating expense in the accompanying consolidated statements of operations.

Property and Equipment, Net

The Company's property and equipment, net consisted of the following:

(In millions)	December 31, 2021	December 31, 2020
Land, buildings and leasehold improvements	\$ 971	\$ 1,277
Service vehicles, equipment and furniture and fixtures	339	761
Less: accumulated depreciation	(702)	(1,372)
Total property and equipment, net	<u>\$ 608</u>	<u>\$ 666</u>

Land is stated at cost and reviewed annually for impairment as further disclosed above in "Long-lived Assets, Including Finite-lived Intangible Assets."

Property and equipment are stated at cost and are depreciated utilizing the straight-line method over the estimated useful lives of the related assets. Estimated useful lives are as follows:

Buildings	1 to 50 years
Furniture and fixtures	1 to 5 years
Service vehicles and equipment	1 to 25 years
Leasehold improvements	The lesser of the economic life or the lease term

Depreciation expense for property and equipment, net for the years ended December 31, 2021, 2020 and 2019 was \$108 million, \$129 million and \$122 million, respectively.

The Company follows the practice of charging maintenance and repair costs for service vehicles, furniture and fixtures, and equipment, including the cost of minor replacements, to maintenance expense.

Long-lived Assets, Including Finite-lived Intangible Assets

Finite-lived intangible assets include concession agreements, technology, customer relationships and other intangibles. Long-lived assets and intangible assets with finite lives, including technology-related intangibles, are amortized using the straight-line method over the estimated economic lives of the assets, which range from one to fifty years and two to twenty years, respectively. Long-lived assets and intangible assets with finite lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets that management expects to hold and use is based on the estimated fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying value or estimated fair value less costs to sell.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Stock-Based Compensation

The Company measures the cost of employee services received in exchange for an award of equity instruments based on the grant date fair value of the award. That cost is to be recognized over the period during which the employee is required to provide service in exchange for the award. Forfeitures are accounted for when they occur. The Company has estimated the fair value of options issued at the date of grant using a Black-Scholes option-pricing model, which includes assumptions related to volatility, expected term, dividend yield and risk-free interest rate.

The Company accounts for restricted stock unit ("RSU") and performance stock unit ("PSU") awards when granted as equity classified awards. For RSUs the expense is based on the grant-date fair value of the stock and the number of shares that vest, recognized over the service period. For any PSUs and performance share awards ("PSAs") granted, the expense is based on the grant-date fair value of the stock, recognized over a service period depending upon the applicable performance condition. For any PSUs and PSAs, the Company re-assesses the probability of achieving the applicable performance condition quarterly and adjusts the recognition of expense accordingly. The Company includes the excess tax benefit within income tax expense in the accompanying consolidated statements of operations when realized.

Fair Value Measurements

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or, if none exists, the most advantageous market, for the specific asset or liability at the measurement date (referred to as the "exit price"). Fair value is a market-based measurement that is determined based upon assumptions that market participants would use in pricing an asset or liability, including consideration of nonperformance risk.

The Company assesses the inputs used to measure fair value using the three-tier hierarchy promulgated under U.S. GAAP. This hierarchy indicates the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Inputs that reflect quoted prices for identical assets or liabilities in active markets that are observable.

Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3: Inputs that are unobservable to the extent that observable inputs are not available for the asset or liability at the measurement date and include management's judgment about assumptions market participants would use in pricing the asset or liability.

Financial Instruments

The Company is exposed to a variety of market risks, including the effects of changes in interest rates, gasoline and diesel fuel prices and foreign currency exchange rates. The Company manages exposure to these market risks through regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. Financial instruments are viewed as risk management tools and have not been used for speculative or trading purposes. In addition, financial instruments are entered into with a diversified group of major financial institutions in order to manage the Company's exposure to counterparty nonperformance on such instruments. The Company measures all financial instruments at their fair value and does not offset the derivative assets and liabilities in its accompanying consolidated balance sheets. As the Company does not have financial instruments that are designated and qualify as hedging instruments, the changes in their fair value are recognized currently in the Company's operating results.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Foreign Currency Translation and Transactions

Assets and liabilities of international subsidiaries whose functional currency is the local currency are translated at the rate of exchange in effect on the balance sheet date; income and expenses are translated at the average exchange rates throughout the year. The related translation adjustments are reflected in accumulated other comprehensive income (loss) in the accompanying consolidated balance sheets. Foreign currency exchange rate gains and losses resulting from transactions are included in other (income) expense in the accompanying consolidated statements of operations.

Advertising

Advertising production costs are deferred and expensed when the advertising first takes place. Advertising communication costs are expensed as incurred. Advertising costs are reflected as a component of selling, general and administrative expenses in the accompanying consolidated statements of operations and for the years ended December 31, 2021, 2020 and 2019 were \$162 million, \$112 million and \$318 million, respectively.

Divestitures

The Company classifies long-lived assets and liabilities to be disposed of as held for sale in the period in which they are available for immediate sale in their present condition and the sale is probable and expected to be completed within one year. The Company initially measures assets and liabilities held for sale at the lower of their carrying value or fair value less costs to sell and assesses their fair value quarterly until disposed. When the divestiture represents a strategic shift that has (or will have) a major effect on the Company's operations and financial results, the disposal is presented as a discontinued operation.

Recently Issued Accounting Pronouncements

Adopted

Scope of Reference Rate Reform

In January 2021, the FASB issued guidance that clarifies that entities with derivative instruments affected by changes to the interest rates used for discounting, margining or contract price alignment due to reference rate reform may elect to apply certain optional expedients and exceptions, including contract modification relief, provided in Topic 848. Entities may elect to apply the guidance on contract modifications either (1) retrospectively as of any date from the beginning of any interim period that includes March 12, 2020 or (2) prospectively to new modifications from any date in an interim period that includes or is after January 7, 2021, up to the date that financial statements are available to be issued. The Company will apply the guidance prospectively, as applicable, and does not expect a material impact on its financial position, results of operations or cash flows.

Note 3—Divestitures

Donlen Sale

In November 2020, the Company entered into a stock and asset purchase agreement with Freedom Acquirer LLC (the "Buyer"), an affiliate of Athene Holding Ltd., to sell substantially all of the assets of its wholly-owned subsidiary Donlen. On March 30, 2021, the Company completed the sale. The proceeds from the sale were subject to certain post-closing adjustments in the second quarter of 2021 based on the level of assumed indebtedness, working capital and fleet equity. For the year ended December 31, 2021, the Company recognized a pre-tax gain in its corporate operations of \$400 million, net of the impact of foreign currency adjustments, based on the difference in cash proceeds received of \$891 million less \$543 million net book value of assets sold plus a \$53 million receivable in connection with the sale where cash proceeds were received in September 2021. On March 30, 2021, the Company and the Buyer entered into a transition services agreement which provides for certain transitional services in connection with the sale.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The assets and liabilities of Donlen included in the sale were classified as held for sale in the accompanying consolidated balance sheet as of December 31, 2020. Assets and liabilities classified as held for sale are required to be recorded at the lower of the carrying value or fair value less any costs to sell. The major classes of assets and liabilities held for sale as of December 31, 2020 are presented below at their carrying value.

(in millions)	December 31, 2020	
ASSETS		
Cash and cash equivalents	\$	3
Restricted cash and cash equivalents		68
Receivables, net		207
Prepaid expenses and other assets		28
Revenue earning vehicles, net		1,432
Property and equipment, net		6
Operating lease right-of-use assets		2
Intangible assets, net		29
Goodwill		36
Total assets held for sale	\$	<u>1,811</u>
LIABILITIES		
Accounts payable	\$	76
Accrued liabilities		19
Accrued taxes, net		3
Vehicle debt		1,327
Operating lease liabilities		6
Total liabilities held for sale	\$	<u>1,431</u>

Termination of 767 Auto Leasing Agreement

In January 2018, Hertz entered into a Master Motor Vehicle Lease and Management Agreement (the "767 Lease Agreement") pursuant to which Hertz granted 767 Auto Leasing LLC ("767") the option to acquire certain vehicles from Hertz at rates aligned with the rates at which Hertz sold vehicles to third parties where 767's payment obligations were guaranteed by American Entertainment Properties Corp. ("AEPC"). The 767 Lease Agreement was terminated effective October 31, 2021.

Prior to the termination of the 767 Lease Agreement, the Company determined that it was the primary beneficiary of 767 due to its power to direct the activities of 767 that most significantly impacted 767's economic performance and the Company's obligation to absorb 25% of 767's gains/losses and, accordingly, 767 was consolidated by the Company as a VIE.

During the year ended December 31, 2021, 767 distributed \$38 million to AEPC along with the return of certain vehicles, and there were no cash contributions from AEPC to 767. During the year ended December 31, 2020, 767 distributed \$75 million to AEPC and there were no cash contributions from AEPC to 767, except for certain services.

Sale of Marketable Securities

In 2020, the Company sold marketable securities for \$74 million and recognized an immaterial gain on the sale in its corporate operations, which was included in other (income) expense, net in the accompanying consolidated statement of operations for the year ended December 31, 2020.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Sale of Non-vehicle Capital Assets

In 2019, the Company completed the sale of certain non-vehicle capital assets in its Americas RAC segment and recognized a \$39 million pre-tax gain on the sale which was included in other (income) expense, net in the accompanying consolidated statement of operations for the year ended December 31, 2019. In 2020, the Company received additional cash from the sale and recognized an additional \$20 million pre-tax gain on the sale, which was included in other (income) expense, net in the accompanying consolidated statement of operations for the year ended December 31, 2020.

Note 4—Revenue Earning Vehicles

The components of revenue earning vehicles, net are as follows:

(In millions)	December 31,	
	2021	2020 ⁽¹⁾
Revenue earning vehicles	\$ 10,506	\$ 7,492
Less accumulated depreciation	(1,518)	(1,467)
	8,988	6,025
Revenue earning vehicles held for sale, net ⁽²⁾	238	37
Revenue earning vehicles, net	\$ 9,226	\$ 6,062

(1) Excludes amounts associated with Donlen that are classified as held for sale as of December 31, 2020. See Note 3, "Divestitures," for additional information.

(2) Represents the carrying amount of vehicles placed on the Company's retail lots for sale or actively in the process of being sold through other disposition channels.

Note 5—Goodwill and Intangible Assets, Net

Recoverability of Goodwill and Indefinite-lived Intangible Assets

On an annual basis as of October 1, and at interim periods when circumstances require as a result of a triggering event as defined by ASC 350 - Intangibles, Goodwill and Other ("Topic 350"), the Company tests the recoverability of its goodwill and indefinite-lived intangible assets by performing an impairment analysis. An impairment is deemed to exist if the carrying value of goodwill or indefinite-lived intangible assets exceed their fair value as determined using level 3 inputs under the GAAP fair value hierarchy. The reviews of fair value involve judgment and estimates, including projected revenues, long-term growth rates, royalty rates and discount rates. The Company believes that its valuation techniques and assumptions are reasonable for this purpose.

The Company performed the goodwill impairment analyses using the income approach, a measurement using level 3 inputs under the U.S. GAAP fair value hierarchy. In performing the impairment analyses, the weighted-average cost of capital used in the discounted cash flow model was calculated based upon the fair value of the Company's debt and stock price with a debt-to-equity ratio comparable to the vehicle rental car industry. This present value model requires management to estimate future cash flows and forecasted EBITDA margins and capital investments of each reporting unit. The Company revised its reportable segments in Q2 2021, as disclosed in Note 19, "Segment Information," and the change in reporting units had no impact to the valuation of the Company's goodwill. The assumptions the Company used to estimate future cash flows and EBITDA margins are consistent with the assumptions that the reporting units use for internal planning purposes, which the Company believes would be generally consistent with that of a market participant. The discount rate used for each reporting unit ranged from 13.0% to 13.5%. Each of the Company's reporting units had a fair value that exceeded its respective carrying value, the lowest of which was greater than 25%.

The Company performed the intangible impairment analyses for indefinite-lived intangible assets using the relief-from-royalty income approach, a measurement using level 3 inputs under the U.S. GAAP fair value hierarchy. The Company considered consistent factors as described above related to goodwill in addition to royalty rates. The

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

assumptions the Company uses to estimate royalty rates are consistent with the assumptions that the reporting units use for internal planning purposes, which the Company believes would be generally consistent with that of a market participant. The discount rate used for each indefinite-lived intangible ranged from 13.0% to 13.5%. All indefinite-lived intangibles were noted to have fair values that exceeded their carrying values, the lowest of which was greater than 25%.

Technology-related Intangible and Other Assets

Due to uncertainty surrounding the Company's financial ability to complete certain information technology projects as a result of COVID-19 and the filing of the Chapter 11 Cases, as disclosed in Note 1, "Background," the Company concluded in the second quarter of 2020 that there was an impairment of such technology-related intangible assets and capitalized cloud computing implementation costs. In the second quarter of 2020, the Company recorded an impairment charge of \$193 million in its corporate operations, representing an impairment of the carrying value of the abandoned portion of such assets as of June 30, 2020 of \$124 million and \$69 million of technology-related intangible assets and other assets, respectively.

Goodwill

The following summarizes the changes in the Company's goodwill by segment:

(In millions)	Americas RAC segment	International RAC segment	Total
Balance as of January 1, 2021			
Goodwill ⁽¹⁾	\$ 1,029	\$ 236	\$ 1,265
Accumulated impairment losses	—	(220)	(220)
	1,029	16	1,045
Goodwill disposal and other changes during the period	—	—	—
	—	—	—
Balance as of December 31, 2021			
Goodwill	1,029	236	1,265
Accumulated impairment losses	—	(220)	(220)
	\$ 1,029	\$ 16	\$ 1,045

(1) Excludes goodwill of \$36 million associated with Donlen that was classified as held for sale as of December 31, 2020. See Note 3, "Divestitures," for additional information.

(In millions)	Americas RAC segment	International RAC segment	Total ⁽¹⁾
Balance as of January 1, 2020			
Goodwill	\$ 1,029	\$ 236	\$ 1,265
Accumulated impairment losses	—	(218)	(218)
	1,029	18	1,047
Goodwill disposal and other changes during the period	—	(2)	(2)
	—	(2)	(2)
Balance as of December 31, 2020			
Goodwill	1,029	236	1,265
Accumulated impairment losses	—	(220)	(220)
	\$ 1,029	\$ 16	\$ 1,045

(1) Excludes goodwill of \$36 million associated with Donlen that was classified as held for sale as of December 31, 2020. See Note 3, "Divestitures," for additional information.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Intangible Assets, Net

Intangible assets, net, consists of the following major classes:

(In millions)	December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Amortizable intangible assets:			
Customer-related	\$ 269	\$ (269)	\$ —
Concession rights	408	(405)	3
Technology-related intangibles	359	(271)	88
Other ⁽¹⁾	48	(45)	3
Total	1,084	(990)	94
Indefinite-lived intangible assets:			
Tradenames ⁽²⁾	2,794	—	2,794
Other ⁽³⁾	24	—	24
Total	2,818	—	2,818
Total intangible assets, net	\$ 3,902	\$ (990)	\$ 2,912

(In millions)	December 31, 2020 ⁽⁴⁾		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Amortizable intangible assets:			
Customer-related	\$ 269	\$ (269)	\$ —
Concession rights	408	(365)	43
Technology-related intangibles	355	(228)	127
Other ⁽¹⁾	48	(44)	4
Total	1,080	(906)	174
Indefinite-lived intangible assets:			
Tradenames ⁽²⁾	2,794	—	2,794
Other ⁽³⁾	24	—	24
Total	2,818	—	2,818
Total intangible assets, net	\$ 3,898	\$ (906)	\$ 2,992

(1) Other amortizable intangible assets primarily include reacquired franchise rights.

(2) As of December 31, 2021 and 2020, \$2.2 billion was recorded in the Company's Americas RAC segment and \$600 million in the Company's International RAC segment.

(3) Other indefinite-lived intangible assets primarily consist of reacquired franchise rights.

(4) Excludes intangible assets associated with Donlen that were classified as held for sale as of December 31, 2020. See Note 3, "Divestitures," for additional information.

(In millions)	Years Ended December 31,		
	2021	2020	2019
Amortization of intangible assets	\$ 88	\$ 96	\$ 81

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table summarizes the Company's expected amortization expense based on its amortizable intangible assets as of December 31, 2021:

(In millions)	
2022	\$ 41
2023	24
2024	17
2025	6
2026	2
After 2026	4
Total expected amortization expense	<u>\$ 94</u>

Note 6—Debt

The Company's debt, including its available credit facilities, consists of the following (\$ in millions) as of December 31, 2021 and 2020. The table and disclosures below exclude debt associated with Donlen that was classified as held for sale as of December 31, 2020. See Note 3, "Divestitures," for additional information.

Facility	Weighted-Average Interest Rate as of December 31, 2021	Fixed or Floating Interest Rate	Maturity	December 31, 2021	December 31, 2020
Non-Vehicle Debt					
Term B Loan	3.75%	Floating	6/2028	\$ 1,294	\$ —
Term C Loan	3.75%	Floating	6/2028	245	—
Senior Notes Due 2026	4.63%	Fixed	12/2026	500	—
Senior Notes Due 2029	5.00%	Fixed	12/2029	1,000	—
First Lien RCF	N/A	Floating	6/2026	—	—
Other Non-Vehicle Debt ⁽¹⁾	8.49%	Fixed	Various	16	18
Senior Secured Superpriority Debtor-in-Possession Credit Agreement	N/A	N/A	N/A	—	250
Unamortized Debt Issuance Costs and Net (Discount) Premium				(69)	(25)
Total Non-Vehicle Debt Not Subject to Compromise				<u>2,986</u>	<u>243</u>
Non-Vehicle Debt Subject to Compromise⁽²⁾					
Senior Term Loan	N/A	N/A	N/A	—	656
Senior RCF	N/A	N/A	N/A	—	615
Senior Notes ⁽²⁾	N/A	N/A	N/A	—	2,700
Senior Second Priority Secured Notes	N/A	N/A	N/A	—	350
Promissory Notes	N/A	N/A	N/A	—	27
Alternative Letter of Credit Facility ⁽³⁾	N/A	N/A	N/A	—	114
Senior RCF Letter of Credit Facility	N/A	N/A	N/A	—	17
Unamortized Debt Issuance Costs and Net (Discount) Premium				—	(36)
Total Non-Vehicle Debt Subject to Compromise				<u>—</u>	<u>4,443</u>
Vehicle Debt					
<i>HVF III U.S. ABS Program</i>					
HVF III U.S. Vehicle Variable Funding Notes					
HVF III Series 2021-A Class A ⁽⁴⁾	1.62%	Floating	6/2023	2,813	—

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Facility	Weighted-Average Interest Rate as of December 31, 2021	Fixed or Floating Interest Rate	Maturity	December 31, 2021	December 31, 2020
HVF III Series 2021-A Class B ⁽⁴⁾	3.65%	Fixed	6/2023	188	—
				3,001	—
HVF III U.S. Vehicle Medium Term Notes					
HVF III Series 2021-1 ⁽⁴⁾	1.66%	Fixed	12/2024	2,000	—
HVF III Series 2021-2 ⁽⁴⁾	2.12%	Fixed	12/2026	2,000	—
				4,000	—
HVF II U.S. ABS Program					
HVF II U.S. Vehicle Variable Funding Notes					
HVF II Series 2013-A ⁽⁵⁾	N/A	N/A	N/A	—	1,940
				—	1,940
HVF II U.S. Vehicle Medium Term Notes					
HVF II Series 2015-3	N/A	N/A	N/A	—	163
HVF II Series 2016-2	N/A	N/A	N/A	—	263
HVF II Series 2016-4	N/A	N/A	N/A	—	187
HVF II Series 2017-1	N/A	N/A	N/A	—	199
HVF II Series 2017-2	N/A	N/A	N/A	—	164
HVF II Series 2018-1	N/A	N/A	N/A	—	468
HVF II Series 2018-2	N/A	N/A	N/A	—	94
HVF II Series 2018-3	N/A	N/A	N/A	—	95
HVF II Series 2019-1	N/A	N/A	N/A	—	330
HVF II Series 2019-2	N/A	N/A	N/A	—	354
HVF II Series 2019-3	N/A	N/A	N/A	—	352
				—	2,669
Vehicle Debt - Other					
European Vehicle Notes ⁽⁶⁾	N/A	N/A	N/A	—	888
European ABS ⁽⁴⁾	1.80%	Floating	10/2023	395	263
Hertz Canadian Securitization ⁽⁴⁾	2.49%	Floating	1/2023	191	53
Australian Securitization ⁽⁴⁾	1.66%	Floating	4/2022	128	97
New Zealand RCF	3.49%	Floating	6/2022	39	35
U.K. Financing Facility	3.68%	Floating	1/2022-12/2024	98	105
U.K. Toyota Financing Facility	2.20%	Floating	2/2022-2/2023	9	—
Other Vehicle Debt	2.89%	Floating	1/2022-12/2024	93	37
				953	1,478
Unamortized Debt Issuance Costs and Net (Discount) Premium				(33)	(63)
Total Vehicle Debt Not Subject to Compromise				7,921	6,024
Total Debt Not Subject to Compromise				\$ 10,907	\$ 6,267

N/A - Not applicable

- (1) Other non-vehicle debt is primarily comprised of \$12 million in capital lease obligations.
- (2) Reference to the "Senior Notes" includes the series of Hertz's unsecured senior notes set forth in the table below which were included in liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020. On the Effective Date, in

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

accordance with the Plan of Reorganization, the Senior Notes were repaid in full and terminated. On July 1, 2021, Wells Fargo Bank, National Association, as indenture trustee for the Senior Notes, filed a complaint against Hertz and certain of its subsidiaries requesting declaratory judgment that additional amounts are owed with respect to certain premiums and post-petition interest with respect to the Senior Notes. Hertz disputes that any such amounts are owed and on August 2, 2021 filed a motion to dismiss the complaint. On December 23, 2021, the Company's motion to dismiss was granted by the Bankruptcy Court. See Note 14, "Contingencies and Off-Balance Sheet Commitments," for additional information.

(In millions)	Outstanding Principal	
	December 31, 2021	December 31, 2020
Senior Notes		
6.250% Senior Notes due October 2022	\$ —	\$ 500
5.500% Senior Notes due October 2024	—	800
7.125% Senior Notes due August 2026	—	500
6.000% Senior Notes due January 2028	—	900
	<u>\$ —</u>	<u>\$ 2,700</u>

- (3) Includes default interest as of December 31, 2020.
- (4) Maturity reference is to the earlier "expected final maturity date" as opposed to the subsequent "legal final maturity date." The expected final maturity date is the date by which Hertz and investors in the relevant indebtedness originally expect the outstanding principal of the relevant indebtedness to be repaid in full. The legal final maturity date is the date on which the outstanding principal of the relevant indebtedness is legally due and payable in full.
- (5) Includes default interest as of December 31, 2020, which was comprised of an increase in the contractual spread.
- (6) References to the "European Vehicle Notes" include the series of Hertz Holdings Netherlands B.V.'s, an indirect wholly-owned subsidiary of Hertz organized under the laws of the Netherlands ("Hertz Netherlands"), unsecured senior notes (converted from Euros to U.S. Dollars at a rate of 1.22 to 1 as of December 31, 2020) set forth in the table below. On the Effective Date, in accordance with the Plan of Reorganization, the European Vehicle Notes were repaid in full and cancelled.

(In millions)	Outstanding Principal	
	December 31, 2021	December 31, 2020
European Vehicle Notes		
4.125% Senior Notes due October 2021	\$ —	\$ 276
5.500% Senior Notes due March 2023	—	612
	<u>\$ —</u>	<u>\$ 888</u>

Chapter 11 and Emergence

As a result of filing the Chapter 11 Cases, as disclosed in Note 1, "Background," the Company reclassified certain of its non-vehicle debt instruments, net of deferred financing costs, discounts and premiums, as applicable, to liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020.

The filing of the Chapter 11 Cases constituted an event of default that accelerated the Debtors' obligations under the Senior Term Loan, the Senior RCF, the Letter of Credit Facility and the Alternative Letter of Credit Facility. Additionally, the filing triggered defaults, termination events and/or amortization events under certain obligations of (i) Hertz International Limited ("HIL"), Hertz Netherlands and the direct and indirect subsidiary companies located outside of the U.S. and Canada (collectively the "International Subsidiaries"), some of which were waived or amended subject to certain time limitations, and (ii) HVF, HVF II, and certain other vehicle financing subsidiaries (collectively the "Non-Debtor Financing Subsidiaries").

As disclosed in Note 1, "Background," on May 14, 2021, the Debtors filed the Plan of Reorganization with the Bankruptcy Court, which was confirmed by the Bankruptcy Court on June 10, 2021. On the Effective Date, the Company emerged from Chapter 11 as disclosed in Note 1, "Background" and, in accordance with the Plan of Reorganization, substantially all existing non-vehicle debt and all existing ABS facilities under the HVF II U.S. ABS Program and the HVIF U.S. ABS Program were repaid in full and cancelled, as further disclosed below. Upon the Debtor's emergence from Chapter 11 and the associated debt payoffs, any events of default, termination and/or amortization events ceased to exist.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Non-Vehicle Debt

First Lien Credit Agreement

Pursuant to the Plan of Reorganization, on the Effective Date, Hertz entered into a credit agreement (the "First Lien Credit Agreement") that provides for the following:

- Term B Loan for term loans in an aggregate principal amount of \$1.3 billion;
- Term C Loan for term loans that are available to cash collateralize letters of credit in an aggregate principal amount of \$245 million; and
- the First Lien RCF for revolving loans and letters of credit up to an aggregate principal amount of \$1.3 billion.

Proceeds received on the Effective Date, as a result of the Plan of Reorganization, under the First Lien Credit Agreement were used to (i) repay certain existing indebtedness of the Debtors; (ii) pay fees, expenses and costs associated with the consummation of the Plan of Reorganization; (iii) fund distributions required in connection with the Plan of Reorganization; (iv) provide funds for working capital and general corporate purposes; and (v) backstop or replace existing letters of credit.

Term B Loan and Term C Loan (collectively, the "Term Loans"): The Term Loans bear interest based on an alternate base rate as per the First Lien Credit Agreement or adjusted LIBOR, in each case plus an applicable margin of (i) 2.25% in the case of the alternate base rate, or (ii) 3.25% in the case of the adjusted LIBOR. In each case, the margin may change depending on Hertz's consolidated total corporate leverage ratio, as defined in the First Lien Credit Agreement (the "Total Corporate Leverage Ratio"). The Term Loans include provisions for a transition to an alternative benchmark index other than LIBOR. The First Lien Credit Agreement requires the Term B Loan to be repaid in quarterly installments of \$3.3 million per quarter beginning on September 30, 2021 until maturity. The Term Loans mature on June 30, 2028.

First Lien RCF: The First Lien RCF bears interest, at a benchmark rate plus spread. Loans under the facility are available in various currencies including USD, Eurodollar, Australian dollar, Canadian dollar and Sterling. Benchmark rates for the relevant currencies include, the relevant LIBOR rate, the Prime rate, the Bank Bill Swap Reference Bid Rate for Australian dollars, Canadian prime rate, an adjusted Canadian Dollar Offered Rate ("CDOR") or the Daily Simple Sterling Overnight Index Average ("SONIA"). ABR Loans and Canadian Prime Rate Loans, as defined under the First Lien Credit Agreement, bear interest at the relevant benchmark rate plus an initial applicable margin of 2.50%. The First Lien RCF includes provisions for a transition to an alternative benchmark index other than LIBOR. The margin for Euro currency Loans (including USD loans), SONIA loans and Canadian dollar BA Equivalent Loans, as defined in the First Lien Credit Agreement, is dependent upon the Company's Consolidated Total Corporate Leverage Ratio, as defined under the First Lien Credit Agreement. As of December 31, 2021, that margin was 3.00%. In each case, the margin may change depending on Hertz's Total Corporate Leverage Ratio. The First Lien RCF matures on June 30, 2026.

2021 Senior Notes

In November 2021, Hertz issued \$1.5 billion of unsecured senior notes consisting of \$500 million Senior Notes Due 2026 and \$1.0 billion Senior Notes Due 2029. The Senior Notes Due 2026 and the Senior Notes Due 2029 are Hertz's senior unsecured obligations and are guaranteed by each of Hertz's direct and indirect U.S. subsidiaries that are guarantors under the First Lien Credit Agreement. Proceeds from the issuance of the Senior Notes Due 2026 and the Senior Notes Due 2029 were contributed to Hertz Global through a dividend distribution from Hertz to repurchase all outstanding shares of Hertz Global's Series A Preferred Stock. See Note 16, "Equity and Mezzanine Equity – Hertz Global."

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

DIP Credit Agreement

On October 29, 2020, the Bankruptcy Court entered an order authorizing the Debtors to obtain certain debtor-in-possession financing (the "DIP Order"). In accordance with the Bankruptcy Court's order, on October 30, 2020, Hertz, as borrower, and Hertz Global and certain of its subsidiaries located in the U.S. and Canada, in each case that were debtors in the Chapter 11 Cases, as guarantors (collectively, the "DIP Debtors"), entered into the DIP Credit Agreement. The DIP Credit Agreement provided for DIP Loans, of which (i) up to \$1.0 billion could be used as equity for new interim fleet financing, which gave the DIP Debtors the ability to replenish their vehicle fleet, and (ii) up to \$800 million could be used for working capital and general corporate purposes and had limited covenants and events of default, including one milestone that required the filing of a plan of reorganization by August 1, 2021.

On February 16, 2021, Hertz borrowed an additional \$250 million as per the minimum draw requirements of the DIP Credit Agreement.

On the Effective Date, in accordance with the Plan of Reorganization, the DIP Credit Agreement was paid in full and terminated.

Senior Facilities

On the Effective Date, in accordance with the Plan of Reorganization, the Senior Term Loan, the Senior RCF and drawn amounts under the Senior RCF Letter of Credit Facility and Letter of Credit Facility were paid in full and terminated.

Senior Notes and Senior Second Priority Secured Notes

On the Effective Date, in accordance with the Plan of Reorganization, the Company's Senior Notes and Senior Second Priority Secured Notes were paid in full and terminated.

Promissory Notes

On the Effective Date, in accordance with the Plan of Reorganization, the Promissory Notes were paid in full and terminated.

Alternative Letter of Credit Facility

On the Effective Date, in accordance with the Plan of Reorganization, the Alternative Letter of Credit Facility was paid in full and terminated.

HIL Credit Agreement

In April 2021, Hertz International Limited ("HIL") entered into a multi-draw term loan facility (the "HIL Credit Agreement") which provided an aggregate maximum principal of €250 million to meet the liquidity requirements of the European business.

In May 2021, resulting from a change in the Company's plan of reorganization sponsorship, the HIL Credit Agreement was terminated and HIL entered into a new multi-draw term loan facility (the "Second HIL Credit Agreement") which also provided for an aggregate maximum principal of €257 million that was funded by certain of the Plan Sponsors. On the Effective Date, in accordance with the Plan of Reorganization, the Second HIL Credit Agreement was paid in full and terminated.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Vehicle Debt

HVF III U.S. ABS Program

In June 2021, Hertz established a securitization platform, the HVF III U.S. ABS Program, to facilitate its financing activities relating to vehicles used by Hertz in the U.S. daily vehicle rental operations. HVF III, a wholly-owned, special-purpose and bankruptcy remote subsidiary of Hertz, is the issuer of variable funding notes and medium term notes under the HVF III U.S. ABS Program. HVF III entered into a base indenture that permits it to issue term and variable funding rental car asset-backed securities, secured by a collateral pool consisting primarily of the rental vehicles used in the Company's U.S. vehicle rental operations and the related incentive and repurchase program vehicle receivables. Within each series of HVF III U.S. Vehicle Medium Term Notes, the issued notes are subordinated based on class.

Pursuant to the Plan of Reorganization, in June 2021, HVF III issued Series 2021-A Variable Funding Rental Car Asset Backed Notes (the "Series 2021-A Notes"), the Series 2021-1 Fixed Rate Rental Car Asset Backed Notes (the "Series 2021-1 Notes") and the Series 2021-2 Fixed Rate Rental Car Asset Backed Notes (the "Series 2021-2 Notes" and, together with the Series 2021-A Notes and the Series 2021-1 Notes, the "HVF III Series 2021 Notes").

HVF III Series 2021-A Notes: In June 2021, Hertz issued the Series 2021-A Class A Notes with a maximum principal amount of up to \$2.8 billion. In December 2021, Hertz issued the Series 2021-A Class B Notes with a maximum principal amount of up to \$188 million. The HVF III Series 2021- A Notes have a maturity date of June 2023.

HVF III Series 2021-1 Notes: On the Effective Date, Hertz issued the Series 2021-1 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$2.0 billion. There is subordination within the Series 2021-1 Notes based on class.

HVF III Series 2021-2 Notes: On the Effective Date, Hertz issued the Series 2021-2 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$2.0 billion. There is subordination within the Series 2021-2 Notes based on class.

In June 2021, in connection with the issuance of the HVF III Series 2021 Notes, Hertz entered into a new Master Motor Vehicle Operating Lease and Servicing Agreement (the "Operating Lease") among HVF III, as lessor, Hertz, as a lessee, servicer and guarantor, DTG Operations, Inc., a wholly-owned subsidiary of the Company, as a lessee and other permitted lessees (together with Hertz and DTG Operations, Inc., the "Lessees"), pursuant to which HVF III will lease vehicles to the Lessees.

Proceeds received upon issuance from the HVF III Series 2021 Notes were used to fund the purchases of certain vehicles and for the repayment in full of (i) approximately \$3.5 billion in aggregate outstanding principal of notes issued by HVF II, as described below, and (ii) approximately \$2.2 billion in aggregate outstanding principal of notes issued by Hertz Vehicle Interim Financing, a direct wholly-owned bankruptcy remote subsidiary of Hertz ("HVIF"). The manufacturer rebates associated with HVF and HVIF were transferred to HVF III as part of the purchase agreements with HVF and HVIF. Any remaining funds are expected to be used for the future purchase or refinancing of vehicles to be leased under the Operating Lease.

HVF III Series 2022 Notes

In January 2022, Hertz issued the Series 2022-1 Notes and the Series 2022-2 Notes in an aggregate principal amount of \$1.5 billion. Proceeds from the issuance of the Series 2022-1 Notes and the Series 2022-2 Notes will be used to repay amounts outstanding on the Series 2021-A Notes. Any remaining funds are expected to be used for the future purchase or refinancing of vehicles to be leased under the Operating Lease.

HVF III Series 2022-1 Notes: In January 2022, Hertz issued the Series 2022-1 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$750 million. There is subordination within the

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Series 2022-1 Notes based on class. An affiliate of HVF III purchased the Class D Notes, and as a result approximately \$98 million of the aggregate principal amount is eliminated in consolidation.

HVF III Series 2022-2 Notes: In January 2022, Hertz issued the Series 2022-2 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$750 million. There is subordination within the Series 2022-2 Notes based on class. An affiliate of HVF III purchased the Class D Notes, and as a result approximately \$98 million of the aggregate principal amount is eliminated in consolidation.

HVF II U.S. ABS Program

On the Effective Date, in accordance with the Plan of Reorganization, all HVF II U.S. Vehicle Medium Term Notes and HVF II U.S. Vehicle Variable Funding Notes were paid in full and terminated. Any and all outstanding Bankruptcy Court orders and other agreements relating to HVF II were terminated on the Effective Date as a result of the termination of the notes.

HVIF U.S. ABS Program

On the Effective Date, in accordance with the Plan of Reorganization, the HVIF Series 2020-1 was paid in full and terminated.

Vehicle Debt-Other

European Vehicle Notes

On the Effective Date, in accordance with the Plan of Reorganization, the European Vehicle Notes were paid in full and terminated.

European ABS

The European ABS is the primary vehicle financing facility for the Company's vehicle rental operations in France, the Netherlands, Germany and Spain. The lenders under the European ABS have been granted a security interest in the owned rental vehicles used in the Company's vehicle rental operations in these countries and certain contractual rights related to such vehicles.

In April 2021, International Fleet Financing No. 2 BV ("IFF No. 2") entered into a comprehensive restructuring of the European ABS. The terms of the restructured European ABS provide for aggregate maximum borrowings of €450 million and extend the maturity to April 2022. In accordance with the Plan of Reorganization, the guarantees provided by Hertz relating to the restructured European ABS, including all contingent claims in respect of such guarantees, were fully released on the Effective Date.

In December 2021, the European ABS was amended to increase the aggregate maximum borrowings to €750 million and to extend the maturity to October 2023. In connection with the amendment, Hertz entered into a performance guarantee with respect to certain obligations of certain of its subsidiaries in their capacities as lessees, servicers and administrators under the European ABS.

Hertz Canadian Securitization

On January 27, 2021, TCL Funding Limited Partnership, a bankruptcy remote, indirect, wholly-owned, special purpose subsidiary of Hertz, entered into the Funding LP Series 2021-A Notes which provides for aggregate maximum borrowings of CAD\$350 million on a revolving basis, subject to availability under the borrowing base limitation. The initial draw was used, in part, to pay the outstanding obligations under the Funding LP Series 2015-A Notes, including any unpaid default interest. As a result of the payoff of the Funding LP Series 2015-A Notes, the Hertz Canadian Securitization amortization event ceased to exist.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Australian Securitization

HA Fleet Pty Limited, an indirect wholly-owned subsidiary of Hertz, is the issuer under the Australian Securitization. The Australian Securitization is the primary fleet financing facility for Hertz's vehicle rental operations in Australia. The lender under the Australian Securitization has been granted a security interest primarily in the owned rental vehicles used in its vehicle rental operations in Australia and certain contractual rights related to such vehicles.

An amortization event that would have arisen under the Australian Securitization as a result of the filing of the Chapter 11 Cases was waived in May 2020, and in June 2021, such waiver was superseded by an amendment of the Australian Securitization. The terms of the amended Australian Securitization provide for aggregate maximum borrowings of AUD\$210 million and extend the maturity to April 2022. In accordance with the Plan of Reorganization, the guarantees provided by Hertz relating to the restructured Australian Securitization, including all contingent claims in respect of such guarantees, were fully released on the Effective Date.

In January 2022, the Australian Securitization was amended to increase the aggregate maximum borrowings to AUD\$250 million and to extend the maturity to April 2024.

New Zealand RCF

Hertz New Zealand Holdings Limited, an indirect wholly-owned subsidiary of Hertz, is the borrower under a credit agreement that provides for aggregate maximum borrowings on a revolving basis under an asset-based revolving credit facility (the "New Zealand RCF"). The New Zealand RCF is the primary vehicle financing facility for its vehicle rental operations in New Zealand.

In May 2021, Hertz New Zealand Holdings Limited, an indirect, wholly-owned subsidiary of Hertz, amended its credit agreement to provide for aggregate maximum borrowings of NZD\$60 million and to extend the maturity to June 2022.

U.K. Financing Facility

Events of default that would have arisen under the U.K. Financing Facility as a result of filing the Chapter 11 Cases were waived in May 2020 (as amended from time to time), and, in April 2021, such waivers were superseded by a comprehensive restructuring of the U.K. Financing Facility. The terms of the restructured U.K. Financing Facility provide for aggregate maximum borrowings of £100 million and extend the maturity to April 2022. In accordance with the Plan of Reorganization, guarantees provided by Hertz relating to the restructured U.K. Financing Facility, including all contingent claims in respect of such guarantees, were fully released on the Effective Date.

U.K. Toyota Financing Facility

In May 2021, Hertz U.K. Limited entered into the U.K. Toyota Financing Facility to finance the acquisition of certain motor vehicles which provides for aggregate maximum borrowings of £10 million maturing, upon extension, in June 2022.

Loss on Extinguishment of Debt

The Company incurred losses in the form of early redemption premiums and/or the write-off of deferred financing costs associated with certain redemptions, terminations and waiver agreements. Loss on extinguishment of debt is presented in Reorganization items, net, unless otherwise noted in the table below, in the accompanying consolidated statements of operations.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table reflects the amount of loss for each respective redemption/termination:

Redemption/Termination (in millions)	Years Ended December 31,		
	2021	2020	2019
Non-Vehicle Debt			
HIL Credit Agreement ⁽¹⁾	\$ 8	\$ —	\$ —
Second HIL Credit Agreement	5	—	—
Total Non-Vehicle Debt	13	—	—
Non-Vehicle Debt (subject to compromise)			
Senior Term Loan	16	—	—
Senior RCF	22	—	—
Senior Notes	29	—	—
Senior Second Priority Secured Notes ⁽²⁾	4	—	39
Promissory Notes	2	—	—
Alternative Letter of Credit Facility	7	—	—
Letter of Credit Facility	8	—	—
5.875% Senior Notes due 2020 ⁽²⁾	—	—	2
7.375% Senior Notes due 2021 ⁽²⁾	—	—	2
Total Non-Vehicle Debt (subject to compromise)	88	—	43
Vehicle Debt			
HVF II U.S. Vehicle Variable Funding Notes	9	—	—
HVF II U.S. Vehicle Medium Term Notes	39	—	—
HVIF II Series 2020-1	21	—	—
European Vehicle Notes	29	—	—
European ABS ⁽³⁾	—	5	—
Total Vehicle Debt	98	5	—
Total Loss on Extinguishment of Debt	\$ 199	\$ 5	\$ 43

- (1) The loss on extinguishment is recorded in non-vehicle interest expense, net in the accompanying consolidated income statement for the year ended December 31, 2021.
- (2) The loss on extinguishment incurred in 2019 was recorded in non-vehicle interest expense, net in the accompanying consolidated income statement for the year ended December 31, 2019.
- (3) The loss on extinguishment was recorded in vehicle interest expense, net in the accompanying consolidated income statement for the year ended December 31, 2020.

Maturities

As of December 31, 2021, the nominal amounts of maturities of debt for each of the years ending December 31 are as follows:

(In millions)	2022	2023	2024	2025	2026	After 2026
Non-Vehicle Debt	\$ 20	\$ 20	\$ 15	\$ 13	\$ 513	\$ 2,474
Vehicle Debt	311	3,617	2,026	—	2,000	—
Total	\$ 331	\$ 3,637	\$ 2,041	\$ 13	\$ 2,513	\$ 2,474

The Company has reviewed its debt facilities and determined that it is probable that the Company will be able, and has the intent, to refinance these facilities at such times as the Company determines appropriate prior to their respective maturities.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Borrowing Capacity and Availability

Borrowing capacity and availability comes from the Company's revolving credit facilities, which are a combination of variable funding asset-backed securitization facilities, cash-flow based revolving credit facilities, asset-based revolving credit facilities and the First Lien RCF. Creditors under each such asset-backed securitization facility and asset-based revolving credit facility have a claim on a specific pool of assets as collateral. With respect to each such asset-backed securitization facility and asset-based revolving credit facility, the Company refers to the amount of debt it can borrow given a certain pool of assets as the borrowing base.

The Company refers to "Remaining Capacity" as the maximum principal amount of debt permitted to be outstanding under the respective facility (i.e., with respect to a variable funding asset-backed securitization facility or asset-based revolving credit facility, the amount of debt the Company could borrow assuming it possessed sufficient assets as collateral) less the principal amount of debt then-outstanding under such facility and, in the case of the First Lien RCF, less any issued standby letters of credit. With respect to a variable funding asset-backed securitization facility or asset-based revolving credit facility, the Company refers to "Availability Under Borrowing Base Limitation" as the lower of Remaining Capacity or the borrowing base less the principal amount of debt then-outstanding under such facility (i.e., the amount of debt that can be borrowed given the collateral possessed at such time).

The following facilities were available to the Company as of December 31, 2021 and are presented net of any outstanding letters of credit:

(In millions)	Remaining Capacity	Availability Under Borrowing Base Limitation
<i>Non-Vehicle Debt</i>		
First Lien RCF	\$ 925	\$ 925
Total Non-Vehicle Debt	<u>925</u>	<u>925</u>
<i>Vehicle Debt</i>		
HVF III Series 2021-A	—	—
European ABS	456	—
Hertz Canadian Securitization	82	—
Australian Securitization	24	—
U.K. Financing Facility	37	—
U.K. Toyota Financing Facility	5	—
New Zealand RCF	2	—
Total Vehicle Debt	<u>606</u>	<u>—</u>
Total	<u>\$ 1,531</u>	<u>\$ 925</u>

Letters of Credit

On the Effective Date, in accordance with the Plan of Reorganization, drawn letters of credit under the Senior RCF, the Letter of Credit Facility and the Alternative Letter of Credit Facility were paid in full and terminated. To the extent any of the related issued letters of credit remained outstanding as of the Effective Date, certain of these letters of credit were deemed to be issued under the First Lien RCF. For the remainder, the Company provided cash collateral to backstop these obligations.

As of December 31, 2021, there were outstanding standby letters of credit totaling \$591 million comprised primarily of \$245 million issued under the Term C Loan and \$330 million were issued under the First Lien RCF. As of December 31, 2021, there remains no capacity to issue additional letters of credit under the Term C Loan. Such letters of credit have been issued primarily to support the Company's insurance programs, vehicle rental

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

concessions and leaseholds as well as to provide credit enhancement for its asset-backed securitization facilities. As of December 31, 2021, none of the issued letters of credit have been drawn upon.

Pledges Related to Vehicle Financing

Substantially all of the Company's revenue earning vehicles and certain related assets are owned by special purpose entities or are encumbered in favor of the lenders under the various credit facilities, other secured financings or asset-backed securities programs. None of the value of such assets (including the assets owned by Hertz Vehicle Financing III LLC and various other domestic and international subsidiaries that facilitate the Company's international securitizations) will be available to satisfy the claims of unsecured creditors unless the secured creditors are paid in full.

The Company has a 25% ownership interest in IFF No. 2, whose sole purpose is to provide commitments to lend in various currencies subject to borrowing bases comprised of revenue earning vehicles and related assets of certain of Hertz International, Ltd.'s subsidiaries. IFF No. 2 is a VIE and the Company is the primary beneficiary, therefore, the assets, liabilities and results of operations of IFF No. 2 are included in the accompanying consolidated financial statements. As of December 31, 2021 and 2020, IFF No. 2 had total assets of \$734 million and \$464 million, respectively, comprised primarily of loans receivable, and total liabilities of \$733 million and \$464 million, respectively, comprised primarily of debt.

Covenant Compliance

The First Lien Credit Agreement requires Hertz to comply with the following financial covenant subsequent to the expiration of the Relief Period which expired effective as of September 30, 2021: a First Lien Ratio of less than or equal to 3.00 to 1.00 in the first and last quarters of the calendar year and 3.50 to 1.00 in the second and third quarters of the calendar year. The financial covenant disclosed above was effective beginning in the third quarter of 2021. As of December 31, 2021, Hertz was in compliance with the First Lien Ratio.

In addition to financial covenants, the First Lien Credit Agreement contains customary affirmative covenants including, among other things, the delivery of quarterly and annual financial statements and compliance certificates, conduct of business, maintenance of property and insurance, compliance with environmental laws and the granting of security interest for the benefit of the secured parties under that agreement on after-acquired real property, fixtures and future subsidiaries. The First Lien Credit Agreement also contains customary negative covenants, including, among other things, the incurrence of liens, indebtedness, asset dispositions and restricted payments. As of December 31, 2021, the Company was in compliance with all covenants in the First Lien Credit Agreement.

Accrued Interest

As of December 31, 2021 and 2020, accrued interest was \$12 million and \$136 million, respectively, which is included in accrued liabilities in the accompanying consolidated balance sheets. There was \$70 million of accrued interest included in liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020 related to the filing of the Chapter 11 Cases as disclosed above.

Restricted Net Assets

As a result of the contractual restrictions on Hertz and certain of its subsidiaries' ability to pay dividends (directly or indirectly) under various terms of its debt, as of December 31, 2021, the restricted net assets of the subsidiaries of Hertz and Hertz Global exceed 25% of their total consolidated net assets, respectively.

Note 7—Employee Retirement Benefits

The Company sponsors multiple domestic and international employee retirement benefit plans where benefits are based upon years of service and compensation. The Hertz Corporation Account Balance Defined Benefit Pension Plan (the "Hertz Retirement Plan") is a U.S. cash balance plan, which was amended in 2014 to permanently

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

discontinue future benefit accruals and participation under the plan for non-union employees. The majority of union employees have since discontinued participation in the Hertz Retirement Plan as the result of collective bargaining. Some of the Company's international subsidiaries have defined benefit retirement plans or participate in various insured or multiemployer plans. In certain countries, when the subsidiaries make the required funding payments, they have no further obligations under such plans. The Company's benefit plans are generally funded, except for certain non-qualified U.S. defined benefit plans and in Germany, France and Italy, where unfunded liabilities are recorded. The Company also sponsors defined contribution plans for certain eligible U.S. and non-U.S. employees, where contributions are matched based on specific guidelines in the plans. Accordingly, the Company sponsors postretirement health care and life insurance benefits for a limited number of employees with hire dates prior to January 1, 1990.

Management makes certain assumptions relating to discount rates, salary growth, long-term return on plan assets, retirement rates, mortality rates and other factors when determining amounts to be recognized. These assumptions are reviewed annually by management, assisted by the enrolled actuary, and updated as warranted. The Company uses a December 31 measurement date for all of the plans and utilizes fair value to calculate the market-related value of pension assets for purposes of determining the expected return on plan assets and accounting for asset gains and losses.

Actual results that differ from the Company's assumptions are accumulated and amortized over future periods and, therefore, significant differences in actual experience or significant changes in assumptions would affect the Company's pension costs and obligations. The Company recognizes an asset for each over-funded plan and a liability for each underfunded plan in the consolidated balance sheets. Pension plan liabilities are revalued annually based on updated assumptions and information about the individuals covered by the plan. For pension plans, if accumulated actuarial gains and losses are in excess of a 10 percent corridor, the excess is amortized on a straight-line basis over the average remaining service period of active participants. Prior service cost is amortized on a straight-line basis from the date recognized over the average remaining service period of active participants, when applicable.

Additionally, the Company previously sponsored the Hertz Corporation Benefit Equalization Plan ("BEP") and the Hertz Corporation Supplemental Executive Retirement Plans (together with the BEP, the "Supplemental Plans"). The Supplemental Plans were rejected in the Company's Chapter 11 Cases and terminated in connection with the Plan of Reorganization. As a result, participants in the Supplemental Plans were no longer entitled to benefit payments and were considered general creditors of the Company. As of December 31, 2020, the Company classified \$24 million of its U.S. pension benefit obligation as liabilities subject to compromise in its accompanying consolidated balance sheet which were paid through the claim settlement process in 2021.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following tables set forth the funded status and the net periodic pension cost of the Hertz Retirement Plan and other U.S. based retirement plans, other postretirement benefit plans including health care and life insurance plans covering domestic (i.e., U.S.) employees and the retirement plans for international operations ("Non-U.S."), together with amounts included in the accompanying consolidated balance sheets and statements of operations:

(In millions)	Pension Benefits				Postretirement Benefits (U.S.)	
	U.S.		Non-U.S.			
	2021	2020	2021	2020	2021	2020
Change in Benefit Obligation						
Benefit obligation as of January 1	\$ 522	\$ 559	\$ 340	\$ 286	\$ 12	\$ 12
Service cost	—	—	1	1	—	—
Interest cost	12	15	4	5	1	—
Plan curtailments	—	(2)	—	—	—	—
Plan settlements	(26)	(88)	(6)	(5)	—	—
Benefits paid	(27)	(3)	(5)	(6)	(1)	(1)
Foreign currency exchange rate translation	—	—	(7)	17	—	—
Actuarial (gain) loss	(16)	41	(20)	42	—	1
Benefit obligation as of December 31 ⁽¹⁾	\$ 465	\$ 522	\$ 307	\$ 340	\$ 12	\$ 12
Change in Plan Assets						
Fair value of plan assets as of January 1	\$ 488	\$ 503	\$ 258	\$ 228	\$ —	\$ —
Actual return gain on plan assets	9	74	4	28	—	—
Company contributions	24	2	5	4	1	1
Plan settlements	(26)	(88)	(6)	(5)	—	—
Benefits paid	(27)	(3)	(5)	(6)	(1)	(1)
Foreign currency exchange rate translation	—	—	(1)	9	—	—
Fair value of plan assets as of December 31	\$ 468	\$ 488	\$ 255	\$ 258	\$ —	\$ —
Funded Status of the Plan						
Plan assets less than benefit obligation	\$ 3	\$ (34)	\$ (52)	\$ (82)	\$ (12)	\$ (12)

(1) As a result of filing the Chapter 11 Cases, as disclosed in Note 1, "Background," participants of the Supplemental Plans were no longer entitled to benefit payments as of December 31, 2020 and were considered general creditors of the Company. As such, the Company classified \$24 million of its U.S. pension benefit obligation as liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020.

In 2021, discount rates increased, resulting in actuarial gains for the U.S. and Non-U.S. pension and postretirement plans. In addition, the Non-U.S. pension plans were revalued on new census data in 2021 resulting in an additional gain, which was mostly offset by a loss from an increase in the inflation assumption.

In 2020, discount rates decreased, resulting in actuarial losses for the U.S. and Non-U.S. pension and postretirement plans. In addition, an increase in the inflation assumption in 2020 resulted in an actuarial loss in the Non-U.S. pension plan.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(\$ in millions)	Pension Benefits				Postretirement Benefits (U.S.)	
	U.S.		Non-U.S.			
	2021	2020	2021	2020	2021	2020
Amounts recognized in balance sheets:						
Prepaid expenses and other assets	\$ 3	\$ —	\$ 30	\$ 14	\$ —	\$ —
Accrued liabilities	—	(34)	(82)	(96)	(12)	(12)
Net obligation recognized in the balance sheets	<u>\$ 3</u>	<u>\$ (34)</u>	<u>\$ (52)</u>	<u>\$ (82)</u>	<u>\$ (12)</u>	<u>\$ (12)</u>
Prior service credit	\$ —	\$ —	\$ (2)	\$ (2)	\$ —	\$ —
Net gain (loss)	(28)	(47)	(72)	(93)	—	(1)
Accumulated other comprehensive income (loss)	(28)	(47)	(74)	(95)	—	(1)
Funded/(Unfunded) accrued pension or postretirement benefit	31	13	22	13	(12)	(11)
Net obligation recognized in the balance sheets	<u>\$ 3</u>	<u>\$ (34)</u>	<u>\$ (52)</u>	<u>\$ (82)</u>	<u>\$ (12)</u>	<u>\$ (12)</u>
Total recognized in other comprehensive (income) loss	<u>\$ (20)</u>	<u>\$ (26)</u>	<u>\$ (21)</u>	<u>\$ 23</u>	<u>\$ (1)</u>	<u>\$ 1</u>
Total recognized in net periodic benefit cost and other comprehensive (income) loss	<u>\$ (14)</u>	<u>\$ (20)</u>	<u>\$ (20)</u>	<u>\$ 25</u>	<u>\$ (1)</u>	<u>\$ 1</u>
Accumulated Benefit Obligation as of December 31⁽¹⁾	<u>\$ 465</u>	<u>\$ 522</u>	<u>\$ 306</u>	<u>\$ 338</u>	<u>N/A</u>	<u>N/A</u>
Weighted-average assumptions as of December 31						
Discount rate	2.7 %	2.3 %	1.7 %	1.4 %	2.2 %	2.3 %
Expected return on assets	4.5 %	4.5 %	3.0 %	3.0 %	N/A	N/A
Average rate of increase in compensation	4.3 %	4.3 %	2.1 %	2.1 %	N/A	N/A
Interest crediting rate	3.8 %	3.8 %	N/A	N/A	N/A	N/A
Initial health care cost trend rate	N/A	N/A	N/A	N/A	5.6 %	5.5 %
Ultimate health care cost trend rate	N/A	N/A	N/A	N/A	4.0 %	4.5 %
Number of years to ultimate trend rate	N/A	N/A	N/A	N/A	25	18

N/A - Not applicable

(1) As a result of filing of the Chapter 11 Cases, as disclosed in Note 1, "Background," participants of the Supplemental Plans were no longer entitled to benefit payments as of December 31, 2020 and were considered general creditors of the Company. As such, the Company classified \$24 million of its U.S. pension benefit obligation as liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020.

The discount rate used to determine the December 31, 2021 and 2020 benefit obligations for U.S. pension plans was based on the rate from the Mercer Pension Discount Curve-Above Mean Yield that is appropriate for the duration of the Company's plan liabilities. For its plans outside the U.S., the discount rate reflected the market rates for an optimized subset of high-quality corporate bonds currently available with the discount rate in a country determined based on a yield curve constructed from high quality corporate bonds in that country. The rate selected from the yield curve has a duration that matches its plan.

The expected return on plan assets for each funded plan is based on expected future investment returns considering the target investment mix of plan assets.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table sets forth the net periodic pension and postretirement (including health care, life insurance and auto) expense charged to net income (loss). The components of net periodic pension expense (benefit), other than service cost, were included in other (income) expense, net in the accompanying consolidated statements of operations.

(\$ in millions)	Pension Benefits						Postretirement Benefits (U.S.)		
	U.S.			Non-U.S.					
	Years Ended December 31,								
	2021	2020	2019	2021	2020	2019	2021	2020	2019
Components of Net Periodic Pension and Postretirement Expense (Benefit)									
Service cost	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ 1	\$ —	\$ —	\$ —
Interest cost	12	15	21	4	5	6	1	—	—
Expected return on plan assets	(18)	(20)	(22)	(7)	(7)	(9)	—	—	—
Net amortizations	—	2	6	2	1	1	—	—	—
Settlement loss	12	9	5	1	2	—	—	—	—
Net pension and postretirement expense (benefit)	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ —</u>
Weighted-average discount rate for expense (January 1)	2.2 %	3.1 %	4.2 %	1.4 %	1.9 %	2.7 %	1.9 %	3.2 %	4.2 %
Weighted-average assumed long-term rate of return on assets (January 1)	4.5 %	4.8 %	6.3 %	3.0 %	3.2 %	4.8 %	N/A	N/A	N/A
Weighted-average interest crediting rate for expense	3.8 %	3.8 %	3.8 %	N/A	N/A	N/A	N/A	N/A	N/A
Initial health care cost trend rate	N/A	N/A	N/A	N/A	N/A	N/A	5.5 %	5.8 %	6.1 %
Ultimate health care cost trend rate (rate to which cost trend is expected to decline)	N/A	N/A	N/A	N/A	N/A	N/A	4.5 %	4.5 %	4.5 %
Number of years to ultimate trend rate	N/A	N/A	N/A	N/A	N/A	N/A	25	18	19

N/A - Not applicable

The net of tax loss in accumulated other comprehensive income (loss) as of December 31, 2021 and 2020 relating to pension benefits of the Hertz Retirement Plan was \$88 million and \$122 million, respectively.

The provisions charged to net income (loss) for the years ended December 31, 2021, 2020 and 2019 for all other pension plans were approximately \$5 million, \$6 million and \$11 million, respectively.

The provisions charged to net income (loss) for the years ended December 31, 2021, 2020 and 2019 for the defined contribution plans were approximately \$16 million, \$11 million and \$27 million, respectively.

Plan Assets

The Company has a long-term investment outlook for the assets held in the Company sponsored plans, which is consistent with the long-term nature of each plan's respective liabilities. The Company has two major plans which reside in the U.S. and the United Kingdom.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The U.S. Plan

The U.S. Plan (the "Plan") has a target asset allocation mix of 70% in investments intended to hedge the impact of capital market movements ("Immunizing Portfolio Investments"), comprised primarily of fixed income securities, and 30% in investments intended to earn more than the pension liability growth over the long-term ("Growth Portfolio Investments"). The Growth Portfolio Investments are primarily invested in passively managed equity funds, international and emerging market funds that are actively managed and non-investment grade fixed income funds. The overall strategy and the Immunizing Portfolio Investments are managed by professional investment managers. The investments within these asset classes are diversified in order to minimize the risk of large losses. The Plan assumes a 4.5% expected long-term annual weighted-average rate of return on assets.

The fair value measurements of the Company's U.S. pension plan assets are based upon inputs that reflect quoted prices for identical assets or liabilities in active markets that are observable (Level 1) and significant observable inputs (Level 2) that reflect quoted prices for similar assets or liabilities in active markets. The fair value measurements of the U.S. pension plan assets relate to common collective trusts and other pooled investment vehicles consisting of the following asset categories:

(In millions)	December 31, 2021			December 31, 2020		
	Level 1	Level 2	Measured at NAV ⁽¹⁾	Level 1	Level 2	Measured at NAV ⁽¹⁾
Asset Category						
Cash	\$ 5	\$ —	\$ —	\$ 6	\$ —	\$ —
Short Term Investments	—	27	—	—	28	—
Equity Funds ⁽²⁾ :						
U.S. Large Cap	—	59	—	—	66	—
U.S. Small Cap	—	7	—	—	11	—
International Large Cap	—	28	—	—	36	—
International Small Cap	—	5	—	—	7	—
International Emerging Markets	—	6	6	—	6	9
Fixed Income Securities:						
U.S. Treasuries	—	24	—	—	18	—
Corporate Bonds	—	247	—	—	245	—
Government Bonds	—	12	—	—	9	—
Municipal Bonds	—	10	—	—	10	—
Derivatives - Interest Rate	3	2	—	3	—	—
Non-Investment Grade Fixed Income ⁽²⁾	—	27	—	—	34	—
Total fair value of pension plan assets	\$ 8	\$ 454	\$ 6	\$ 9	\$ 470	\$ 9

- (1) Includes certain investments where the fair value measurement utilizes the net asset value ("NAV") and as such, are not classified in the fair value levels above.
- (2) The Level 2 investments relate to investment funds that publish daily NAV per unit. The daily NAV is available to participants in the funds and redemptions can be made daily at the current NAV. The fair value and units are determined and published, and are the basis for current transactions. The investments are not eligible for the NAV practical expedient. However, they are measured at the published NAV because the quoted NAV per unit represents the price at which the investment would be sold in a transaction between independent market participants.

The U.K. Plan

The Company's United Kingdom defined benefit pension plan (the "U.K. Plan") has a target allocation of 30% actively managed diversified growth and multi-asset credit funds, 10% passive equity funds and 60% protection portfolio that consists of liability driven investments, Sterling liquidity fund and United Kingdom corporate bonds. The actively managed diversified growth and multi-asset credit funds are intended to deliver a long-term equity-like return but with reduced levels of volatility. The protection portfolio is designed to partially hedge the interest rate and inflation expectation exposure of the liabilities which are measured on a local regulatory basis. The amount that is required to be invested in each fund to maintain target hedge ratios will vary over time as the

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

value of the liabilities change and the allocations within the protection portfolio will be allowed to vary accordingly. All of the invested assets of the U.K. Plan are held via pooled funds managed by professional investment managers. The U.K. Plan assumes a 3.0% expected long-term weighted-average rate of return on assets for the Plan in total.

The Company's U.K. Plan comprises \$248 million of the \$255 million in fair value of Non-U.S. plan assets as of December 31, 2021 and comprises \$251 million of the \$258 million in fair value of Non-U.S. plan assets as of December 31, 2020. The fair value measurements of the Company's U.K. Plan assets are based upon inputs that reflect quoted prices for identical assets or liabilities in active markets that are observable (Level 1) and significant observable inputs that reflect quoted prices for similar assets or liabilities in active markets (Level 2). The fair value measurements of the U.K. Plan assets relate to common collective trusts and other pooled investment vehicles consisting of the following asset categories:

(In millions)	December 31, 2021			December 31, 2020		
	Level 1	Level 2	Measured at NAV ⁽¹⁾	Level 1	Level 2	Measured at NAV ⁽¹⁾
Asset Category						
Actively Managed Multi-Asset Funds:						
Diversified Growth Funds ⁽²⁾	\$ —	\$ 37	\$ —	\$ —	\$ 39	\$ —
Multi Asset Credit	—	—	38	—	—	37
Passive Equity Funds:						
U.K. Equities ⁽²⁾	—	12	—	—	12	—
Overseas Equities ⁽²⁾	—	14	—	—	14	—
Passive Bond Funds:						
Corporate Bonds	—	27	—	—	27	—
Liability Driven Investments ⁽²⁾	—	96	—	—	98	—
Liquidity Fund	24	—	—	24	—	—
Total fair value of pension plan assets	\$ 24	\$ 186	\$ 38	\$ 24	\$ 190	\$ 37

(1) Includes certain investments where the fair value measurement utilizes NAV and as such, are not classified in the fair value levels above.

(2) The Level 2 investments relate to investment funds that publish daily NAV per unit. The daily NAV is available to participants in the funds and redemptions can be made daily at the current NAV. The fair value and units are determined and published, and are the basis for current transactions. The investments are not eligible for the NAV practical expedient. However, they are measured at the published NAV because the quoted NAV per unit represents the price at which the investment would be sold in a transaction between independent market participants.

Contributions

The Company's policy for funded plans is to contribute annually, at a minimum, amounts required by applicable laws, regulations and union agreements. From time to time, the Company makes contributions beyond those legally required. In 2021 and 2020, the Company did not make any cash contributions to its U.S. qualified pension plan.

In 2021 and 2020, the Company made contributions to its U.S. non-qualified pension plans of \$24 million and \$2 million, respectively. The Company made discretionary contributions of \$3 million to its U.K. Plan during each of the years ended December 31, 2021 and 2020.

The Company does not anticipate contributing to the U.S. qualified pension plan during 2022. The Company does not anticipate contributing any significant amounts to the U.K. Plan and anticipates contributing \$2 million to its other international plans during 2022. The level of 2022 and future contributions will vary, and is dependent on a number of factors including investment returns, interest rate fluctuations, plan demographics, funding regulations and the results of the final actuarial valuation.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Estimated Future Benefit Payments

The following table presents estimated future benefit payments:

(In millions)	Pension Benefits	Postretirement Benefits (U.S.)
2022	\$ 33	\$ 3
2023	33	1
2024	35	1
2025	36	1
2026	39	1
2027 to 2031	206	3
	<u>\$ 382</u>	<u>\$ 10</u>

Multiemployer Pension Plans

The Company contributes to several multiemployer defined benefit pension plans under collective bargaining agreements that cover certain of its union-represented employees. The risks of participating in such plans are different from the risks of a single-employer plan, in the following respects:

- a) Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- b) If a participating employer ceases to contribute to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- c) If the Company ceases to have an obligation to contribute to the multiemployer plan in which the Company had been a contributing employer, the Company may be required to pay to the plan an amount based on the underfunded status of the plan and on the history of its participation in the plan prior to the cessation of its obligation to contribute. The amount that an employer that has ceased to have an obligation to contribute to a multiemployer plan is required to pay to the plan is referred to as a withdrawal liability.

Amounts accrued for benefit payments under the Company's multiemployer pension plans of \$20 million represent the net present value of the projected liabilities from withdrawal claims as of December 31, 2021. The Company's participation in multiemployer plans is outlined in the table below. For plans that are not individually significant to the Company, the total amount of contributions is presented in the aggregate.

Pension Fund	EIN /Pension Plan Number	Pension Protection Act Zone Status		FIP / RP Status Pending /Implemented ⁽¹⁾	Contributions by The Hertz Corporation (In millions)			Surcharge Imposed	Expiration Dates of Collective Bargaining Agreements
		2021	2020		2021	2020	2019		
Western Conference of Teamsters	91-6145047	Green	Green	N/A	\$ 4	\$ 5	\$ 8	N/A	2/28/2022
Other Plans					1	2	4		
Total Contributions					<u>\$ 5</u>	<u>\$ 7</u>	<u>\$ 12</u>		

N/A Not applicable

- (1) Indicates whether a Funding Improvement Plan, as required under the Code to be adopted by plans in the "yellow" zone, or a Rehabilitation Plan, as required under the Code to be adopted by plans in the "red" zone, is pending or has been implemented as of the end of the plan year that ended in 2021.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 8—Stock-Based Compensation

The stock-based compensation expense associated with the Hertz Holdings stock-based compensation plans is pushed down from Hertz Global and recorded on the books at the Hertz level.

2021 Omnibus Incentive Plan

During the fourth quarter of 2021, Hertz Global's Board approved the Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan (the "2021 Omnibus Plan"). The 2021 Omnibus Plan is intended to satisfy the requirement as provided in the Plan of Reorganization to adopt a new management incentive equity plan. In accordance with the Plan of Reorganization, the Company is initially authorized to issue up to 62,250,055 shares of its common stock pursuant to awards granted under the 2021 Omnibus Plan. In addition, beginning on June 30, 2022, and ending on June 20, 2031 (an "Evergreen Date"), the total authorized shares under the 2021 Omnibus Plan will automatically increase by a number of shares equal to 2% of the total number of shares of the Company's common stock outstanding on the June 29th immediately preceding the applicable Evergreen Date. Notwithstanding the foregoing, the Company's Board may act prior to the Evergreen Date of a given year to provide that there will be no automatic increase for such year, or that the increase for such year will be a lesser number of shares. As of December 31, 2021, 56,840,434 shares of the Company's common stock are authorized and remain available for future grants under the 2021 Omnibus Plan.

During the year ended December 31, 2021, compensation expense of \$7 million and a related income tax benefit of \$2 million was recognized for grants made under the 2021 Omnibus Plan. As of December 31, 2021, there was \$105 million of total unrecognized compensation cost expected to be recognized over the remaining 2.8 years, on a weighted average basis, of the requisite service period that began on the grant dates.

The 2021 Omnibus Plan provides for the award of stock options, stock appreciation rights ("SARs"), performance stock, PSUs, performance units ("PUs"), restricted stock, RSUs, share awards and deferred stock units to eligible recipients. Under the 2021 Omnibus Plan, the Compensation Committee of the Board (the "Compensation Committee") has the authority to determine the eligible recipients to whom awards may be granted, the types of awards and their terms or conditions.

Stock Options and SARs

The 2021 Omnibus Plan provides that stock option grants may be either incentive stock options or non-statutory stock options, however, the Company may not grant incentive stock options until such time as the plan has been approved by the Company's stockholders. Except in the case of replacement awards, stock options will have an exercise price per share that is no less than fair market value of the Company's common stock on the stock option grant date.

SARs may be granted to participants in tandem with stock options or on their own. Unless otherwise determined by the Compensation Committee at or after the grant date, tandem SARs will have substantially similar terms as the stock options with which they are granted. Generally, each SAR will entitle the participant upon exercise to an amount (in cash, shares or a combination of cash and shares, as determined by the Compensation Committee) equal to the product of (i) the excess of (A) the fair market value on the exercise date of one share of common stock, over (B) the strike price per share, times (ii) the number of shares of common stock covered by the SAR.

The Company accounts for stock options as equity-classified awards and recognizes compensation cost on a straight-line basis over the vesting period. The value of each stock option award is estimated on the grant date using a Black-Scholes option valuation model that incorporates the assumptions noted in the following table.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Company calculates the expected volatility based on the historical movement of its stock price.

Assumption	Grants 2021
Expected volatility	75 %
Expected dividend yield	— %
Expected term (years)	6
Risk-free interest rate	1.19 %
Weighted-average grant date fair value	\$ 17.12

A summary of stock option activity under the 2021 Omnibus Plan as of December 31, 2021 is presented below:

Options	Shares	Weighted Average Exercise Price	Weighted- Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2021	—	\$ —	—	\$ —
Granted	3,682,215	26.17	—	—
Exercised	—	—	—	—
Forfeited or Expired	(3,360)	26.17	—	—
Outstanding as of December 31, 2021	<u>3,678,855</u>	26.17	9.9	—
Exercisable as of December 31, 2021	<u>—</u>	—	—	—
Non-vested as of December 31, 2021	<u>3,678,855</u>			

Performance Stock Awards, Performance Stock Units and Performance Units

PSAs, PSUs and PUs granted under the 2021 Omnibus Plan will vest based on the achievement of predetermined performance goals over performance periods determined by the Compensation Committee or upon the occurrence of certain events, as determined by the Compensation Committee. PSAs are awards of common stock that are subject to forfeiture until predetermined performance conditions have been achieved. A PSU is a contractual right to receive a stated number of shares of common stock, or if provided by the Compensation Committee on or after the grant date, cash equal to the fair market value of such shares of common stock or any combination of shares of common stock and cash having an aggregate fair market value equal to such stated number of shares of common stock, which right is forfeitable until the achievement of predetermined performance conditions. PUs represent the right to receive a cash denominated award, payable in cash or shares of common stock or a combination thereof, and are forfeitable until the achievement of predetermined performance conditions.

As of December 31, 2021, there were no issued or outstanding grants of PSAs, PSUs or PUs under the 2021 Omnibus Plan.

Restricted Stock and Restricted Stock Units

Restricted stock and RSUs granted under the Omnibus Plan will vest based on a minimum period of service or the occurrence of events specified by the Compensation Committee. Restricted stock and RSUs are subject to forfeiture until vested. Compensation expense for RSUs is based on the grant date fair value, and is recognized ratably over the vesting period. For grants issued in 2021, the vesting period is three years except for 500,000 shares which will vest in the first half of 2022.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

A summary of RSU activity as of and for the year ended December 31, 2021 under the 2021 Omnibus Plan is presented below:

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2021	—	\$ —	\$ —
Granted	1,727,406	26.17	—
Vested	—	—	—
Forfeited or Expired	(1,120)	26.17	—
Outstanding as of December 31, 2021	<u>1,726,286</u>	26.17	43

Additional information pertaining to RSU activity under the 2021 Omnibus Plan was as follows:

	Years Ended December 31, 2021
Total fair value of awards that vested (in millions)	\$ —
Weighted-average grant-date fair value of awards	26.17

Deferred Stock Units

Each deferred stock unit granted under the 2021 Omnibus Plan represents a contractual right to receive a stated number of shares of common stock of the Company or if provided by the Compensation Committee in accordance with the 2021 Omnibus Plan on or after the grant date, cash equal to the fair value of such shares of common stock or any combination of shares of common stock and cash having an aggregate fair market value equal to such stated number of shares of common stock, on a specified future date. During the year ended December 31, 2021, there were approximately 24,000 outstanding shares of deferred stock units under the 2021 Omnibus Plan.

2016 Omnibus Incentive Plan

On the Effective Date, in accordance with the Plan of Reorganization, all existing common stock and outstanding equity awards under the 2016 Omnibus Incentive Plan (the "2016 Omnibus Plan") were cancelled without any distribution, and the 2016 Omnibus Plan was deemed to be cancelled. As a result, the Company recognized \$10 million related to the unrecognized portion of share-based compensation under the terminated 2016 Omnibus Plan in reorganization expense during the second quarter of 2021, which is reflected in the Company's consolidated statement of operations for the year ended December 31, 2021. See Note 21, "Reorganization Items, Net."

As amended, the 2016 Omnibus Plan contained 11,767,723 shares which were available to grant pursuant to the terms and conditions of the 2016 Omnibus Plan before its termination on the Effective Date.

A summary of the total compensation expense and associated income tax benefits recognized for the 2016 Omnibus Plan, including the cost of stock options, RSUs, PSUs and PSAs is as follows:

(In millions)	Years Ended December 31,		
	2021	2020	2019
Compensation expense (credit)	\$ 3	\$ (2)	\$ 18
Income tax provision (benefit)	(1)	—	(2)
Total	<u>\$ 2</u>	<u>\$ (2)</u>	<u>\$ 16</u>

As of December 31, 2021, there was no unrecognized compensation cost related to the 2016 Omnibus Plan as the plan was deemed cancelled on the Effective Date.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Stock Options and SARs

All stock options and SARs granted under the 2016 Omnibus Plan had a per-share exercise price of not less than the fair market value of one share of Hertz Global's common stock on the grant date. Stock options and SARs vested based on a minimum period of service or the occurrence of events (such as a change in control, as defined in the 2016 Omnibus Plan) specified by the Compensation Committee of the Board. No stock options or SARs were exercisable after a maximum of ten years from the grant date.

The Company accounted for stock options as equity-classified awards and recognized compensation cost on a straight-line basis over the vesting period. The value of each option award was estimated on the grant date using a Black-Scholes option valuation model that incorporated the assumptions noted in the following table. The Company calculated the expected volatility based on the historical movement of its stock price.

Assumption	Grants		
	2021 ⁽¹⁾	2020 ⁽¹⁾	2019 ⁽²⁾
Expected volatility	— %	— %	68.5 %
Expected dividend yield	— %	— %	— %
Expected term (years)	0	0	7
Risk-free interest rate	— %	— %	1.93 %
Weighted-average grant date fair value	\$ —	\$ —	\$ 9.19

(1) There were no options approved to be granted by the Compensation Committee in 2021 or 2020.

(2) Options granted in 2019 were solely related to the incremental grants awarded as part of the 2019 Rights Offering, as disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global."

A summary of stock option activity under the 2016 Omnibus Plan as of December 31, 2021 is presented below:

Options	Shares	Weighted Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Outstanding as of January 1, 2021	99,038	\$ 34.76	2.3	\$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited or Expired ⁽¹⁾	(99,038)	34.76	—	—
Outstanding as of December 31, 2021	—	—	—	—
Exercisable as of December 31, 2021	—	—	—	—

(1) Includes all remaining outstanding stock options that were deemed to be cancelled on the Effective Date.

A summary of non-vested stock option activity under the 2016 Omnibus Plan as of December 31, 2021 is presented below:

	Non-vested Shares	Weighted-Average Exercise Price	Weighted-Average Grant-Date Fair Value
Non-vested as of January 1, 2021	23,249	\$ 18.07	\$ 9.06
Granted	—	—	—
Vested	—	—	—
Forfeited or expired ⁽¹⁾	(23,249)	18.07	9.06
Non-vested as of December 31, 2021	—	—	—

(1) Includes all outstanding non-vested stock options that were deemed to be cancelled on the Effective Date.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Additional information pertaining to stock option activity under the 2016 Omnibus Plan is as follows:

(In millions)	Years Ended December 31,		
	2021	2020	2019
Aggregate intrinsic value of stock options exercised	\$ —	\$ —	\$ —
Cash received from the exercise of stock options	—	—	—
Fair value of options that vested	—	—	5
Tax benefit realized on exercise of stock options	—	—	—

Performance Stock Awards, Performance Stock Units, Restricted Stock and Restricted Stock Units

The 2020 threshold performance achievement set forth in the 2018, 2019 and 2020 PSU awards under the 2016 Omnibus Plan failed to be met due to the COVID-19 pandemic impact on the Company's financial results. Additionally, on August 4, 2020, in recognition of the Chapter 11 Cases, all long-term incentive plans were frozen and as such, no additional common shares of the Company could be issued for PSA, PSU, or RSU equity awards under the 2016 Omnibus Plan.

A summary of the PSU and PSA activity as of December 31, 2021 under the 2016 Omnibus Plan is presented below:

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2021	1,813,305	\$ 16.47	\$ 2
Granted	—	—	—
Vested	—	—	—
Forfeited or Expired ⁽¹⁾	(1,813,305)	16.47	—
Outstanding as of December 31, 2021	—	—	—

(1) Included all outstanding PSUs and PSAs under the 2016 Omnibus Plan that were deemed to be cancelled on the Effective Date.

A summary of RSU activity as of and for the year ended December 31, 2021 under the 2016 Omnibus Plan is presented below:

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2021	782,056	\$ 15.11	\$ 1
Granted	—	—	—
Vested	—	—	—
Forfeited or Expired ⁽¹⁾	(782,056)	15.11	—
Outstanding as of December 31, 2021	—	—	—

(1) Included all outstanding RSUs under the 2016 Omnibus Plan that were deemed to be cancelled on the Effective Date.

Additional information pertaining to RSU activity under the 2016 Omnibus Plan is as follows:

	Years Ended December 31,		
	2021	2020	2019
Total fair value of awards that vested (In millions)	\$ —	\$ 8	\$ 12
Weighted-average grant date fair value of awards	—	12.18	18.66

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 9—Leases

The Company adopted Topic 842 in accordance with the effective date on January 1, 2019. In the Revenue Recognition section of Note 2, "Significant Accounting Policies," the Company discloses that revenue earned from vehicle rentals and from other forms of rental related activities wherein an identified asset is transferred to the customer and the customer has the ability to control that asset, is accounted for under Topic 842.

The Company enters into certain agreements as a lessor under which it rents vehicles and leases fleets to customers. The Company enters into certain agreements as a lessee to rent real estate, vehicles and other equipment and to conduct its vehicle rental operations under concession agreements. If any of the following criteria are met, the Company classifies the lease as a financing lease (as a lessee) or as a direct financing or sales-type lease (both as a lessor):

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
- The lease grants the lessee an option to purchase the underlying asset that the Company is reasonably certain to exercise;
- The lease term is for 75% or more of the remaining economic life of the underlying asset, unless the commencement date falls within the last 25% of the economic life of the underlying asset;
- The present value of the sum of the lease payments equals or exceeds 90% of the fair value of the underlying asset; or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Leases that do not meet any of the above criteria are accounted for as operating leases.

The Company combines lease and non-lease components in its contracts under Topic 842, when permissible.

The following further describes the Company's leasing transactions.

Lessor

The Company's operating leases for vehicle rentals have rental periods that are typically short term (e.g., daily or weekly) and can generally be extended for up to one month or terminated at the customer's discretion. Rental charges are computed on a limited or unlimited mileage rate, or on a time rate plus a mileage charge. In connection with the vehicle rental, the Company offers supplemental equipment rentals (e.g., child seats and ski racks) which are deemed lease components. The Company also offers value-added services in connection with the vehicle rental, which are deemed non-lease components, such as loss or collision damage waiver, theft protection, liability and personal accident/effects insurance coverage, premium emergency roadside service and satellite radio. Additionally, the Company charges for variable services primarily consisting of tolls and refueling charges incurred during the rental period, and for fees associated with the early or late termination of the vehicle lease. The Company mitigates residual value risk of its revenue earning vehicles by utilizing manufacturer repurchase and guaranteed depreciation programs, using sophisticated vehicle diagnostic and repair equipment to maintain the condition of its vehicles and through periodic reviews of vehicle depreciation rates based on management's ongoing assessment of present and estimated future market conditions.

Prior to the Donlen Sale on March 30, 2021, as further disclosed in Note 3, "Divestitures," the Company had operating leases for fleets as part of its Donlen business which had lease periods that were typically for twelve months, after which the lease converted to a month-to-month lease, allowing the vehicle to be surrendered any time thereafter. These leases contained terminal rental adjustment clauses which were considered variable charges.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table summarizes the amount of operating lease income and other income included in total revenues in the accompanying consolidated statements of operations for the years ended December 31, 2021, 2020 and 2019:

(In millions)	2021	2020	2019
Operating lease income from vehicle rentals	\$ 6,885	\$ 4,320	\$ 8,579
Operating lease income from fleet leasing	149	639	674
Variable operating lease income	131	30	164
Revenue accounted for under Topic 842	7,165	4,989	9,417
Revenue accounted for under Topic 606	171	269	362
Total revenues	<u>\$ 7,336</u>	<u>\$ 5,258</u>	<u>\$ 9,779</u>

Lessee

As a lessee, the Company has the following types of operating leases:

- Concession agreements which grant the Company the right to conduct its vehicle rental operations at airports, hotels and train stations and to use building space such as terminal counters and parking garages;
- Real estate leases for its off airport vehicle rental locations and other premises;
- Revenue earning vehicle leases; and
- Other equipment leases.

The Company's lease terms generally range from one month to thirty-five years and a number of agreements contain escalation clauses, which increase the payment obligation based on a fixed or variable rate and renewal options. The length of renewals vary and may result in different payment terms. Payment terms are based on fixed rates explicit in the lease, including guaranteed minimums and/or variable rates based on:

- Operating expenses, such as common area charges, real estate taxes and insurance;
- A percentage of revenues or sales arising at the relevant premises; and/or
- Periodic inflation adjustments.

The Company recognizes a right-of-use asset and lease liability in its accompanying consolidated balance sheets for leases with a term greater than twelve months. Options to extend or terminate a lease are included in the Company's right-of-use asset and lease liability when it is reasonably certain that such options will be exercised. The Company does not recognize right-of-use assets or lease liabilities for short-term leases (i.e., those with a term of twelve months or less) and recognizes lease expense on a straight-line basis over the lease term, as applicable.

To determine the present value of its lease payments, the Company utilizes the interest rate implicit in the lease agreement. If the implicit interest rate cannot be determined in the lease agreement, the Company utilizes the Company's collateralized incremental borrowing rate as of the date of adoption, January 1, 2019, or the commencement date of the lease, whichever is later.

As a result of the impact from COVID-19 as disclosed in Note 1, "Background," the Company received rent concessions in the form of abatement and payment deferrals of fixed and variable rent payments for its airport and off airport locations in the amount of approximately \$300 million during the year ended December 31, 2020, which substantially represented amounts previously due in 2020. The Company elected to apply the accounting relief provided by the FASB and elected to not evaluate whether the concession was a modification. The Company accounted for the concession as if it was part of the existing contract.

In 2021 and 2020, the Bankruptcy Court entered the Lease Rejection Orders which applied, in the aggregate, to 278 and 359 off airport locations, respectively, and to 34 and 66 airport locations, respectively, in the Company's Americas RAC segment.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table summarizes the amount of lease costs incurred by the Company for the years ended December 31, 2021, 2020 and 2019:

(In millions)	Years ended December 31,		
	2021	2020	2019
Minimum fixed lease costs:			
Short-term lease costs	\$ 171	\$ 142	\$ 130
Operating lease costs	449	527	545
Total	620	669	\$ 675
Variable lease costs	165	23	326
Total lease costs	\$ 785	\$ 692	\$ 1,001

The following summarizes the weighted-average remaining lease term and weighted-average discount rate for the Company's operating leases as a lessee as of December 31, 2021:

Weighted-average remaining lease term (in years)	11.8
Weighted-average discount rate	10.3 %

The following table summarizes the Company's minimum fixed lease obligations under existing agreements as a lessee, excluding variable concession obligations in excess of minimum annual guarantees and short-term leases, as of December 31, 2021:

(In millions)	
2022	\$ 390
2023	341
2024	275
2025	212
2026	165
After 2026	1,153
Total lease payments	2,536
Interest	(1,026)
Operating lease liabilities as of December 31, 2021	\$ 1,510

Note 10—Restructuring

Europe Restructuring

Due to the continued impact from COVID-19 as disclosed in Note 1, "Background," and reductions in European government support, the Company initiated a restructuring program in March 2021 in its International RAC segment. The total number of employees affected for the year ended December 31, 2021 was approximately 900. The program is expected to be completed in 2022.

U.S. Restructuring

Due to the impact from COVID-19 as disclosed in Note 1, "Background," the Company initiated a restructuring program beginning in April 2020, affecting approximately 11,000 U.S. employees in its Americas RAC segment and corporate operations. This program was substantially completed in the third quarter of 2020.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Restructuring Charges

Restructuring charges under these programs are as follows:

(In millions)	Years ended December 31,	
	2021	2020
By Type:		
Termination benefits	\$ 27	\$ 37
Lease and contract terminations	3	—
Facility closures	2	—
Total	<u>\$ 32</u>	<u>\$ 37</u>

(In millions)	Years ended December 31,	
	2021	2020
By Caption:		
Direct vehicle and operating	\$ 16	\$ 25
Selling, general and administrative	16	12
Total	<u>\$ 32</u>	<u>\$ 37</u>

(In millions)	Years ended December 31,	
	2021	2020
By Segment:		
Americas RAC segment	\$ —	\$ 34
International RAC segment	32	—
Corporate operations	—	3
Total	<u>\$ 32</u>	<u>\$ 37</u>

The tables above do not include pension-related settlement charges incurred during the year ended December 31, 2020. See Note 7, "Employee Retirement Benefits."

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table summarizes the activity affecting the restructuring accrual, which is recorded in accrued liabilities or, for the year ended December 31, 2020, reclassified to liabilities subject to compromise in the accompanying consolidated balance sheet.

(In millions)	Termination Benefits	Other	Total
Balance as of December 31, 2019	\$ 1	\$ —	\$ 1
Charges incurred	37	—	37
Cash payments	(29)	—	(29)
Classified to liabilities subject to compromise ⁽¹⁾	(7)	—	(7)
Other	(2)	—	(2)
Balance as of December 31, 2020	—	—	—
Charges incurred	27	5	32
Cash payments	(32)	—	(32)
Other non-cash reductions	—	(3)	(3)
Reclassified from liabilities subject to compromise ⁽¹⁾	7	—	7
Balance as of December 31, 2021	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 4</u>

(1) As a result of filing the Chapter 11 Cases, the Company classified \$7 million of restructuring charges to liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020. On the Effective Date, in connection with the Plan of Reorganization, the Company reclassified \$7 million of accrued and unpaid restructuring charges from liabilities subject to compromise. See Note 20, "Liabilities Subject to Compromise."

Note 11—Income Tax (Provision) Benefit

The components of income (loss) before income taxes for the Company's domestic and foreign operations are as follows:

Hertz Global

(In millions)	As of December 31,		
	2021	2020	2019
Domestic	\$ 710	\$ (1,692)	\$ 28
Foreign	(27)	(360)	(15)
Total income (loss) before income taxes	<u>\$ 683</u>	<u>\$ (2,052)</u>	<u>\$ 13</u>

Hertz

(In millions)	As of December 31,		
	2021	2020	2019
Domestic	\$ 1,501	\$ (1,823)	\$ 35
Foreign	(27)	(360)	(15)
Total income (loss) before income taxes	<u>\$ 1,474</u>	<u>\$ (2,183)</u>	<u>\$ 20</u>

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The total income tax provision (benefit) consists of the following:

Hertz Global and Hertz

(In millions)	As of December 31,		
	2021	2020	2019
Current:			
Federal	\$ —	\$ —	\$ —
Foreign	24	18	20
State and local	21	4	16
Total current	45	22	36
Deferred:			
Federal	252	(356)	1
Foreign	19	35	(1)
State and local	2	(30)	27
Total deferred	273	(351)	27
Total provision (benefit) - Hertz Global	318	(329)	63
Federal deferred tax (provision) benefit applicable to Hertz Holdings	—	1	2
Total provision (benefit) - Hertz	\$ 318	\$ (328)	\$ 65

The principal items of the U.S. and foreign net deferred tax assets and liabilities are as follows:

Hertz Global and Hertz

(In millions)	As of December 31,	
	2021	2020
Deferred tax assets:		
Employee benefit plans	\$ 14	\$ 44
Net operating loss carry forwards	1,321	825
Capital loss carryforwards	167	3
Federal and state tax credit carry forwards	64	55
Accrued and prepaid expenses	195	124
Operating lease liabilities	390	390
Total deferred tax assets	2,151	1,441
Less: valuation allowance	(690)	(651)
Total net deferred tax assets	1,461	790
Deferred tax liabilities:		
Depreciation on tangible assets	(1,342)	(380)
Intangible assets	(711)	(723)
Operating lease right-of-use assets	(408)	(406)
Total deferred tax liabilities	(2,461)	(1,509)
Net deferred tax liability - Hertz Global	(1,000)	(719)
Deferred tax asset - net operating loss applicable to Hertz Holdings	(3)	(5)
Net deferred tax liability - Hertz	\$ (1,003)	\$ (724)

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Hertz Global and Hertz

In determining valuation allowances, an assessment of positive and negative evidence was performed regarding realization of the deferred tax assets. This assessment included the evaluation of cumulative earnings and losses in recent years, scheduled reversals of deferred tax liabilities, the availability of carryforwards and the remaining period of the respective carry forward, future taxable income and any applicable tax-planning strategies that are available.

As of December 31, 2021, the Company has U.S. federal net operating loss carryforwards ("Federal NOLs") of approximately \$4.0 billion, \$839 million tax effected and federal tax credits of approximately \$28 million. Federal NOLs have an indefinite carryforward period, which may offset 80% of taxable income generated in any future year. The federal tax credits begin expiring in 2035. The Company has not recorded a valuation allowance on its Federal NOLs or federal tax credits as there were adequate U.S. deferred tax liabilities that could be realized within the carry forward periods.

During 2021 as part of a restructuring of the European operations, we generated a tax loss of approximately \$1.3 billion, which was characterized as a capital loss in the 2021 provision. Separately, the company generated approximately \$600 million of taxable capital gains on the disposition of the Donlen Corporation. As a result, the Company has approximately \$670 million, \$141 million U.S, federal tax-effected, of capital loss carryforward for which a full valuation allowance is recorded. The Company has filed a request for a pre-filing agreement with the Internal Revenue Service to determine whether the capital loss on European restructuring qualifies as an ordinary loss.

As of December 31, 2021, the Company has state net operating loss carryforwards ("State NOLs") of approximately \$4.8 billion of which \$1.0 billion have an indefinite utilization period with remaining State NOLs beginning to expire in 2022. The tax effected State NOLs are recorded as a deferred tax asset in the amount of \$245 million, and are offset, in part, by a valuation allowance totaling \$171 million. In addition, as of December 31, 2021, the Company had approximately \$35 million in state tax credits that are fully offset by a valuation allowance. The state tax credits expire over various years beginning in 2022 depending upon when they were generated and the particular jurisdiction.

As of December 31, 2021, the Company has foreign net operating loss carry forwards ("Foreign NOLs") of approximately \$1.0 billion, of which \$911 million have an indefinite utilization period with the remaining Foreign NOLs beginning to expire in 2024. The tax effected Foreign NOLs are recorded as a deferred tax asset of \$239 million, and are offset by valuation allowances totaling \$239 million. In addition, as of December 31, 2021, the Company has no tax credits in foreign jurisdictions.

Due to the ownership changes before and upon emergence from Chapter 11, the utilization of the Company's Federal, State and Foreign NOLs may be subject to limitations. Estimates of these limitations have been reflected in the tax provision.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The significant items in the reconciliation of the statutory and effective income tax rates consists of the following items in the table below. Percentages are calculated from the underlying numbers in thousands, and as a result, may not agree to the amount when calculated in millions.

Hertz Global and Hertz

	Years Ended December 31,		
	2021	2020	2019
Statutory federal tax rate	21 %	21 %	21 %
State and local income taxes, net of federal effect	7	5	(102)
Change in state rates, net of federal effect	2	1	(17)
Foreign tax rate differential	—	—	(31)
Change in foreign statutory rates	(2)	—	15
Federal and foreign permanent differences	1	—	(3)
Tax credits	(1)	—	(75)
Withholding taxes	1	—	62
Valuation allowance	11	(11)	591
Change in fair value of public warrants	22	—	—
Non-deductible bankruptcy expenses	15	—	—
European reorganization	(46)	—	—
Uncertain tax positions	12	—	29
U.S. tax on foreign earnings	2	—	—
Stock option shortfalls	—	—	7
Other	2	—	3
Effective tax rate - Hertz Global	47	16	500
Hertz Holdings exclusive items	(25)	(1)	(174)
Effective tax rate - Hertz	22 %	15 %	326 %

The Company recorded a tax provision in 2021 compared to a tax benefit in 2020. The change was primarily driven by improvements in the Company's financial performance in 2021, changes in the mix of earnings and losses in jurisdictions for which no tax benefit can be recognized, non-deductible bankruptcy expenses, and reduced by the tax benefits of the European reorganization. Hertz Holdings exclusive items are comprised of transactions specific to Hertz Holdings only.

The Company recorded a tax benefit in 2020 compared to a tax provision in 2019. The change was due primarily to significant losses in 2020 resulting from the effect of COVID-19, offset, in part, by the impact of valuation allowances on net deferred tax assets.

As of December 31, 2021, total unrecognized tax benefits are \$106 million and, if settled, \$35 million would favorably impact the effective tax rate in future periods. However, considering correlative adjustments associated

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

with some uncertain tax positions, the net impact on the income tax provision would be approximately \$9 million if settled. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

Hertz Global and Hertz

(In millions)	Years Ended December 31,					
	2021		2020		2019	
Balance as of January 1	\$	53	\$	48	\$	49
Increase (decrease) attributable to tax positions taken during prior periods		65		5		5
Increase (decrease) attributable to tax positions taken during the current year		19		1		1
Decrease attributable to settlements with taxing authorities		(31)		(1)		(7)
Balance as of December 31	\$	106	\$	53	\$	48

The Company is subject to examination by taxing authorities throughout the world. The tax years that are open for examination span from 2008 to 2021.

During 2020, the IRS proposed transfer pricing adjustments to the Company's 2014 and 2015 tax years, for which the company is pursuing competent authority relief. In the second quarter of 2021, the IRS concluded its audit of the Company's 2016 tax year which resulted in no audit adjustments.

During June 2021, the Company received final resolution to its request for competent authority relief concerning a German and U.S. transfer pricing matter covering the 2005 - 2010 tax years. The Company has reassessed its uncertain tax positions upon receipt of the new information for tax years 2011 - 2021, which did not result in a material adjustment as it reduced an NOL with a full valuation allowance. The Company's assumptions and estimates pertaining to uncertain tax positions require significant judgment. It is possible that the tax authorities could challenge the Company's estimates and assumptions used to assess the tax benefits, and the actual amount of the tax benefits related to uncertain tax positions may differ materially from these estimates.

Additionally, the Company is under audit in several U.S. states and other foreign jurisdictions, and it is reasonably possible that the amount of unrecognized tax benefits may change as the result of the completion of ongoing examinations, the expiration of the statute of limitations or other unforeseen circumstances. The amount that is reasonably possible to change during the next twelve months is not expected to be significant.

Net, after-tax interest and penalties related to tax liabilities are classified as a component of income tax in the accompanying consolidated statements of operations which were not significant for the years ended December 31, 2021, 2020 and 2019. Net, after-tax interest and penalties were accrued as a component of tax in the Company's consolidated balance sheet in the amount of \$7 million and \$9 million as of December 31, 2021 and 2020, respectively.

Beginning the first quarter of 2020, Hertz Global no longer asserts permanent reinvestment of foreign earnings with respect to its non-U.S. earnings, due to the impact from COVID-19 as disclosed in Note 1, "Background."

Note 12—Fair Value Measurements

Under U.S. GAAP, entities are allowed to measure certain financial instruments and other items at fair value. The Company has not elected the fair value measurement option for any of its assets or liabilities that meet the criteria for this option. Irrespective of the fair value option previously described, U.S. GAAP requires certain financial and non-financial assets and liabilities of the Company to be measured on either a recurring basis or on a nonrecurring basis.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Fair Value Disclosures

The fair value of cash, restricted cash, accounts receivable, accounts payable and accrued liabilities, to the extent the underlying liability will be settled in cash, approximates the carrying values because of the short-term nature of these instruments.

Debt Obligations

The fair value of the debt facilities is estimated based on quoted market rates as well as borrowing rates currently available to the Company for loans with similar terms and average maturities (i.e. Level 2 inputs).

(In millions)	December 31, 2021		December 31, 2020	
	Nominal Unpaid Principal Balance	Aggregate Fair Value	Nominal Unpaid Principal Balance	Aggregate Fair Value
Non-Vehicle Debt ⁽¹⁾	\$ 3,055	\$ 3,065	\$ 4,747	\$ 3,382
Vehicle Debt	7,954	7,908	6,087	6,021
Total	\$ 11,009	\$ 10,973	\$ 10,834	\$ 9,403

(1) Includes Non-Vehicle Debt included in liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020. See Note 6, "Debt."

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table summarizes the Company's cash equivalents, restricted cash equivalents and Public Warrants that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy as follows:

(In millions)	December 31, 2021				December 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Cash equivalents and restricted cash equivalents	\$ 1,678	\$ —	\$ —	\$ 1,678	\$ 723	\$ —	\$ —	\$ 723
Liabilities:								
Public warrants	\$ 1,324	\$ —	\$ —	\$ 1,324	\$ —	\$ —	\$ —	\$ —

Cash Equivalents and Restricted Cash Equivalents

The Company's cash equivalents and restricted cash equivalents primarily consist of investments in money market funds and bank money market and interest-bearing accounts. The Company determines the fair value of cash equivalents and restricted cash equivalents using a market approach based on quoted prices in active markets (i.e. Level 1 inputs).

Public Warrants

Under the Plan of Reorganization, reorganized Hertz Global issued Public Warrants, which are classified as liabilities at fair value in the accompanying consolidated balance sheet as of December 31, 2021 in accordance with the provisions of ASC 480, *Distinguishing Liabilities from Equity* ("Topic 480"). See Note 18, "Public Warrants - Hertz Global," for further details. Upon issuance on the Effective Date, the initial fair value of the Public Warrants was \$800 million. The Company calculates the fair value based on the end-of-day quoted market price, a Level 1 input of the fair value hierarchy. For the year ended December 31, 2021, the fair value adjustment was a loss of \$627 million and is recorded in change in fair value of Public Warrants in the accompanying consolidated statement of operations for Hertz Global for the year ended December 31, 2021.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

Donlen Assets

As of December 31, 2020 as a result of the then-impending Donlen Sale, the associated assets and liabilities were classified as assets held for sale and liabilities held for sale, respectively, in the accompanying consolidated balance sheet as of December 31, 2020 and were recorded at the lower of carrying value or fair value less any costs to sell. The Company completed the Donlen Sale on March 30, 2021. See Note 3, "Divestitures," for additional information.

Note 13—Accumulated Other Comprehensive Income (Loss)

Changes in the accumulated other comprehensive income (loss) balance by component (net of tax) is as follows:

(In millions)	Pension and Other Post-Employment Benefits	Foreign Currency Items	Unrealized Losses from Currency Translation Adjustments on Terminated Net Investment Hedges	Accumulated Other Comprehensive Income (Loss)
Balance as of January 1, 2021	\$ (122)	\$ (71)	\$ (19)	\$ (212)
Other comprehensive income (loss) before reclassification	22	(36)	—	(14)
Amounts reclassified from accumulated other comprehensive income (loss)	12	—	—	12
Balance as of December 31, 2021	<u>\$ (88)</u>	<u>\$ (107)</u>	<u>\$ (19)</u>	<u>\$ (214)</u>

(In millions)	Pension and Other Post-Employment Benefits	Foreign Currency Items	Unrealized Losses from Currency Translation Adjustments on Terminated Net Investment Hedges	Accumulated Other Comprehensive Income (Loss)
Balance as of January 1, 2020	\$ (118)	\$ (52)	\$ (19)	\$ (189)
Other comprehensive income (loss) before reclassification	(15)	(19)	—	(34)
Amounts reclassified from accumulated other comprehensive income (loss)	11	—	—	11
Balance as of December 31, 2020	<u>\$ (122)</u>	<u>\$ (71)</u>	<u>\$ (19)</u>	<u>\$ (212)</u>

Note 14—Contingencies and Off-Balance Sheet Commitments

Legal Proceedings

Self-Insured Liabilities

The Company is currently a defendant in numerous actions and has received numerous claims on which actions have not yet commenced for self-insured liabilities arising from the operation of motor vehicles rented from the Company. The obligation for self-insured liabilities on self-insured U.S. and international vehicles, as stated in the accompanying consolidated balance sheets, represents an estimate for both reported accident claims not yet paid and claims incurred but not yet reported. The related liabilities are recorded on an undiscounted basis and are based on rental volume and actuarial evaluations of historical accident claim experience and trends, as well as future projections of ultimate losses, expenses, premiums and administrative costs. As of December 31, 2021 and 2020, the Company's liability recorded for self-insured liabilities was \$463 million and \$488 million, respectively. The Company believes that its analysis is based on the most relevant information available, combined with reasonable

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

assumptions. The liability is subject to significant uncertainties. The adequacy of the liability is regularly monitored based on evolving accident claim history and insurance related state legislation changes. If the Company's estimates change or if actual results differ from these assumptions, the amount of the recorded liability is adjusted to reflect these results.

Loss Contingencies

From time to time the Company is a party to various legal proceedings, typically involving operational issues common to the vehicle rental business, including claims by employees, former employees and governmental investigations. The Company has summarized below the material legal proceedings to which the Company was a party during the year ended December 31, 2021 or the period after December 31, 2021, but before the filing of this 2021 Annual Report.

In re Hertz Global Holdings, Inc. Securities Litigation - In November 2013, a purported shareholder class action, Pedro Ramirez, Jr. v. Hertz Global Holdings, Inc., et al., was commenced in the U.S. District Court for the District of New Jersey naming Old Hertz Holdings and certain of its officers as defendants and alleging violations of the federal securities laws. The complaint alleged that Old Hertz Holdings made material misrepresentations and/or omissions of material fact in certain of its public disclosures in violation of Section 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder. The complaint sought an unspecified amount of monetary damages on behalf of the purported class and an award of costs and expenses, including counsel fees and expert fees. The complaint, as amended, was dismissed with prejudice on April 27, 2017 and on September 20, 2018, the Third Circuit affirmed the dismissal of the complaint with prejudice. On February 5, 2019, the plaintiffs filed a motion asking the federal district court to exercise its discretion and allow the plaintiffs to reinstate their claims to include additional allegations from the administrative order agreed to by the SEC and the Company in December 2018, which was supplemented by reference to the Company's subsequently filed litigation against former executives (disclosed below). On September 30, 2019, the federal district court of New Jersey denied the plaintiffs' motion for relief from the April 27, 2017 judgment and a related motion to allow the filing of a proposed fifth amended complaint. On October 30, 2019, the plaintiffs filed a notice of appeal with the U.S. Court of Appeals for the Third Circuit. The parties fully briefed the appeal and oral argument had been scheduled for June 19, 2020. As a result of the Company's bankruptcy, the appeal was stayed as to the Company, but the plaintiffs advocated that the appeal could proceed against the individual defendants. On October 13, 2020, the Third Circuit affirmed the District Court's dismissal of the plaintiffs' motion for relief against the individual defendants since the motion was not timely filed and the appeal as to the Company remained stayed. In February 2021, the parties participated in a bankruptcy-related mediation process and arrived at a tentative settlement wherein the Company would pay a \$250,000 cash settlement. In return, the plaintiffs would voluntarily dismiss all claims in the underlying action with prejudice and withdraw the plaintiffs' Proofs of Claim with prejudice. On March 12, 2021, the Bankruptcy Court approved the tentative settlement and the terms of the settlement have now been fully implemented. This matter is now closed.

Make-Whole and Post-Petition Interest Claims - On July 1, 2021, Wells Fargo Bank, N.A., in its capacity as indenture trustee of (1) 6.250% Unsecured Notes due 2022, (2) 5.500% Unsecured Notes due 2024, (3) 7.125% Unsecured Notes due 2026, and (4) 6.000% Unsecured Notes due 2028 issued by The Hertz Corporation (collectively, the "Notes"), filed a complaint (the "Complaint") against The Hertz Corporation, Dollar Rent A Car, Inc., Dollar Thrifty Automotive Group, Inc., Donlen Corporation, DTG Operations, Inc., DTG Supply, LLC, Firefly Rent A Car LLC, Hertz Car Sales LLC, Hertz Global Services Corporation, Hertz Local Edition Corp., Hertz Local Edition Transporting, Inc., Hertz System, Inc., Hertz Technologies, Inc., Hertz Transporting, Inc., Rental Car Group Company, LLC, Smartz Vehicle Rental Corporation, Thrifty Car Sales, Inc., Thrifty, LLC, Thrifty Insurance Agency, Inc., Thrifty Rent A Car System, LLC, and TRAC Asia Pacific, Inc. (collectively referred to in this summary as "Defendants"). The filing of the Complaint initiated the adversary proceeding captioned *Wells Fargo Bank, National Association v. The Hertz Corporation, et al.* pending in the United States Bankruptcy Court for the District of Delaware, Adv. Pro. No. 21-50995 (MFW). The Complaint seeks a declaratory judgment that the holders of the Unsecured Notes are entitled to

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

payment of certain redemption premiums and post-petition interest that they assert total \$271,684,720 plus interest at the contractual default rate or in the alternative are entitled to payment post-petition interest at the applicable contractual rate that they assert totals \$124,512,653 plus interest at the New York statutory rate. On July 2, 2021, Defendants were summoned to file a motion or answer to the Complaint within 30 days. On August 2, 2021, the Defendants filed a motion to dismiss both counts for declaratory judgment, which was argued before Judge Walrath on November 9, 2021. On December 23, 2021, the Bankruptcy Court dismissed Wells Fargo's claims with respect to (i) the redemption premium allegedly owed on the 2022 and 2024 Notes and (ii) post-petition interest at the contract rate. As a result, only Wells Fargo's claims for a redemption premium with respect to the 2026 and 2028 Senior Notes now remain. Additionally, note holders that elected to participate in the 2021 Rights Offering waived their right to collect on the make whole premium. Therefore, since some of the 2026 and 2028 note holders elected to participate in the 2021 Rights Offering, the total amount which may be owed with respect to the asserted make whole premium for those series of notes will be reduced further. The Defendants dispute that any such amounts are owed and intend to respond and otherwise vigorously defend claims set forth therein. The Company cannot predict the outcome or timing of this litigation.

Additionally, some creditors in the Chapter 11 Cases may assert that the Company owes additional interest and, in certain cases, additional make whole or other premiums. These claims could be material. The Company retains all rights with respect to any such asserted amounts and intends to vigorously defend against any such asserted claims. There can be no assurance regarding the outcome of any of the litigation regarding the validity or, if deemed valid, the amount of any such additional asserted interest and make whole claims and as such, the Company cannot predict the outcome or timing of this litigation.

The Company maintains an internal compliance program through which it from time to time identifies potential violations of laws and regulations applicable to the Company. When the Company identifies such matters, the Company conducts an internal investigation and otherwise cooperates with governmental authorities, as appropriate.

The Company has established reserves for matters where the Company believes that losses are probable and can be reasonably estimated. Other than the aggregate reserve established for claims for self-insured liabilities, none of those reserves are material. For matters where the Company has not established a reserve, the ultimate outcome or resolution cannot be predicted at this time, or the amount of ultimate loss, if any, cannot be reasonably estimated. These matters are subject to many uncertainties and the outcome of the individual litigated matters is not predictable with assurance. It is possible that certain of the actions, claims, inquiries or proceedings could be decided unfavorably to the Company or any of its subsidiaries involved. Accordingly, it is possible that an adverse outcome from such a proceeding could exceed the amount accrued in an amount that could be material to the Company's consolidated financial condition, results of operations or cash flows in any particular reporting period.

Other Proceedings

Litigation Against Former Executives - The Company filed litigation in the U.S. District Court for the District of New Jersey against Mark Frissora, Elyse Douglas and John Jefferey Zimmerman on March 25, 2019, and in state court in Florida against Scott Sider on March 28, 2019, all of whom were former executive officers of Old Hertz Holdings. The complaints predominantly allege breach of contract and seek repayment of incentive-based compensation received by the defendants in connection with restatements included in the Old Hertz Holdings Form 10-K for the year ended December 31, 2014 and related accounting for prior periods. The Company is also seeking recovery for the costs of the SEC investigation that resulted in an administrative order on December 31, 2018 with respect to events generally involving the restatements included in Old Hertz Holdings Form 10-K for the year ended December 31, 2014 and other damages resulting from the necessity of the restatements. The Company is pursuing these legal proceedings in accordance with its clawback policy and contractual rights. In October 2019, the Company entered into a confidential Settlement Agreement with Elyse Douglas. In September and October 2020, the judge in the New Jersey action entered orders requiring the parties and applicable insurers to attend and participate in mediation. The attorneys in the Florida action voluntarily agreed to participate in the same mediation which was held on November 30, 2020. The mediation was unsuccessful, but settlement discussions continued.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

and, on April 14, 2021, the Bankruptcy Court approved a Settlement Agreement between the Company and Scott Sider. The Florida action is now closed. On December 29, 2021, the Company entered into a settlement agreement with Jeff Zimmerman, leaving Mark Frissora as the sole remaining defendant in this litigation. Fact discovery has now been completed in the New Jersey action and the case will proceed to the pre-trial phase of experts' reports and experts' depositions. Pursuant to the agreements governing the separation of Herc Holdings from Hertz Global that occurred on June 30, 2016, Herc Holdings is entitled to 15% of the net proceeds of any repayment or recovery.

Indemnification Obligations

In the ordinary course of business, the Company has executed contracts involving indemnification obligations customary in the relevant industry and indemnifications specific to a transaction such as the sale of a business. These indemnification obligations might include claims relating to the following: environmental matters; intellectual property rights; governmental regulations and employment-related matters; customer, supplier and other commercial contractual relationships and financial matters. Specifically, the Company has indemnified various parties for the costs associated with remediating numerous hazardous substance storage, recycling or disposal sites in many states and, in some instances, for natural resource damages. The amount of any such expenses or related natural resource damages for which the Company may be held responsible could be substantial. In addition, Hertz entered into customary indemnification agreements with Hertz Holdings and certain of the Company's stockholders and their affiliates pursuant to which Hertz Holdings and Hertz will indemnify those entities and their respective affiliates, directors, officers, partners, members, employees, agents, representatives and controlling persons, against certain liabilities arising out of performance of a consulting agreement with Hertz Holdings and each of such entities and certain other claims and liabilities, including liabilities arising out of financing arrangements or securities offerings. The Company has entered into customary indemnification agreements with each of its directors and certain of its officers. Performance under these indemnification obligations would generally be triggered by a breach of terms of the contract or by a third-party claim. In connection with the Spin-Off, the Company executed an agreement with Herc Holdings that contains mutual indemnification clauses and a customary indemnification provision with respect to liability arising out of or resulting from assumed legal matters. The Company regularly evaluates the probability of having to incur costs associated with these indemnification obligations and has accrued for expected losses that are probable and estimable.

Note 15—Related Party Transactions

Transactions and Agreements between Hertz Holdings and Hertz

In June 2019, Hertz entered into a master loan agreement with Hertz Holdings for a facility size of \$425 million with an expiration in June 2020 (the "2019 Master Loan"). The interest rate was based on the U.S. Dollar LIBOR rate plus a margin.

As a result of filing the Chapter 11 Cases, as disclosed in Note 1, "Background," the full amount outstanding under the 2019 Master Loan was deemed uncollectible, resulting in a charge of \$133 million during the second quarter of 2020, which is included in the accompanying consolidated statement of operations for Hertz for the year ended December 31, 2020. Additionally, the loan due to an affiliate, which represents a tax-related liability from Hertz to Hertz Holdings, in the amount of \$65 million was classified as liabilities subject to compromise in the accompanying consolidated balance sheet of Hertz as of December 31, 2020. On the Effective Date, the \$65 million tax-related liability from Hertz to Hertz Holdings was reinstated. See Note 20, "Liabilities Subject to Compromise." As of December 31, 2021, the \$65 million tax-related liability has been settled via a non-cash distribution from Hertz to Hertz Holdings.

On May 23, 2020, Hertz entered into a new master loan agreement with Hertz Holdings for a facility size of \$25 million with an expiration in May 2021 (the "New Loan"). The interest rate was based on the U.S. Dollar LIBOR rate plus a margin. As of December 31, 2020, there was \$1 million outstanding under the New Loan representing advances and any accrued but unpaid interest.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In May 2021, upon expiration of the New Loan, Hertz entered into a new master loan agreement with Hertz Holdings for a facility size of \$25 million with an expiration in May 2022 (the "2021 Master Loan"), where amounts outstanding under the New Loan were transferred to the 2021 Master Loan. The interest rate is based on the U.S. Dollar LIBOR rate plus a margin. On the Effective Date, in connection with the Chapter 11 Emergence, the ATM Program contribution from Hertz Global, as disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global," was used to settle amounts outstanding under the New Loan. As of December 31, 2021, there was no outstanding balance under the 2021 Master Loan.

Other Relationships

In connection with its vehicle rental businesses, the Company enters into millions of rental transactions every year involving millions of customers. In order to conduct those businesses, the Company also procures goods and services from thousands of vendors. Some of those customers and vendors may be affiliated with members of the Company's Board. The Company believes that all such rental and procurement transactions involved terms no less favorable to the Company than those that it believes would have been obtained in the absence of such affiliation. The Company's Audit Committee oversees compliance through our Standards of Business Conduct, reviews conflicts of interest involving directors and determines whether to approve each transaction that involves the Company or any of its affiliates, on one hand, and (directly or indirectly) a director or member of his or her family or any entity managed by any such person, on the other hand.

767 Auto Leasing LLC

In January 2018, Hertz entered into the 767 Lease Agreement pursuant to which Hertz granted 767, an entity affiliated with a related party until May 2020, the option to acquire certain vehicles from Hertz. The 767 Lease Agreement was terminated effective October 31, 2021 as disclosed in Note 3, "Divestitures."

Note 16—Equity and Mezzanine Equity – Hertz Global

Emergence from Bankruptcy

In connection with the Chapter 11 Emergence, all of Hertz Global's existing authorized, issued, and outstanding common and preferred stock were cancelled. As of the Effective Date, there are 1,000,000,000 shares of reorganized Hertz Global common stock and 100,000,000 shares of reorganized Hertz Global preferred stock authorized for issuance. On the Effective Date, in accordance with the Plan of Reorganization, reorganized Hertz Global issued common stock as follows:

- 277,119,438 shares purchased by the Plan Sponsors;
- 14,133,024 shares issued, pro rata, to existing stockholders;
- 127,362,114 shares issued pursuant to the 2021 Rights Offering; and
- 52,487,886 shares distributed to the Backstop Parties.

As of the Effective Date, 471,102,462 shares of reorganized Hertz Global common stock and 1,500,000 shares of reorganized Hertz Global preferred stock were issued and outstanding. The parties, including the Plan Sponsors who purchased reorganized Hertz Global common stock and preferred stock (collectively, the "Equity Commitment Parties"), the subscribers to the 2021 Rights Offering, and the Backstop Parties purchased an aggregate of (i) \$4.7 billion of reorganized Hertz Global common stock and (ii) \$1.5 billion (less a 2% upfront discount and stock issuance fees) of reorganized Hertz Global preferred stock as described below. The excess par value for the common stock shares issued by reorganized Hertz Global was recorded to additional paid-in capital in the accompanying consolidated balance sheet of Hertz Global. As of December 31, 2021, all 1,500,000 shares of preferred shares have been repurchased and retired by reorganized Hertz Global as described in the Tender Offer below.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Common Stock

Under reorganized Hertz Global's revised articles of incorporation, 1,000,000,000 shares of reorganized Hertz Global common stock, par value \$0.01 per share, have been authorized for issuance. Each share represents one vote on matters presented to the voting stockholders of reorganized Hertz Global. The consideration received by reorganized Hertz Global upon the issuance of common stock that exceeded the par value was recorded in additional paid-in capital in the accompanying consolidated balance sheet of Hertz Global as of December 31, 2021. The reorganized Hertz Global common stock is not convertible and does not accrue dividends. Dividends, if any, are paid only upon a valid declaration by the Board of reorganized Hertz Global, and such declarations are subject to customary legal and regulatory restrictions, restrictions related to the Series A Preferred Stock, and applicable debt covenants.

2021 Rights Offering

In accordance with the Plan of Reorganization, approximately 35% of reorganized Hertz Global common stock was offered pursuant to the 2021 Rights Offering for an aggregate purchase price of \$1.6 billion of shares of reorganized Hertz Global common stock at a purchase price of \$10.00 per share. The 2021 Rights Offering subscription was first made available to eligible existing Hertz Global stockholders ("Eligible Existing Stockholders") on a pro rata basis to their existing common stock interest, and second, if not fully subscribed and funded by Eligible Existing Stockholders, to certain eligible holders of the Company's Senior Notes and lenders under the Alternative Letter of Credit Facility, pursuant to certain subscription procedures. The final expiration date for the 2021 Rights Offering occurred on June 15, 2021. Hertz Global closed the offering upon emergence from the Chapter 11 Cases on the Effective Date with Eligible Existing Stockholders subscribing to purchase 127,362,114 shares of reorganized Hertz Global common stock for gross proceeds of approximately \$1.3 billion. The unsubscribed portion of the 2021 Rights Offering was backstopped by the Backstop Parties resulting in the issuance of 36,137,887 shares of reorganized Hertz Global common stock for gross proceeds of \$361 million. The Backstop Parties were compensated a backstop fee of \$164 million in reorganized Hertz Global common stock valued at \$10.00 per share which is included in the 2021 Rights Offering in the accompanying Consolidated Statements of Changes in Mezzanine Equity and Stockholders' Equity. During the third quarter of 2021, reorganized Hertz Global issued additional shares pursuant to the rounding provisions of the 2021 Rights Offering for cash proceeds of approximately \$4 million at a purchase price of \$10.00 per share.

Public Warrants

On the Effective Date, in accordance with the Plan of Reorganization, reorganized Hertz Global issued 89,049,029 Public Warrants. See Note 18, "Public Warrants - Hertz Global," for attributes of the Public Warrants, which are classified at fair value as a liability for financial reporting purposes under U.S. GAAP.

Mezzanine Equity - Preferred Stock

In accordance with the revised articles of incorporation of reorganized Hertz Global, 100,000,000 shares of preferred stock, par value \$0.01 per share, have been authorized for issuance.

Mezzanine Equity – Series A Preferred Stock

In connection with the Plan of Reorganization, reorganized Hertz Global issued 1,500,000 shares of preferred stock on the Effective Date, with an initial stated value of \$1,000 per share, to Apollo, on behalf of one or more investment funds, separate accounts, and other entities owned, controlled, managed, and/or advised by Apollo or its affiliates, for \$1.5 billion, less a 2% upfront discount and stock issuance fees. Shares of the Series A Preferred Stock accrued dividends payable in cash semi-annually in arrears, at a rate of 9% per annum prior to June 30, 2023 and generally increasing thereafter. The first cash dividend payment was payable on the six-month anniversary of the Effective Date.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As no one person or entity controls the voting stock of reorganized Hertz Global, a potential change-in-control action could be outside the Company's control and result in a non-compliance event, which could then result in a mandatory redemption of all outstanding shares of Series A Preferred Stock. Accordingly, the Series A Preferred Stock was classified as mezzanine equity upon issuance and recorded at its redemption amount.

Pursuant to the certificate of designations for the Series A Preferred Stock, Hertz Global could redeem the Series A Preferred Stock in whole or in part at any time and from time to time, in cash, at a redemption price equal to the then-current accrued stated value of the Series A Preferred Stock being redeemed, subject to a multiple of invested capital floor price equal to a specified multiple 1.30 times the \$1,000 per share liquidation preference.

Tender Offer for Repurchase of Series A Preferred Stock

On November 23, 2021, Hertz Global commenced the Tender Offer to repurchase all 1,500,000 outstanding shares of its Series A Preferred Stock at a per-share price of \$1,250. The Tender Offer expired on December 21, 2021 and all shares of the Series A Preferred Stock were repurchased at a price of \$1,250 per share for aggregate payments by Hertz Global of \$1.9 billion. Hertz Global funded the share repurchases in the Tender Offer with available cash, including proceeds from the offering of the Senior Notes Due 2026 and Senior Notes Due 2029 which were contributed to Hertz Global through a dividend distribution from Hertz. The repurchased shares of Series A Preferred Stock were simultaneously retired.

Concurrent with the Tender Offer, Hertz Global solicited consents from a majority of the holders of the Series A Preferred Stock to amend the certificates of designation of the Series A Preferred Shares in order to eliminate the requirement that, without the affirmative vote or consent of holders of a majority of the Series A Preferred Shares outstanding, Hertz Global could not make certain restricted payments (as defined in the certificate of designations) and certain of Hertz Global's unrestricted subsidiaries could not make certain payments in respect of junior stock (as defined in the certificate of designations). Based on the final results of the Tender Offer, the requisite consent of at least a majority of the outstanding Series A Preferred Shares required to approve the proposed amendment was obtained, although it was not necessary to implement the amendment in light of the fact that all Series A Preferred Shares were tendered in the Tender Offer.

The difference between the carrying value of the Series A Preferred Stock at expiration of the Tender Offer and the redemption value paid by Hertz Global, including approximately \$7 million in certain fees, of \$450 million is recorded to Hertz Global's additional paid in capital as of December 31, 2021, and accordingly, is subtracted from net income available to common stockholders of Hertz Global for purposes of calculating basic and diluted earnings per share for the year ended December 31, 2021. In connection with the Tender Offer, any unpaid dividends that the Preferred Stockholders were entitled to pursuant to the original Preferred Stock terms were forfeited upon acceptance of the Tender Offer.

Registration Status of Stock Issued on the Effective Date and Nasdaq Listing

With the exception of the shares of reorganized Hertz Global's common stock issued to the Backstop Parties, the direct investment commitment under the EPCA and the 2021 Rights Offering, the common stock and the Public Warrants issued by the reorganized Hertz Global pursuant to the Plan of Reorganization on the Effective Date were issued under an exemption from the registration requirements of the Securities Act under the Bankruptcy Code. Shares of reorganized Hertz Global common stock issued to the Backstop Parties, the direct investment commitment under the EPCA, the 2021 Rights Offering and the Series A Preferred Stock were issued under Section 4(a)(2) of the Securities Act.

On November 8, 2021, reorganized Hertz Global successfully completed its Nasdaq listing, in which shares of its new common stock were registered with the SEC for a public offering by certain selling stockholders. On November 9, 2021, reorganized Hertz Global's common stock and Public Warrants began trading on Nasdaq under the trading symbols "HTZ" and "HTZWW," respectively. In conjunction with the registration of Hertz Global's common stock in the Nasdaq listing, certain selling stockholders offered and sold 44,520,000 shares of Hertz Global's common stock to the public. Of these shares, Hertz Global repurchased from the underwriters 10,344,828 shares for an aggregate

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

purchase price of \$300 million which is included in treasury stock in the accompanying Hertz Global consolidated balance sheet as of December 31, 2021.

Share Repurchase Program for Common Stock

On November 29, 2021, Hertz Global's Board approved a share repurchase program that authorizes the repurchase of up to \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Any repurchases will be made at the discretion of Hertz Global's management through a variety of methods, such as open-market transactions (including pre-set trading plans pursuant to Rule 10b5-1 of the Exchange Act), privately negotiated transactions, accelerated share repurchases, and other transactions in accordance with applicable securities laws. The share repurchase authorization has no initial time limit, does not obligate Hertz Global to acquire any particular amount of common stock, and can be discontinued at any time. There can be no assurance as to the timing or number of shares of any repurchases.

Between the inception of the share repurchase program and December 31, 2021, a total of 17,106,026 shares of Hertz Global's common stock were repurchased by Hertz Global at an average share price of \$23.83, resulting in an aggregate purchase price of \$408 million. This amount was included in treasury stock in the accompanying Hertz Global consolidated balance sheet as of December 31, 2021.

Between January 1, 2022 and February 17, 2022, a total of 20,589,620 shares of Hertz Global's common stock were repurchased at an average share price of \$20.95 resulting in an aggregate purchase price of \$431 million.

Stockholders' Equity Prior to Plan of Reorganization

Equity of Hertz Global Holdings, Inc.

As of December 31, 2020, there were 40 million shares of Hertz Holdings preferred stock authorized, par value \$0.01 per share, 400 million shares of Hertz Holdings common stock authorized, par value \$0.01 per share, and 2 million shares of treasury stock. In accordance with the Plan of Reorganization, all pre-reorganization equity interests were cancelled as of the Effective Date.

2019 Rights Offering

In June 2019, Hertz Global filed a prospectus supplement to its Registration Statement on Form S-3 declared effective by the SEC on June 12, 2019 for a rights offering to raise gross proceeds of approximately \$750 million and providing for the issuance of up to an aggregate of 57,915,055 new shares of Hertz Global common stock (the "2019 Rights Offering"). Upon closing in July 2019, the 2019 Rights Offering was fully subscribed resulting in Hertz Global selling 57,915,055 shares of its common stock for gross proceeds of \$750 million.

Open Market Sale Agreement

In June 2020, subsequent to approval from the Bankruptcy Court and pursuant to a prospectus supplement to the Registration Statement, Hertz Global entered into an open market sale agreement under which it could offer and sell, from time to time, shares of its common stock, par value \$0.01 per share, having an aggregate offering price of up to \$500 million ("ATM Program"). Prior to its suspension on June 15, 2020 and ultimate termination on June 18, 2020, Hertz Global issued 13,912,368 shares under the ATM Program for net proceeds of approximately \$28 million, which is included in non-vehicle restricted cash in the accompanying consolidated balance sheet as of December 31, 2020. On the Effective Date, in accordance with the Plan of Reorganization, all shares that had been issued under the ATM Program were cancelled. Additionally, on the Effective Date, Hertz Global contributed the \$28 million of net proceeds to Hertz which was recorded in additional paid-in capital in the accompanying consolidated balance sheet of Hertz as of December 31, 2021.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 17—Earnings (Loss) Per Common Share – Hertz Global

Basic earnings (loss) per common share has been computed based upon the weighted-average number of common shares outstanding. Diluted earnings (loss) per common share has been computed based upon the weighted-average number of common shares outstanding plus the effect of all potentially dilutive common stock equivalents, including Public Warrants, except when the effect would be anti-dilutive.

For the year ended December 31, 2021, the diluted weighted-average shares outstanding included the dilutive impact of Public Warrants where the Company assumed share settlement of the Public Warrants as of the beginning of the reporting period. Additionally, the Company removes the change in fair value of Public Warrants when computing diluted earnings (loss) per common share, when the impact of Public Warrants is dilutive.

As disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global," the Tender Offer to repurchase all outstanding shares of the Series A Preferred Stock expired in December 2021 with all shares of the Series A Preferred Stock repurchased by Hertz Global. The difference between the carrying value of the Series A Preferred Stock at expiration of the Tender Offer and the redemption value paid by Hertz Global was deemed a dividend to the holders of Hertz Global's Series A Preferred Stock, along with certain fees for purposes of computing basic and diluted earnings per share below. As dividends represent earnings that were not available to the holders of Hertz Global's common stock when computing basic and diluted earnings (loss) per common share, they are reflected as an adjustment to net income (loss) available to common stockholders when computing basic and diluted earnings (loss) per common share for Hertz Global.

The following table sets forth the computation of basic and diluted earnings (loss) per common share:

(In millions, except per share data)	Years Ended December 31,		
	2021	2020	2019
Numerator:			
Net income (loss) attributable to Hertz Global	\$ 366	\$ (1,714)	\$ (58)
Series A Preferred Stock deemed dividends ⁽¹⁾	(450)	—	—
Net income (loss) available to Hertz Global common stockholders	\$ (84)	\$ (1,714)	\$ (58)
Denominator:			
Basic weighted-average common shares outstanding	315	150	84
2019 Rights Offering adjustment ⁽²⁾	—	—	33
Diluted weighted-average common shares outstanding	315	150	117
Antidilutive Public Warrants	14	—	—
Antidilutive stock options, RSUs, PSUs and PSAs	1	2	2
Total antidilutive	15	2	2
Earnings (loss) per common share:			
Basic	\$ (0.27)	\$ (11.44)	\$ (0.49)
Diluted	\$ (0.27)	\$ (11.44)	\$ (0.49)

(1) Reflects the difference between the carrying value of the Series A Preferred Stock at expiration of the Tender Offer and the redemption value paid by Hertz Global, including approximately \$7 million in certain fees.

(2) Reflects the impact of the 2019 Rights Offering subscription period and the weighted-average impact of the issuance of 57,915,055 shares from the 2019 Rights Offering on July 18, 2019. Under the Plan of Reorganization approved by the Bankruptcy Court, the 2021 Rights Offering subscription was made available to Eligible Existing Stockholders on a pro rata basis to their existing common stock interests; therefore earnings (loss) per common share have not been retrospectively adjusted for reporting periods prior to the Effective Date for the 2021 Rights Offering.

Note 18—Public Warrants - Hertz Global

On the Effective Date, in accordance with the Plan of Reorganization and the Public Warrant Agreement, reorganized Hertz Global issued 89,049,029 Public Warrants with an initial exercise price of \$13.80 per Public

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Warrant, subject to certain conditions. The Public Warrants allow the holders to purchase up to 18% of the aggregate number of reorganized Hertz Global common interests issued and outstanding as of the Effective Date. Each Public Warrant will entitle the holders to receive one share of reorganized Hertz Global common stock. The Public Warrants have a 30-year term and are exercisable from the date of issuance until June 30, 2051, at which time any unexercised Public Warrants will expire, and the rights of the holders to purchase reorganized Hertz Global common stock will terminate. The exercise price of the Public Warrants is subject to adjustment from time to time upon any payment of cash dividends relating to reorganized Hertz Global's common stock and the occurrence of certain dilutive events as described in the Public Warrant Agreement. As of December 31, 2021, the exercise price remains \$13.80.

Between the Effective Date and December 31, 2021, 6,040,280 Public Warrants were exercised, of which 428,102 were cashless exercises and 5,612,178 were exercised for \$13.80 per share.

The Public Warrants are freely transferable, subject only to applicable securities laws and the restrictions on transfers and sales of Public Warrants and reorganized Hertz Global's common stock. On November 9, 2021, the Public Warrants began trading on Nasdaq under the symbol HTZWW. The Public Warrants previously traded on the over-the-counter market.

The Company accounts for the Public Warrants in accordance with the provisions of Topic 480, under which the Public Warrants meet the definition of a freestanding financial instrument. Although these are publicly traded warrants, they are classified as liabilities due to certain settlement provisions that are only applicable in the event of change of control (as defined by the Public Warrant Agreement). The Public Warrants are recorded at fair value in the accompanying consolidated balance sheet as of December 31, 2021. See Note 12, "Fair Value Measurements."

Note 19—Segment Information

The Company's CODM assesses performance and allocates resources based upon the financial information for the Company's reportable segments. In the second quarter of 2021, in connection with the Chapter 11 Emergence as disclosed in Note 1, "Background," and changes in how the Company's CODM regularly reviews operating results and allocates resources, the Company revised its reportable segments to include Canada, Latin America and the Caribbean in its Americas RAC reportable segment, which were previously included in its International RAC reportable segment. Accordingly, prior periods have been restated to conform with the revised presentation. The Company has identified two reportable segments, which are consistent with its operating segments and organized based on the products and services provided and the geographic areas in which business is conducted, as follows:

- Americas RAC - rental of vehicles (cars, crossovers, vans and light trucks), as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean; and
- International RAC - rental and leasing of vehicles (cars, vans, crossovers and light trucks), as well as sales of value-added services internationally and consists primarily of the Company's Europe and other international locations.

In addition, in the second quarter of 2021, as a result of the Donlen Sale, as disclosed in Note 3, "Divestitures," the All Other Operations reportable segment, which consisted primarily of the Company's former Donlen business, was no longer deemed a reportable segment.

In addition to its reportable segments and other operating activities, the Company has corporate operations ("Corporate") which includes general corporate assets and expenses and certain interest expense (including net interest on non-vehicle debt). Corporate includes other items necessary to reconcile the reportable segments to the Company's total amounts.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following tables provide significant statement of operations and balance sheet information by reportable segment for each of Hertz Global and Hertz, as well as Adjusted EBITDA, the measure used to determine segment profitability.

(In millions)	Years Ended December 31,		
	2021	2020	2019
Revenues			
Americas RAC	\$ 6,215	\$ 3,756	\$ 7,208
International RAC	985	872	1,899
Total reportable segments	7,200	4,628	9,107
All other operations ⁽¹⁾	136	630	672
Total Hertz Global and Hertz	<u>\$ 7,336</u>	<u>\$ 5,258</u>	<u>\$ 9,779</u>
Depreciation of revenue earning vehicles and lease charges			
Americas RAC	\$ 343	\$ 1,352	\$ 1,706
International RAC	154	243	388
Total reportable segments	497	1,595	2,094
All other operations ⁽¹⁾⁽²⁾	—	435	469
Total Hertz Global and Hertz	<u>\$ 497</u>	<u>\$ 2,030</u>	<u>\$ 2,563</u>
Depreciation and amortization, non-vehicle assets			
Americas RAC	\$ 166	\$ 182	\$ 159
International RAC	16	19	20
Total reportable segments	182	201	179
All other operations ⁽¹⁾	2	10	10
Corporate	12	14	14
Total Hertz Global and Hertz	<u>\$ 196</u>	<u>\$ 225</u>	<u>\$ 203</u>
Interest expense, net			
Americas RAC	\$ 198	\$ 259	\$ 166
International RAC	62	80	84
Total reportable segments	260	339	250
All other operations ⁽¹⁾	13	40	31
Corporate	196	229	524
Total Hertz Global	469	608	805
Hertz interest income from loan to Hertz Global	—	(2)	(7)
Total - Hertz	<u>\$ 469</u>	<u>\$ 606</u>	<u>\$ 798</u>
Adjusted EBITDA			
Americas RAC	\$ 2,173	\$ (810)	\$ 512
International RAC	90	(229)	115
Total reportable segments	2,263	(1,039)	627
All other operations ⁽¹⁾	13	93	100
Corporate	(146)	(49)	(78)
Total Hertz Global and Hertz	<u>\$ 2,130</u>	<u>\$ (995)</u>	<u>\$ 649</u>

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(In millions)	As of December 31,	
	2021	2020
Revenue earning vehicles, net		
Americas RAC	\$ 7,897	\$ 5,120
International RAC	1,329	942
Total reportable segments	9,226	6,062
All other operations ⁽¹⁾⁽³⁾	—	1,432
Total Hertz Global and Hertz	<u>\$ 9,226</u>	<u>\$ 7,494</u>
Property and equipment, net		
Americas RAC	\$ 449	\$ 490
International RAC	67	78
Total reportable segments	516	568
All other operations ⁽¹⁾⁽⁴⁾	—	6
Corporate	92	98
Total Hertz Global and Hertz	<u>\$ 608</u>	<u>\$ 672</u>
Total assets		
Americas RAC	\$ 14,352	\$ 11,337
International RAC	2,978	2,661
Total reportable segments	17,330	13,998
All other operations ⁽¹⁾⁽⁵⁾	—	1,818
Corporate	2,453	1,092
Total Hertz Global ⁽⁶⁾	19,783	16,908
Corporate - Hertz ⁽⁷⁾	(3)	(28)
Total Hertz ⁽⁶⁾	<u>\$ 19,780</u>	<u>\$ 16,880</u>

(1) Substantially comprised of the Company's Donlen business, which was sold on March 30, 2021.

(2) Depreciation for the Donlen business was suspended while classified as held for sale. See Note 3, "Divestitures."

(3) Includes \$1.4 billion of revenue earning vehicles, net classified as held for sale as of December 31, 2020 as disclosed in Note 3, "Divestitures."

(4) Includes \$6 million of property and equipment, net classified as held for sale as of December 31, 2020 as disclosed in Note 3, "Divestitures."

(5) Includes \$1.8 billion of assets classified as held for sale as of December 31, 2020 as disclosed in Note 3, "Divestitures."

(6) The consolidated total assets of Hertz Global and Hertz as of December 31, 2021 and 2020 included total assets of VIEs of \$734 million and \$511 million, respectively, which can only be used to settle obligations of the VIEs. See "Pledges Related to Vehicle Financing" in Note 6, "Debt," and "Termination of 767 Auto Leasing Agreement" in Note 3, "Divestitures," for further information.

(7) Excludes net proceeds from the ATM Program of \$28 million as of December 31, 2020 as disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global."

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(In millions)	Years Ended December 31,		
	2021	2020	2019
Revenue earning vehicles and non-vehicle capital assets			
Americas RAC:			
Expenditures	\$ (5,935)	\$ (4,059)	\$ (9,790)
Proceeds from disposals	2,137	7,965	6,643
Net expenditures - Hertz Global and Hertz	\$ (3,798)	\$ 3,906	\$ (3,147)
International RAC:			
Expenditures	\$ (1,123)	\$ (930)	\$ (2,995)
Proceeds from disposals	626	1,855	2,517
Net expenditures - Hertz Global and Hertz	\$ (497)	\$ 925	\$ (478)
All other operations:			
Expenditures	\$ (155)	\$ (615)	\$ (1,043)
Proceeds from disposals	70	335	352
Net expenditures - Hertz Global and Hertz	\$ (85)	\$ (280)	\$ (691)
Corporate:			
Expenditures	\$ (12)	\$ (36)	\$ (110)
Proceeds from disposals	1	3	1
Net expenditures - Hertz Global and Hertz	\$ (11)	\$ (33)	\$ (109)

The Company operates in the U.S. and in international countries. International operations are substantially in Europe. The operations within major geographic areas for each of Hertz Global and Hertz are summarized below:

(In millions)	Years Ended December 31,		
	2021	2020	2019
Revenues			
U.S.	\$ 6,186	\$ 4,271	\$ 7,596
International	1,150	987	2,183
Total Hertz Global and Hertz	\$ 7,336	\$ 5,258	\$ 9,779

(In millions)	As of December 31,	
	2021	2020
Revenue earning vehicles, net		
U.S.	\$ 7,639	\$ 4,974
International	1,587	1,088
Total Hertz Global and Hertz	\$ 9,226	\$ 6,062
Property and equipment, net		
U.S.	\$ 527	\$ 570
International	81	96
Total Hertz Global and Hertz	\$ 608	\$ 666

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(In millions)	As of December 31,	
	2021	2020
Total assets		
U.S. ⁽¹⁾	\$ 16,174	\$ 13,732
International ⁽²⁾	3,609	3,176
Total Hertz Global	19,783	16,908
U.S. - Hertz	(3)	(28)
Total Hertz	\$ 19,780	\$ 16,880

(1) Includes \$1.8 billion of assets classified as held for sale as of December 31, 2020 as disclosed in Note 3, "Divestitures."

(2) Includes \$48 million of assets classified as held for sale as of December 31, 2020 as disclosed in Note 3, "Divestitures."

Reconciliations of Adjusted EBITDA by reportable segment to consolidated amounts are summarized below:

Hertz Global

(In millions)	Years Ended December 31,		
	2021	2020	2019
Adjusted EBITDA:			
Americas RAC	\$ 2,173	\$ (810)	\$ 512
International RAC	90	(229)	115
Total reportable segments	2,263	(1,039)	627
All other operations ⁽¹⁾	13	93	100
Corporate ⁽²⁾	(146)	(49)	(78)
Total Hertz Global	2,130	(995)	649
Adjustments:			
Non-vehicle depreciation and amortization	(196)	(225)	(203)
Non-vehicle debt interest, net ⁽³⁾	(185)	(153)	(311)
Vehicle debt-related charges ⁽⁴⁾	(72)	(55)	(38)
Restructuring and restructuring related charges ⁽⁵⁾	(76)	(64)	(14)
Technology-related intangible and other asset impairments ⁽⁶⁾	—	(213)	—
Information technology and finance transformation costs ⁽⁷⁾	(12)	(42)	(114)
Reorganization items, net ⁽⁸⁾	(677)	(175)	—
Pre-reorganization charges and non-debtor financing charges ⁽⁹⁾	(42)	(109)	—
Gain from the Donlen Sale ⁽¹⁰⁾	400	—	—
Change in fair value of Public Warrants ⁽¹¹⁾	(627)	—	—
Other items ⁽¹²⁾	40	(21)	44
Income (loss) before income taxes	\$ 683	\$ (2,052)	\$ 13

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Hertz

(In millions)	Years Ended December 31,		
	2021	2020	2019
Adjusted EBITDA:			
Americas RAC	\$ 2,173	\$ (810)	\$ 512
International RAC	90	(229)	115
Total reportable segments	2,263	(1,039)	627
All other operations ⁽¹⁾	13	93	100
Corporate ⁽²⁾	(146)	(49)	(78)
Total Hertz	2,130	(995)	649
Adjustments:			
Non-vehicle depreciation and amortization	(196)	(225)	(203)
Non-vehicle debt interest, net ⁽³⁾	(185)	(151)	(304)
Vehicle debt-related charges ⁽⁴⁾	(72)	(55)	(38)
Restructuring and restructuring related charges ⁽⁵⁾	(76)	(64)	(14)
Technology-related intangible and other asset impairments ⁽⁶⁾	—	(213)	—
Write-off of intercompany loan ⁽¹³⁾	—	(133)	—
Information technology and finance transformation costs ⁽⁷⁾	(12)	(42)	(114)
Reorganization items, net ⁽⁸⁾	(513)	(175)	—
Pre-reorganization charges and non-debtor financing charges ⁽⁹⁾	(42)	(109)	—
Gain from the Donlen Sale ⁽¹⁰⁾	400	—	—
Other items ⁽¹²⁾	40	(21)	44
Income (loss) before income taxes	<u>\$ 1,474</u>	<u>\$ (2,183)</u>	<u>\$ 20</u>

(1) Substantially comprised of the Company's Donlen business, which was sold on March 30, 2021 as disclosed in Note 3, "Divestitures."

(2) Represents other reconciling items primarily consisting of general corporate expenses as well as other business activities.

(3) For 2021, includes \$8 million of loss on extinguishment of debt associated with the payoff and termination of the HIL Credit Agreement recorded in the second quarter. See Note 6, "Debt," for further information.

(4) Represents vehicle debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums.

(5) Represents charges incurred under restructuring actions as defined in U.S. GAAP. See Note 10, "Restructuring," for further information. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives.

(6) For 2020, represents a \$193 million impairment of technology-related intangible assets and capitalized cloud computing implementations costs and a \$20 million impairment of the Hertz tradename, as disclosed in Note 5, "Goodwill and Intangible Assets, Net."

(7) Represents costs associated with the Company's information technology and finance transformation programs, both of which are multi-year initiatives to upgrade and modernize the Company's systems and processes.

(8) Represents charges incurred associated with the filing of and the emergence from the Chapter 11 Cases, as disclosed in Note 21, "Reorganization Items, Net."

(9) Represents charges incurred prior to the filing of the Chapter 11 Cases, as disclosed in Note 1, "Background," which were comprised of preparation charges for the reorganization, such as professional fees. Also, includes certain non-debtor financing and professional fee charges.

(10) Represents the net gain from the sale of the Company's Donlen business on March 30, 2021 as disclosed in Note 3, "Divestitures."

(11) Represents the change in fair value during the reporting period for the Company's outstanding Public Warrants.

(12) Represents miscellaneous items, including non-cash stock-based compensation charges, and amounts attributable to noncontrolling interests. For 2021, includes \$100 million associated with the suspension of depreciation during the first quarter for the Donlen business while classified as held for sale, partially offset by \$17 million for certain professional fees, \$14 million of charges related to the settlement of bankruptcy claims, charges for a multiemployer pension plan withdrawal liability and letter of credit fees. For 2020, also includes \$16 million associated with the Donlen Asset Sale, partially offset by \$18 million for losses associated with certain vehicle damages. For 2019, also includes a \$30 million gain on marketable securities and a \$39 million gain on the sale of non-vehicle capital assets.

(13) For 2020, represents the write-off of the 2019 Master Loan between Hertz and Hertz Holdings, as disclosed in Note 15, "Related Party Transactions."

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 20—Liabilities Subject to Compromise

The accompanying consolidated balance sheet as of December 31, 2020 includes amounts classified as liabilities subject to compromise, which represented Pre-petition liabilities the Company anticipated would be allowed as claims in the Chapter 11 Cases. These amounts represented the Debtors' current estimate of known or potential obligations to be resolved in connection with the Chapter 11 Cases.

The following table summarizes liabilities subject to compromise as of December 31, 2020:

(In millions)	December 31, 2020
Accounts payable	\$ 267
Accrued liabilities ⁽¹⁾	166
Accrued taxes, net	19
Accrued interest on debt subject to compromise	70
Debt subject to compromise ⁽²⁾	4,443
Liabilities subject to compromise - Hertz Global	4,965
Due from affiliate - Hertz ⁽³⁾	65
Liabilities subject to compromise - Hertz	\$ 5,030

(1) Included \$24 million of U.S. pension benefit obligation reported as liabilities subject to compromise as of December 31, 2020.

(2) See Note 6, "Debt," for details of Pre-petition, non-vehicle debt reported as liabilities subject to compromise as of December 31, 2020.

(3) See Note 15, "Related Party Transactions," for details of a Pre-petition intercompany loan due to an affiliate reported as liabilities subject to compromise as of December 31, 2020.

As a result of the Chapter 11 Emergence and implementation of the Plan of Reorganization, the Company reinstated certain liabilities that had been classified as liabilities subject to compromise in the accompanying consolidated balance sheet as of December 31, 2020. The following table represents the reinstatement of liabilities subject to compromise, which include Pre-petition liabilities that were allowed to be or that were estimated to be allowed as claims in the Chapter 11 Cases.

(In millions)	Effective Date
Reinstated on the Effective Date:	
Accounts payable	\$ 257
Accrued liabilities	99
Accrued taxes, net	14
Liabilities reinstated - Hertz Global	370
Stockholder's equity - Due to affiliate - Hertz ⁽¹⁾	65
Liabilities reinstated - Hertz	\$ 435

(1) See Note 15, "Related Party Transactions," for details of a Pre-petition intercompany loan due to an affiliate reported as liabilities subject to compromise as of December 31, 2020 that was settled via a non-cash distribution from Hertz to Hertz Holdings.

Note 21—Reorganization Items, Net

The Debtors incurred incremental costs as a result of the Chapter 11 Cases and settlement of liabilities under the Plan of Reorganization which were recorded as reorganization items, net in the accompanying consolidated statements of operations for the years ended December 31, 2021 and 2020.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following tables summarize reorganization items, net:

Hertz Global

(In millions)	Years Ended December 31,	
	2021	2020
Professional fees and other bankruptcy related costs	\$ 257	\$ 175
Loss on extinguishment of debt ⁽¹⁾	191	—
Backstop fee	164	—
Breakup fee ⁽²⁾	77	—
Contract settlements	25	—
Cancellation of share-based compensation grants ⁽³⁾	(10)	—
Net gain on settlement of liabilities subject to compromise	(22)	—
Other, net	(5)	—
Reorganization items, net	\$ 677	\$ 175

Hertz

(In millions)	Years Ended December 31,	
	2021	2020
Professional fees and other bankruptcy related costs	\$ 257	\$ 175
Loss on extinguishment of debt ⁽¹⁾	191	—
Breakup fee ⁽²⁾	77	—
Contract settlements	25	—
Cancellation of share-based compensation grants ⁽³⁾	(10)	—
Net gain on settlement of liabilities subject to compromise	(22)	—
Other, net	(5)	—
Reorganization items, net	\$ 513	\$ 175

- (1) Includes loss on extinguishment of debt resulting from the implementation of the Plan of Reorganization on the Effective Date. Primarily composed of write-offs of unamortized deferred loan origination costs and early termination fees associated with terminated debt agreements. See Note 6, "Debt," for further information.
- (2) Breakup fee paid to prior plan sponsors Centerbridge Partners, L.P., Warburg Pincus LLC, Dundon Capital Partners, LLC and certain of their respective affiliates and certain holders of the Senior Notes upon Emergence in accordance with an Equity Purchase and Commitment and Agreement entered into on April 3, 2021 which was subsequently terminated.
- (3) See Note 8, "Stock-Based Compensation," for further details.

Cash payments during the years ended December 31, 2021 and 2020 totaled \$485 million and \$102 million, respectively. As of December 31, 2021, \$25 million was recorded in accounts payable in the accompanying consolidated balance sheet as of December 31, 2021. As of December 31, 2020, \$46 million and \$19 million were recorded in accrued liabilities and accounts payable, respectively, in the accompanying consolidated balance sheet as of December 31, 2020.

SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
HERTZ GLOBAL HOLDINGS, INC.

PARENT COMPANY BALANCE SHEETS
(In millions, except par value)

	December 31,	
	2021	2020
ASSETS		
Cash and cash equivalents	\$ 1	\$ —
Restricted cash and restricted cash equivalents	—	28
Total cash, cash equivalents, restricted cash and restricted cash equivalents	1	28
Non-vehicle receivables, net of allowance	1	—
Prepaid expenses and other assets	1	1
Investments in subsidiaries, net	4,350	—
Deferred income taxes, net	2	5
Due from Hertz	—	65
Total assets	<u>\$ 4,355</u>	<u>\$ 99</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accrued liabilities	\$ 54	\$ —
Public Warrants	1,324	—
Due to Hertz	—	1
Investments in subsidiaries, net	—	42
Total liabilities	<u>1,378</u>	<u>43</u>
Stockholders' equity:		
Preferred stock, \$0.01 par value, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 477,233,278 and 158,235,410 shares issued, respectively and 449,782,424 and 156,206,478 shares outstanding, respectively	5	2
Additional paid-in capital	6,209	3,047
Accumulated deficit	(2,315)	(2,681)
Accumulated other comprehensive income (loss)	(214)	(212)
Equity before treasury stock	<u>3,685</u>	<u>156</u>
Treasury stock, at cost, 27,450,854 and 2,028,932 common shares as of December 31, 2021 and 2020, respectively	(708)	(100)
Total stockholders' equity	<u>2,977</u>	<u>56</u>
Total liabilities and stockholders' equity	<u>\$ 4,355</u>	<u>\$ 99</u>

The accompanying notes are an integral part of these financial statements.

SCHEDULE I (Continued)
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
HERTZ GLOBAL HOLDINGS, INC.

PARENT COMPANY STATEMENTS OF OPERATIONS
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Total Revenues	\$ —	\$ —	\$ —
Expenses:			
Interest expense, net	—	2	7
Write-off of intercompany loan	—	(133)	—
Reorganization items net	164	—	—
Change in fair value of Public Warrants	627	—	—
Total expenses	791	(131)	7
Income (loss) before income taxes and equity in earnings (losses) of subsidiaries	(791)	131	(7)
Income tax (provision) benefit	—	1	2
Equity in earnings (losses) of subsidiaries, net of tax	1,157	(1,846)	(53)
Net income (loss)	366	(1,714)	(58)
Series A Preferred Stock deemed dividends	(450)	—	—
Net income (loss) available to Hertz Holdings common stockholders	\$ (84)	\$ (1,714)	\$ (58)

The accompanying notes are an integral part of these financial statements.

SCHEDULE I (Continued)
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
HERTZ GLOBAL HOLDINGS, INC.

PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Net income (loss)	\$ 366	\$ (1,714)	\$ (58)
Total other comprehensive income (loss)	(2)	(23)	3
Total comprehensive income (loss)	<u>\$ 364</u>	<u>\$ (1,737)</u>	<u>\$ (55)</u>

The accompanying notes are an integral part of these financial statements.

PARENT COMPANY STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2021	2020	2019
Net cash provided by (used in) operating activities	\$ —	\$ (3)	\$ (7)
Cash flows from financing activities:			
Proceeds from loans with Hertz	—	5	12
Proceeds from Plan Sponsors	2,781	—	—
Proceeds from rights offerings, net	1,639	—	748
Contributions to Hertz	(5,642)	—	(750)
Proceeds from exercises of Public Warrants	77	—	—
Proceeds from issuance of preferred stock	1,433	—	—
Distributions to common stockholders	(239)	—	—
Purchases of treasury shares	(654)	—	—
Repurchase of preferred stock	(1,883)	—	—
Payments for Nasdaq listing costs	(9)	—	—
Dividends from Hertz	2,470	—	—
Proceeds from issuance of stock, net	—	28	—
Other	—	(2)	(3)
Net cash provided by (used in) financing activities	(27)	31	7
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	(27)	28	—
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	28	—	—
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	<u>\$ 1</u>	<u>\$ 28</u>	<u>\$ —</u>

The accompanying notes are an integral part of these financial statements.

SCHEDULE I (Continued)
HERTZ GLOBAL HOLDINGS, INC.

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS

Note 1—Background and Basis of Presentation

Hertz Global Holdings, Inc. was incorporated in Delaware in 2015 and wholly owns Rental Car Intermediate Holdings, LLC which wholly owns Hertz, Hertz Global's primary operating company.

On May 22, 2020, Hertz Global, Hertz and certain of their direct and indirect subsidiaries in the U.S. and Canada filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware. On June 30, 2021, these entities emerged from bankruptcy. The Chapter 11 Cases were being jointly administered by the Bankruptcy Court under the caption *In re The Hertz Corporation, et al., Case No. 20-11218 (MFW)*. Refer to Note 1, "Background," to its Notes to the consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data," for further information.

These condensed parent company financial statements reflect the activity of Hertz Holdings as the parent company to Hertz and have been prepared in accordance with Rule 12-04, Schedule 1 of Regulation S-X, as the restricted net assets of Hertz exceed 25% of the consolidated net assets of Hertz Holdings. This information should be read in conjunction with the consolidated financial statements of Hertz Global included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

Note 2—Contingencies

For a discussion of the commitments and contingencies of Hertz Holdings, refer to the sections below included in Note 14, "Contingencies and Off-Balance Sheet Commitments," to the Notes to its consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

- In re Hertz Global Holdings, Inc. Securities Litigation
- Litigation Against Former Executives

The remaining sections of Note 14, "Contingencies and Off-Balance Sheet Commitments," and Note 9, "Leases," to the Notes to its consolidated financial statements included in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data," describe the commitments and contingencies of Hertz Holdings, including its subsidiaries.

Note 3—Dividends

In 2021, \$2.5 billion in cash dividends were paid by Hertz to Hertz Holdings to fund the Tender Offer and common stock share repurchases as further disclosed in Note 16, "Equity and Mezzanine Equity – Hertz Global" to the Notes to its consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." Additionally, in December 2021, a \$65 million tax-related liability for a loan due from Hertz to Hertz Holdings was settled via a non-cash distribution as further disclosed in Note 15, "Related Party Transactions," to the Notes to its consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." There were no non-cash dividends paid by Hertz in 2020 or 2019.

Note 4—Share Repurchase

For a discussion of the share repurchase program of Hertz Holdings, refer to Note 16, "Equity and Mezzanine Equity – Hertz Global" to the Notes to its consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." In 2021, Hertz Holdings repurchased

SCHEDULE I (Continued)
HERTZ GLOBAL HOLDINGS, INC.

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS (continued)

27,450,854 shares for \$708 million. This amount was included in treasury stock in the accompanying parent-only balance sheets of Hertz Holdings as of December 31, 2021.

Between January 1, 2022 and February 17, 2022, Hertz Holdings repurchased a total of 20,589,620 shares for \$431 million.

Note 5—Transactions with Affiliates and Investments in Subsidiaries

For a discussion of Hertz Holdings transactions with Hertz under the master loan, refer to Note 15, "Related Party Transactions," to the Notes to its consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

For the year ended December 31, 2020, the negative balance in investments in subsidiaries, net in the accompanying parent-only balance sheet of Hertz Holdings reflects the \$42 million stockholder's deficit attributable to Hertz.

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

(In millions)

	Balance at Beginning of Period	Additions			Deductions	Balance at End of Period
		Charged to Expense	Translation Adjustments			
Receivables allowances:						
Year ended December 31, 2021	\$ 46	\$ 125	\$ —	\$ (121) ⁽¹⁾	\$ 50	
Year ended December 31, 2020	35	94 ⁽²⁾	—	(83) ⁽¹⁾⁽²⁾	46	
Year ended December 31, 2019	27	53	—	(45) ⁽¹⁾	35	
Tax valuation allowances:						
Year ended December 31, 2021	\$ 651	\$ 78	\$ (39)	\$ —	\$ 690	
Year ended December 31, 2020	396	218	37	—	651	
Year ended December 31, 2019	318	75	3	—	396	

(1) Amounts written off, net of recoveries.

(2) Activity includes allowances associated with Donlen which have been classified as held for sale as of December 31, 2020, as disclosed in Note 3, "Divestitures," to the notes to the Company's consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES***HERTZ GLOBAL HOLDINGS, INC.*****Evaluation of Disclosure Controls and Procedures**

Our senior management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this 2021 Annual Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of December 31, 2021, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rules 13a-15(f) and 15d-15(f).

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting can also be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this inherent risk.

Management, including our Chief Executive Officer and our Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control - Integrated Framework* (2013). Based on this assessment, management has concluded that we did maintain effective internal control over financial reporting as of December 31, 2021.

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which appears in this 2021 Annual Report.

Changes in Internal Control over Financial Reporting**Remediation of Previously Reported Material Weakness**

As previously disclosed in Part II Item 9A Controls and Procedures in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, we identified a material weakness associated with information technology general controls ("ITGCs"), specifically logical security controls over financially significant system applications.

ITEM 9A. CONTROLS AND PROCEDURES (Continued)

During 2021, we implemented our previously disclosed remediation plan, which included completing the following remediation actions:

- Performed an assessment of the IT organization to determine the sufficiency of resources with the appropriate level of knowledge, experience and training commensurate with our ITGC internal controls and executed all recommendations arising from the assessment.
- Clarified and communicated roles for ITGC control owners and Sarbanes-Oxley (SOX) project management team through confirming the identification of each control owner, reinforcing requirements and creating a culture of accountability to enforce the compliance of ITGCs.
- Administered enhanced re-trainings for ITGC control owners regarding risks, controls and maintaining adequate evidence.
- Improved existing de-provisioning controls for timely execution of removal of terminated user access.
- Enhanced monitoring of ITGC design and operational effectiveness through implementation of monthly remediation progress status dashboards with the Chief Information Officer and Chief Financial Officer, which was then summarized quarterly to the Audit Committee of the Board of Directors.

During the fourth quarter ended December 31, 2021, we completed the necessary testing to conclude that the material weakness was remediated as of December 31, 2021.

Except for the material weakness remediation described above, there were no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2021, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

HERTZ CORPORATION**Evaluation of Disclosure Controls and Procedures**

Our senior management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this 2021 Annual Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of December 31, 2021, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rules 13a-15(f) and 15d-15(f).

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting can also be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this inherent risk.

Management, including our Chief Executive Officer and our Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control - Integrated Framework* (2013). Based on this assessment, management has concluded that we did maintain effective internal control over financial reporting as of December 31, 2021.

ITEM 9A. CONTROLS AND PROCEDURES (Continued)

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which appears in this 2021 Annual Report.

Changes in Internal Control over Financial Reporting

Remediation of Previously Reported Material Weakness

As previously disclosed in Part II Item 9A Controls and Procedures in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, we identified a material weakness associated with information technology general controls ("ITGCs"), specifically logical security controls over financially significant system applications.

During 2021, we implemented our previously disclosed remediation plan, which included completing the following remediation actions:

- Performed an assessment of the IT organization to determine the sufficiency of resources with the appropriate level of knowledge, experience and training commensurate with our ITGC internal controls and executed all recommendations arising from the assessment.
- Clarified and communicated roles for ITGC control owners and Sarbanes-Oxley (SOX) project management team through confirming the identification of each control owner, reinforcing requirements and creating a culture of accountability to enforce the compliance of ITGCs.
- Administered enhanced re-trainings for ITGC control owners regarding risks, controls and maintaining adequate evidence.
- Improved existing de-provisioning controls for timely execution of removal of terminated user access.
- Enhanced monitoring of ITGC design and operational effectiveness through implementation of monthly remediation progress status dashboards with the Chief Information Officer and Chief Financial Officer, which was then summarized quarterly to the Audit Committee of the Board of Directors.

During the fourth quarter ended December 31, 2021, we completed the necessary testing to conclude that the material weakness was remediated as of December 31, 2021.

Except for the material weakness remediation described above, there were no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2021, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Hertz Global

The information required by Item 10 with respect to Hertz Global, other than the executive officers of Hertz Global, which information is contained in Part 1 of this 2021 Annual Report, is incorporated by reference to the definitive proxy statement relating to the Annual Meeting of Stockholders of Hertz Global Holdings, Inc. We intend to file such definitive proxy statement with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this 2021 Annual Report.

Hertz

As disclosed in the Explanatory Note to this 2021 Annual Report, Hertz Global indirectly owns 100% of the common stock of Hertz. As a wholly-owned subsidiary, Hertz is not a listed company, is managed together with Hertz Global and is subject to Hertz Global's policies and procedures.

Directors and Executive Officers of Hertz

The board of directors of Hertz is comprised of Paul E. Stone, Kenny Cheung and M. David Galainena, each an executive officer of Hertz Global. The common stock of Hertz is not listed on any national securities exchange and, therefore, is not required to have independent directors on its board, nor is it required to have any committees of its board, including an audit committee, compensation committee, or nominating and governance committee.

The executive officers of Hertz are the same individuals as the executive officers of Hertz Global.

Information about the individuals serving as members of the board of directors and as executive officers of Hertz can be found in Part I of this 2021 Annual Report under "Executive Officers of the Registrant."

Code of Ethics

Hertz and Hertz Global have adopted Standards of Business Conduct (Code of Ethics) that apply to all employees, including executive officers, and to directors. The Code of Ethics is available on the Corporate Governance page of Hertz Global's website at <https://ir.hertz.com/corporate-governance>. If any provision of the Code of Ethics is amended or waived with respect to any principal executive officer, principal financial officer, principal accounting officer or any person performing similar functions, information with respect to any such waiver or amendment will be posted, if required, on the website set forth above rather than by filing a Current Report on Form 8-K.

Audit Committee Financial Expert

As disclosed above, Hertz is not required to have an audit committee of its board of directors. The full board of Hertz fulfills the duties of an audit committee. Although the Hertz board has not designated any of its members as an audit committee financial expert, Mr. Cheung, who serves as Hertz Global's Executive Vice President and Chief Financial Officer, is a member of the board of directors of Hertz and meets the requirements under SEC rules and regulations for an "audit committee financial expert."

ITEM 11. EXECUTIVE COMPENSATION

Hertz Global

The information required by Item 11 with respect to Hertz Global is incorporated by reference to the definitive proxy statement referenced above in Item 10.

Hertz

The executive officers of Hertz are also the executive officers of Hertz Global and do not receive any compensation in addition to their compensation as executive officers of Hertz Global. Additionally, as noted above, the board of directors of Hertz is not required to have, and does not have, a compensation committee.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Hertz Global

The information required by Item 12 with respect to Hertz Global is incorporated by reference to the definitive proxy statement referenced above in Item 10.

Hertz

Hertz Global owns 100% of Hertz's issued and outstanding common stock. None of Hertz's executive officers or directors owns any equity securities of Hertz and Hertz does not maintain any equity compensation plans.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Hertz Global

The information required by Item 13 with respect to Hertz Global is incorporated by reference to the definitive proxy statement referenced above in Item 10.

Hertz

See Note 15, "Related Party Transactions," to the Notes to the Company's consolidated financial statements in this 2021 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data" for information related to certain relationships and transactions that existed or that Hertz has entered into with related persons in 2021.

See Item 10. Directors, Executive Officers and Corporate Governance, for information required by Item 407(a) of Regulation S-K.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Fees for services performed by Ernst & Young LLP, Hertz Global and Hertz's principal accounting firm during fiscal years 2021 and 2020, were as follows:

(In millions)	2021		2020	
Audit fees ⁽¹⁾	\$	14	\$	12
Audit-related fees ⁽²⁾		1		2
Tax fees		—		—
Total	\$	15	\$	14

(1) Audit fees were for services rendered in connection with (i) the audit of the financial statements included in the Hertz Global and Hertz Annual Reports, (ii) reviews of the financial statements included in the Hertz Global and Hertz Quarterly Reports on Form 10-Q, (iii) attestation of the effectiveness of internal controls over financial reporting for Hertz Global and Hertz, (iv) statutory audits and (v) providing comfort letters in connection with our financing transactions.

(2) Audit-related fees were for services rendered in connection with due diligence and assurance services and employee benefit plan audits.

Audit Committee Pre-Approval Policies and Procedures

The Hertz Global Audit Committee charter requires the Audit Committee to pre-approve all audit and permitted non-audit services to be performed by our independent registered public accounting firm, and the Audit Committee annually adopts a pre-approval policy setting forth the types of services and amounts subject to pre-approval for the fiscal year. The Audit Committee is also permitted to delegate pre-approval authority to the Chair of the Audit Committee, who must then provide a report to the full Audit Committee at its next scheduled meeting. All audit and non-audit fees were pre-approved by the Audit Committee in 2021.

PART IV

ITEM 15. EXHIBIT AND FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this 2021 Annual Report:

	Page
(a) 1. <i>Financial Statements:</i>	
Our financial statements filed herewith are set forth in Part II, Item 8 of this 2021 Annual Report as follows:	
(A) <u>Hertz Global Holdings, Inc. and Subsidiaries—</u>	
Reports of Independent Registered Public Accounting Firm	84
Consolidated Balance Sheets	92
Consolidated Statements of Operations	93
Consolidated Statements of Comprehensive Income (Loss)	94
Consolidated Statements of Changes in Equity	95
Consolidated Statements of Cash Flows	97
Notes to Consolidated Financial Statements	105
(B) <u>The Hertz Corporation and Subsidiaries—</u>	
Reports of Independent Registered Public Accounting Firm	88
Consolidated Balance Sheets	99
Consolidated Statements of Operations	100
Consolidated Statements of Comprehensive Income (Loss)	101
Consolidated Statements of Changes in Equity	102
Consolidated Statements of Cash Flows	103
Notes to Consolidated Financial Statements	105
2. <i>Financial Statement Schedules:</i>	
Our financial statement schedules filed herewith are set forth in Part II, Item 8 of this 2021 Annual Report as follows ^(a) :	
(A) Hertz Global Holdings, Inc.—Schedule I—Condensed Financial Information of Registrant	170
(B) Hertz Global Holdings, Inc. and Subsidiaries and The Hertz Corporation and Subsidiaries-Schedule II— Valuation and Qualifying Accounts	175
(a) Omitted schedules are not applicable	
3. <i>Exhibits:</i>	
The attached list of exhibits in the “Exhibit Index” immediately following the signature page to this 2021 Annual Report is filed as part of this 2021 Annual Report and is incorporated herein by reference in response to this item.	

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX

Exhibit Number		Description
2	Hertz Holdings Hertz	Separation and Distribution Agreement, dated June 30, 2016, by and between Hertz Global Holdings, Inc. and Herc Holdings, Inc. (Incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665), as filed on July 7, 2016).
2.1	Hertz Holdings Hertz	Second Modified Third Amended Chapter 11 Plan of Reorganization, filed June 10, 2021 (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), filed on June 16, 2021).
3.1.1	Hertz Holdings	Second Amended and Restated Certificate of Incorporation of Hertz Global Holdings, Inc. (Incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
3.1.2	Hertz	Restated Certificate of Incorporation, dated April 30, 1997, of The Hertz Corporation (Incorporated by reference to Exhibit 3(a) to the Current Report on Form 8-K of The Hertz Corporation (File No. 001-07541), as filed on May 1, 1997).
3.1.3	Hertz	Certificate of Amendment, dated May 2, 2001, of Restated Certificate of Incorporation of The Hertz Corporation (Incorporated by reference to Exhibit 3(i) to the Quarterly Report on Form 10-Q of The Hertz Corporation (File No. 001-07541), as filed on August 7, 2001).
3.1.4	Hertz	Certificate of Amendment, dated November 20, 2006, of Restated Certificate of Incorporation of The Hertz Corporation (Incorporated by reference to Exhibit 3.1.1 to Amendment No. 3 to the Registration Statement on Form S-4 of The Hertz Corporation (File No. 333-138493), as filed on December 4, 2006).
3.2.1	Hertz Holdings	Second Amended and Restated Bylaws of Hertz Global Holdings, Inc. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), filed on July 7, 2021).
3.2.2	Hertz	Amended and Restated By-Laws of The Hertz Corporation, effective May 15, 2013 (Incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K of The Hertz Corporation (File No. 001-07541), as filed on May 17, 2013).
3.3.1	Hertz Holdings	Certificate of Designation relating to the Series A Preferred Stock of Hertz Global Holdings, Inc. (incorporated by reference to Exhibit 3.3 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), filed on July 7, 2021).
3.3.2	Hertz Holdings	Certificate of Amendment to the Certificate of Designations of Preferences, Rights and Limitations of Series A Preferred Stock (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), filed on November 4, 2021).
4.1	Hertz Holdings	Description of securities registered under Section 12 of the Securities Exchange Act of 1934.*
4.2	Hertz Holdings Hertz	Base Indenture, dated as of June 29, 2021, between Hertz Vehicle Financing III LLC, as issuer, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.7 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
4.3	Hertz Holdings Hertz	Indenture, dated as of November 23, 2021, among The Hertz Corporation, as Issuer, the Subsidiary Guarantors from time to time parties thereto and Computershare Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on November 23, 2021).
4.4	Hertz Holdings Hertz	First Supplemental Indenture, dated as of November 23, 2021, among The Hertz Corporation, as Issuer, the Subsidiary Guarantors from time to time parties thereto and Computershare Trust Company, N.A., as Trustee, relating to the 4.625% Senior Notes due 2026 (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on November 23, 2021).

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

EXHIBIT INDEX (Continued)

Exhibit Number	Description
4.5	Hertz Holdings Hertz Second Supplemental Indenture, dated as of November 23, 2021, among The Hertz Corporation, as Issuer, the Subsidiary Guarantors from time to time parties thereto and Computershare Trust Company, N.A., as Trustee, relating to the 5.000% Senior Notes due 2029 (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on November 23, 2021).
4.6	Hertz Holdings Hertz Amended and Restated Issuer Facility Agreement, dated as of December 21, 2021, by and among International Fleet Financing No. 2 B.V., Hertz Europe Limited, Credit Agricole Corporate and Investment Bank, certain committed note purchasers, conduit investors and funding agents named therein, and BNP Paribas Trust Corporation U.K. Limited.*
4.7	Hertz Holdings Hertz Amended and Restated Master Definitions and Constructions Agreement, dated as of December 21, 2021, by and among International Fleet Financing No. 2 B.V., Hertz Automobielen Nederland B.V., Stuurgroep Fleet (Netherlands) B.V., Hertz France S.A.S., RAC Finance S.A.S., Hertz De Espana SL, Hertz Autovermietung GMBH, Hertz Fleet Limited, Eurotitrisation S.A., BNP Paribas Securities Services, BNP Paribas S.A., Credit Agricole Corporate and Investment Bank, Hertz Europe Limited, The Hertz Corporation, BNP Paribas Securities Services, Luxembourg Branch, TMF SFS Management BV, TMF France Management SARL, TMF SAS, KPMG S.A., BNP Paribas Trust Corporation UK Limited, BNP Paribas Securities Services, BNP Paribas S.A., Dublin Branch, BNP Paribas S.A., Netherlands Branch, Sanne Trustee Services Limited, certain committed note purchasers, conduit investors and funding agents named therein, Hertz Holdings Netherlands 2 B.V. and Hertz International Limited.*
4.8	Hertz Holdings Hertz Performance Guaranty and Indemnity, dated as of December 21, 2021, by and among The Hertz Corporation, Stuurgroep Fleet (Netherlands) B.V., RAC Finance S.A.S., Hertz Fleet Limited, Stuurgroep Fleet (Netherlands) B.V., Sucursal en Espana, and BNP Paribas Trust Corporation UK Limited.*
4.9	Hertz Holdings Hertz French Master Lease and Servicing Agreement, dated as of December 21, 2021, by and among RAC Finance SAS., Hertz France SAS., those Permitted Lessees from time to time becoming Lessees thereunder, and BNP Paribas Trust Corporation UK Limited.*
4.10	Hertz Holdings Hertz Dutch Master Lease and Servicing Agreement, dated as of December 21, 2021, by and among Stuurgroep Fleet (Netherlands) B.V., Hertz Automobielen Nederland B.V., those Permitted Lessees from time to time becoming Lessees thereunder, and BNP Paribas Trust Corporation UK Limited.*
4.11	Hertz Holdings Hertz German Master Lease and Servicing Agreement, dated as of December 21, 2021, by and among Hertz Fleet Limited, Hertz Autovermietung GMBH, those Permitted Lessees from time to time becoming Lessees thereunder, and BNP Paribas Trust Corporation UK Limited.*
4.12	Hertz Holdings Hertz Spanish Master Lease and Agreement, dated as of December 21, 2021, by and among Stuurgroep Fleet (Netherlands) B.V., Stuurgroep Fleet (Netherlands) B.V., Sucursal en Espana, Hertz de Espana, S.L.U., those Permitted Lessees from time to time becoming Lessees thereunder, and BNP Paribas Trust Corporation UK Limited.*
4.13	Hertz Holdings Hertz Series 2021-A Supplement, dated as of June 29, 2021, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, Deutsche Bank AG, New York Branch, as program agent, the several committed note purchasers party thereto, the several conduit investors party thereto, the several funding agents for the investor groups party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
4.14	Hertz Holdings Hertz Series 2021-1 Supplement, dated as of June 30, 2021, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX (Continued)

Exhibit Number		Description
4.15	Hertz Holdings Hertz	Series 2021-2 Supplement, dated as of June 30, 2021, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
4.16	Hertz Holdings Hertz	Master Motor Vehicle Operating Lease and Servicing Agreement dated as of June 29, 2021, among Hertz Vehicle Financing III LLC, as lessor, The Hertz Corporation, as a lessee, servicer and guarantor, DTG Operations, Inc., as a lessee, and those permitted lessees from time to time party thereto (incorporated by reference to Exhibit 10.8 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
4.17	Hertz Holdings Hertz	Administration Agreement, dated as of June 29, 2021, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.9 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
4.18	Hertz Holdings Hertz	Series 2022-1 Supplement, dated as of January 19, 2022, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings (file No. 001-37665) and the Hertz Corporation (File No. 001-07541), as filed on January 19, 2022).
4.19	Hertz Holdings Hertz	Series 2022-2 Supplement, dated as of January 19, 2022, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings (file No. 001-37665) and the Hertz Corporation (File No. 001-07541), as filed on January 19, 2022).
10.1	Hertz Holdings Hertz	Equity Purchase and Commitment Agreement, dated as of April 3, 2021 (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on April 7, 2021).
10.2	Hertz Holdings Hertz	Equity Purchase and Commitment Agreement, dated as of May 14, 2021 (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on May 19, 2021).
10.3	Hertz Holdings Hertz	Warrant Agreement, dated as of June 30, 2021, by and between Hertz Global Holdings, Inc. and Computershare Inc. and Computershare Trust Company, N.A., collectively as warrant agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
10.4.1	Hertz Holdings Hertz	Registration Rights Agreement, dated as of June 30, 2021, by and among Hertz Global Holdings, Inc. and the Holder Party thereto (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).
10.4.2	Hertz Holdings Hertz	Amendment to Registration Rights Agreement dated as of October 26, 2021 by and among Hertz Global Holdings, Inc. and the stockholders signatory thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on October 27, 2021).
10.5	Hertz Holdings Hertz	Credit Agreement, dated as of June 30, 2021, by and among The Hertz Corporation and the Subsidiary Borrowers party thereto as borrowers, the Several Lenders and Issuing Lenders from time to time parties thereto, and Barclays Bank PLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on July 7, 2021).

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX (Continued)

Exhibit Number		Description
10.6.1	Hertz Holdings Hertz	Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings (File No. 001-33139) and The Hertz Corporation (File No. 001-07541), as filed on November 2, 2021). †
10.6.2	Hertz Holdings Hertz	Form of Employee Stock Option Agreement under the 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings (File No. 001-33139) and The Hertz Corporation (File No. 001-07541), as filed on November 2, 2021). †
10.6.3	Hertz Holdings Hertz	Form of Restricted Stock Unit Agreement under the 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K of Hertz Global Holdings (File No. 001-33139) and The Hertz Corporation (File No. 001-07541), as filed on November 2, 2021). †
10.6.4	Hertz Holdings Hertz	Form of Non-Employee Director Restricted Stock Unit Agreement under the 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K of Hertz Global Holdings (File No. 001-33139) and The Hertz Corporation (File No. 001-07541), as filed on November 2, 2021). †
10.7	Hertz Holdings Hertz	The Hertz Corporation Account Balance Defined Benefit Pension Plan (Incorporated by reference to Exhibit 10.12 to Amendment No. 1 to the Registration Statement on Form S-1 of The Hertz Corporation (File No. 333-125764), as filed on August 30, 2005). †
10.8	Hertz Holdings Hertz	The Hertz Corporation (U.K.) 1972 Pension Plan (Incorporated by reference to Exhibit 10.13 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-125764), as filed on August 30, 2005). †
10.9	Hertz Holdings Hertz	The Hertz Corporation (U.K.) Supplementary Unapproved Pension Scheme (Incorporated by reference to Exhibit 10.14 to Amendment No. 1 to the Registration Statement on Form S-1 of The Hertz Corporation (File No. 333-125764), as filed on August 30, 2005). †
10.10	Hertz Holdings Hertz	Form of Director and Officer Indemnification Agreement. *
10.11	Hertz Holdings Hertz	Tax Matters Agreement, dated June 30, 2016, by among Herc Holdings Inc., The Hertz Corporation, Herc Rentals Inc. and Hertz Global Holdings, Inc. (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665), as filed on July 7, 2016).
10.12	Hertz Holdings Hertz	Employee Matters Agreement, dated June 30, 2016, by and between Hertz Global Holdings, Inc. and Herc Holdings Inc. (Incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665), as filed on July 7, 2016).
10.13	Hertz Holdings Hertz	Intellectual Property Agreement, dated June 30, 2016, by among The Hertz Corporation, Hertz System, Inc. and Herc Rentals Inc. (Incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665), as filed on July 7, 2016).
10.14	Hertz Holdings Hertz	Form of Retention Program Letter Agreement (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on May 26, 2020). †
10.15	Hertz Holdings Hertz	Stock and Asset Purchase Agreement by and between Hertz Global Holdings, Inc. Donlen Corporation, certain subsidiaries of Donlen Corporation and Freedom Acquirer LLC, dated November 25, 2020 (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on November 30, 2020).
10.16	Hertz Holdings Hertz	Offer Letter, signed on February 28, 2018, between Paul E. Stone and The Hertz Corporation (Incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on May 7, 2019). †

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX (Continued)

Exhibit Number		Description
10.17.1	Hertz Holdings Hertz	Offer Letter, signed on December 3, 2018, between Kenny K. Cheung and The Hertz Corporation (Incorporated by reference to Exhibit 10.29.1 to the Annual Report on Form 10-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on February 26, 2021). †
10.17.2	Hertz Holdings Hertz	Offer Letter, signed on September 25, 2020, between Kenny K. Cheung and The Hertz Corporation (Incorporated by reference to Exhibit 10.29.2 to the Annual Report on Form 10-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on February 26, 2021). †
10.18	Hertz Holdings Hertz	Offer Letter, signed on October 16, 2019, between Angela Brav and The Hertz Corporation (Incorporated by reference to Exhibit 10.30 to the Annual Report on Form 10-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on February 26, 2021). †
10.19.1	Hertz Holdings Hertz	Offer Letter, dated February 27, 2019, between M. David Galainena and The Hertz Corporation (Incorporated by reference to Exhibit 10.31.1 to the Annual Report on Form 10-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on February 26, 2021). †
10.19.2	Hertz Holdings Hertz	Offer Letter, signed on September 25, 2020, between M. David Galainena and The Hertz Corporation (Incorporated by reference to Exhibit 10.31.2 to the Annual Report on Form 10-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on February 26, 2021). †
10.20	Hertz Holdings Hertz	Form of Retention Program Letter Agreement (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on August 17, 2021). †
10.21	Hertz Holdings Hertz	2021 Hertz Global Holdings, Inc. Severance Plan for Senior Executives (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on August 17, 2021). †
10.22	Hertz Holdings Hertz	Offer Letter between Mark Fields and Hertz Global Holdings, Inc. dated October 4, 2021 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on October 5, 2021). †
10.23	Hertz Holdings Hertz	Second Amended and Restated Offer Letter, Confidentiality and Non-Competition Agreement between Paul Stone and Hertz Global Holdings, Inc. effective as of October 5, 2021 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings and The Hertz Corporation, as filed on October 5, 2021). †
10.24	Hertz Holdings Hertz	Hertz Global Holdings Inc. Directors Compensation Policy (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on October 6, 2021). †
21.1	Hertz Holdings Hertz	The List of Subsidiaries of Hertz Global Holdings, Inc. and The Hertz Corporation. *
23.1	Hertz Holdings	Consent of Independent Registered Public Accounting Firm. *
31.1	Hertz Holdings	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a). *
31.2	Hertz Holdings	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a). *
31.3	Hertz	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a). *
31.4	Hertz	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a). *
32.1	Hertz Holdings	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350. **
32.2	Hertz Holdings	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350. **

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

EXHIBIT INDEX (Continued)

Exhibit Number		Description
32.3	Hertz	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.**
32.4	Hertz	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.**
101.INS	Hertz Holdings Hertz	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
101.SCH	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Hertz Holdings Hertz	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101).*

† Indicates management contract or compensatory plan or arrangement.

* Filed herewith

**Furnished herewith

Schedules and exhibits not included above have been omitted because the information required has been included in the financial statements or notes thereto or are not applicable or not required.

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

As of December 31, 2021, Hertz Global Holdings, Inc., a Delaware corporation (the "Company," "we" or "us"), had two classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (i) our common stock, par value \$0.01 per share, and (ii) warrants to purchase shares of common stock (the "Warrants").

DESCRIPTION OF CAPITAL STOCK

The following summary description of the common stock is based upon our second amended and restated certificate of incorporation (the "Certificate of Incorporation") and our second amended and restated bylaws (the "Bylaws") and applicable provisions of the law. The summary is not complete and is subject to and qualified in its entirety by reference to the complete text of our Certificate of Incorporation and Bylaws, which are filed as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part. You should read those documents for provisions that may be important to you.

Authorized Capital Stock

We are authorized to issue 1,000,000,000 shares of common stock, par value \$0.01 per share, and 100,000,000 shares of preferred stock, par value \$0.01 per share. There are no shares of preferred stock currently outstanding.

Common Stock

Dividend Rights. Subject to limitations under Delaware law, preferences that may apply to any outstanding shares of preferred stock, and contractual restrictions, holders of our common stock are entitled to receive ratably dividends or other distributions when and if declared by the board of directors. In addition to such restrictions, whether any future dividends are paid will depend on decisions that will be made by the board of directors and will depend on then existing conditions, including our financial condition, contractual restrictions, corporate law restrictions, capital requirements and business prospects. The ability of the board of directors to declare dividends also will be subject to the rights of any holders of outstanding shares of our preferred stock and the availability of sufficient funds under the General Corporation Law of the State of Delaware ("DGCL") to pay dividends.

Liquidation Rights. In the event of any liquidation, dissolution or winding up of Hertz, the holders of our common stock will be entitled to share in the net assets of Hertz available after the payment of all debts and other liabilities and subject to the prior rights of any outstanding class of our preferred stock.

Preemptive Rights. Pursuant to our Certificate of Incorporation, the holders of our common stock have no preemptive rights.

Voting Rights. Subject to the rights of the holders of any series of our preferred stock, each outstanding share of our common stock is entitled to one vote on all matters submitted to a vote of stockholders. The holders of our common stock will not have cumulative voting rights.

Our common stock is listed on the Nasdaq Global Select Market under the trading symbol "HTZ." Computershare, Inc. is the transfer agent for our common stock.

Preferred Stock

Under our Certificate of Incorporation, our board of directors has the authority, without further vote or action by the stockholders, to issue up to 100,000,000 shares of preferred stock in one or more series and to fix the number of shares of any class or series of preferred stock and to determine its voting powers, designations, preferences or other rights and restrictions. The issuance of preferred stock could adversely affect the rights of holders of common stock or impede the completion of a merger, tender offer or other takeover attempt.

Certain Anti-Takeover Effects of our Certificate of Incorporation, Bylaws and Delaware Law

Delaware Business Combinations Statute. We have elected not to be governed by Section 203 of the DGCL regulating corporate takeovers that, subject to certain exceptions, prohibits a Delaware corporation from engaging in any “business combination” (as defined below) with an “interested stockholder” (as defined below) for a period of three years following the time that such stockholder became an interested stockholder. Section 203 of the DGCL defines “business combination” to include: (1) any merger or consolidation involving the corporation and the interested stockholder; (2) any sale, transfer pledge or other disposition of 10% or more of the assets of the corporation in a transaction involving the interested stockholder; (3) subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; (4) any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or (5) the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation. In general, Section 203 defines an “interested stockholder” as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person.

Board of Directors. Our Certificate of Incorporation and our Bylaws provide that the number of directors will be fixed by the board of directors from time to time. Our board of directors is classified into three classes of directors and, as a result, in most circumstances, a person can gain control of our board by successfully engaging in a proxy contest at two or more annual meetings. Under our Bylaws, at all meetings of stockholders for the election of directors at which a quorum is present, a plurality of the votes cast will be sufficient to elect a director. Under our Certificate of Incorporation and our Bylaws, a vote of a majority of all then outstanding capital stock entitled to vote at an election of directors is required to remove a director but only for cause, and the Board may fill the resulting vacancy, except that whenever the holders of one or more series of the preferred stock have the right, voting separately by class or series, to nominate or elect one or more directors, the removal of such directors will be governed by the terms of such series of the preferred stock as set forth in our Certificate of Incorporation. Vacancies resulting from newly created directorships by reason of an increase in the size of the board of directors or from death, resignation, retirement, disqualification, removal or other cause will be filled by a majority vote of the board of directors, even if less than quorum, or by a sole remaining director (and not stockholders). These provisions may deter a stockholder from removing incumbent directors and simultaneously gaining control of the board of directors by filling the vacancies created by this removal with its own nominees.

Advance Notice Procedures. Our Bylaws establish an advance notice procedure for stockholder proposals to be brought before a meeting of stockholders, including proposed nominations of persons for election to the board of directors. Stockholders at a meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the board of directors or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given our corporate secretary timely written notice, in proper form, of the stockholder’s intention to bring that business before the meeting. Although our Bylaws will not give the board of directors the power to approve or disapprove stockholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, our

Bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of the company.

Action by Written Consent; Special Meetings of Stockholders. Our Certificate of Incorporation provides that stockholder action can be taken only at an annual or special meeting of stockholders and cannot be taken by written consent in lieu of a meeting. Our Certificate of Incorporation and our Bylaws provide that, except as otherwise required by law, special meetings of the stockholders may be called at any time only by or at the direction of our board of directors pursuant to a written resolution adopted by the affirmative vote of the majority of the total number of directors that the Company would have if there were no vacancies; or by one or more stockholders holding not less than 25% of the voting power of all shares of the Company entitled to vote (except that a special meeting for the purpose of considering any action to directly or indirectly facilitate or effect a business combination, including any action to change or otherwise affect the composition of our board of directors for that purpose, must be called by 50% or more of the voting power of all shares of the Company entitled to vote), who shall demand such special meeting by written notice given to our Board of directors specifying the purpose or purposes of such meeting.

Authorized but Unissued Shares. Our authorized but unissued shares of common stock and preferred stock will be available for future issuance without stockholder approval, subject to the rules and regulations of any applicable stock exchange or similar rules. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of a majority of our common stock by means of a proxy contest, tender offer, merger or otherwise.

Limitations on Directors' Liability. Our Certificate of Incorporation contains a provision eliminating the personal liability of our directors to us or any of its stockholders for monetary damages for breach of fiduciary duty to the fullest extent permitted by applicable law.

Indemnification of Officers and Directors. Our Certificate of Incorporation and our Bylaws contain provisions generally providing for indemnification and prepayment of expenses to our directors and officers to the fullest extent permitted by applicable law.

Business Opportunities. In recognition that our investors and their officers, directors, agents, stockholders, members, partners, affiliates and subsidiaries may serve as our directors and/or officers and that our investors may engage in similar activities or lines of business that we do, our Certificate of Incorporation provides for the allocation of certain business opportunities between us and our investors. Specifically, none of our investors or any officer, director, agent, stockholder, member, partner or affiliate of an investor has any duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business that we do. In the event that any investor acquires knowledge of a potential transaction or matter which may be a business opportunity for itself and us, we will not have any expectancy in such business opportunity, and the investor will not have any duty to communicate or offer such business opportunity to us and may pursue or acquire such business opportunity for itself or direct such opportunity to another person. In addition, if a director or officer of us who is also an officer, director, agent, stockholder, member, partner or affiliate of any investor acquires knowledge of a potential transaction or matter which may be a business opportunity for us and an investor, we will not have any expectancy in such business opportunity unless such business opportunity is expressly offered to such person solely in his or her capacity as a director or officer of us.

No such person shall be liable to us or any of our subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to us or our subsidiaries.

These provisions of our Certificate of Incorporation are permitted by Section 122 of the DGCL, and, accordingly, we and all of our stockholders are subject to them.

Transactions with Interested Directors or Officers. The DGCL provides that a contract or transaction in which one or more of our directors or officers has a financial interest will not be void or voidable solely because a director or officer is interested, or solely because the director or officer is present at or participates in the meeting which authorizes the contract or transaction, or solely because such person's votes are counted for such purpose if:

- the material facts as to such person's or persons' relations or interest as to the contract or transaction are disclosed or are known to the board of directors or the committee, and the board of directors or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of disinterested directors, even though the number of disinterested directors may be less than a quorum; or
- the material facts as to such person's or person's relationship or interest as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or
- the contract or transaction is fair as to us as of the time it is authorized, approved or ratified by the board of directors, a committee thereof or the stockholders.

Exclusive Forum. Our Certificate of Incorporation provides that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware (the "Court of Chancery") (or, if the Court of Chancery lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware (together with the Court of Chancery, the "Delaware Courts" and, individually, a "Delaware Court")) will be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (a) any derivative action or proceeding brought on behalf of the Company, (b) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, employee, or agent of the Company to the Company or the Company's stockholders, (c) any action asserting a claim arising pursuant to any provision of the DGCL or our Certificate of Incorporation or Bylaws, (d) any action or proceeding as to which the DGCL confers jurisdiction to the Court of Chancery, or (e) any action asserting a claim governed by the internal affairs doctrine, except for, as to each of (a) through (e) above, any claim (i) as to which such Delaware Court determines that there is an indispensable party not subject to the jurisdiction of such Delaware Court (and the indispensable party does not consent to the personal jurisdiction of such Delaware Court within ten days following such determination), (ii) which is vested in the exclusive jurisdiction of a court or forum other than the Delaware Courts, or (iii) for which the Delaware Courts do not have subject matter jurisdiction.

Our Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. In addition, our Certificate of Incorporation provides that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the foregoing provisions. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation and bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable.

DESCRIPTION OF WARRANTS

The following description of the Warrants is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to the Warrant Agreement, dated as of June 30, 2021, between the Company and Computershare Inc. and Computershare Trust Company, N.A., collectively as warrant agent (the "Warrant Agreement"), which is filed as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part. You should read the Warrant Agreement for provisions that may be important to you.

General. Each Warrant is exercisable for one share of our common stock per Warrant.

Exercisability. The Warrants are exercisable until June 30, 2051, at which time all unexercised Warrants will expire and the rights of the holders of such expired Warrants to purchase common stock will terminate.

Exercise Price. Each Warrant is exercisable at an exercise price of \$13.80 per Warrant (the "Exercise Price"), subject to the cashless exercise provisions contained in the Warrant Agreement. Any payment of dividends in cash on our common stock will adjust the Exercise Price pursuant to the terms of the Warrant Agreement.

The Exercise Price is subject to adjustment from time to time upon the occurrence of certain dilutive events, including stock splits, reverse stock splits, recapitalizations, reclassifications of the common stock, consolidations, mergers or combinations involving the Company, sales of all or substantially all of or substantially all of the assets of the Company, stock dividends to holders of common stock, the issuance of rights or warrants to holders of common stock, dividends or distributions to holders of common stock of shares of the Company's capital stock, rights or warrants to purchase the Company's securities or indebtedness, assets or property, or certain reclassification or reorganization events in respect of the common stock.

Change of Control. In the event of a Change of Control Event (as defined in the Warrant Agreement) where stock registered under Section 12 of the Exchange Act that is listed for trading on any national securities exchange (or will be within 30 days following the consummation of such Change of Control Event) ("Registered and Listed Shares") issued as consideration represents less than 90% of the Market Price (as defined in the Warrant Agreement) of all cash, stock, securities or other assets or property to be received by holders of common stock in respect of or in exchange for common stock, then holders of Warrants will receive an amount of cash as calculated in accordance with the Black-Scholes option pricing model in respect of the portion of consideration that is not Registered and Listed Shares. In connection with any consolidation, merger, sale, lease or other transfer of the Company, the successor to the Company will be required to assume all of the Company's obligations under the Warrant Agreement and the Warrants.

Rights as a Stockholder. Pursuant to the Warrant Agreement, no holder of a Warrant, by virtue of holding or having a beneficial interest in the Warrant, will have the right to vote, receive dividends, receive notice as stockholders with respect to any meeting of stockholders for the election of the Company's directors or any other matter, or exercise any rights whatsoever as a stockholder of the Company unless, until and only to the extent such holders become holders of record of shares of common stock issued upon settlement of Warrants.

Restriction on Certain Transactions. Under the Warrant Agreement, the Company and its subsidiaries are not permitted to enter into or amend or modify any transaction with its affiliates (other than subsidiaries of the Company) unless such transaction (i) is on terms no less favorable to the Company or its applicable subsidiaries than terms that would be obtained by the Company or such subsidiary from a disinterested third party on an arm's length basis, or (ii) has been approved by a

majority of the Disinterested Directors (as defined in the Warrant Agreement), subject to certain permitted exceptions set forth in the Warrant Agreement.

The Warrants are currently traded on the Nasdaq Global Select Market under the symbol "HTZWW."

THE SYMBOL "[*]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL AND (ii) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Weil, Gotshal & Manges (London) LLP
110 Fetter Lane
London EC4A 1AY
+44 20 7903 1000 main tel
+44 20 7903 0990 main fax
weil.com

The logo for Weil, Gotshal & Manges, featuring the word "Weil" in white serif font on a black rectangular background.

ORIGINALLY DATED 25 SEPTEMBER 2018, AS AMENDED ON 8 NOVEMBER 2019 AND 23 DECEMBER 2020, 29 APRIL 2021
AND AS FURTHER AMENDED AND RESTATED ON 21 DECEMBER 2021
ISSUER FACILITY AGREEMENT

between

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as Issuer

HERTZ EUROPE LIMITED
as Issuer Administrator

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Administrative Agent

CERTAIN COMMITTED NOTE PURCHASERS

CERTAIN CONDUIT INVESTORS

CERTAIN FUNDING AGENTS FOR THE INVESTOR GROUPS

and

BNP PARIBAS TRUST CORPORATION UK LIMITED
as Issuer Security Trustee

WEIL:

TABLE OF CONTENTS

	Page No.
1 DEFINITIONS AND CONSTRUCTION	2
2 INITIAL ISSUANCE; INCREASES AND DECREASES OF PRINCIPAL AMOUNT OF ISSUER NOTES	2
3 INTEREST, FEES AND COSTS	26
4 ISSUER ACCOUNTS	33
5 PRIORITY OF PAYMENTS	37
6 REPRESENTATIONS AND WARRANTIES; COVENANTS; CLOSING CONDITIONS	47
7 AMORTIZATION EVENTS AND REMEDIES	47
8 [RESERVED]	55
9 TRANSFERS, REPLACEMENTS AND ASSIGNMENTS	55
10 THE ADMINISTRATIVE AGENT	68
11 GENERAL	72
SCHEDULE 1 DEFINITIONS LIST	102
SCHEDULE 2 CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS	103
SCHEDULE 2 CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS	106
SCHEDULE 2 CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS	108
SCHEDULE 2 CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS	110
SCHEDULE 3 INTEREST RATE CAP AMORTIZATION SCHEDULE	111
ANNEX 1 REPRESENTATIONS AND WARRANTIES	115
ANNEX 2 COVENANTS	126
ANNEX 3 CONDITIONS PRECEDENT	130
ANNEX 4 SELLING RESTRICTIONS	130

THIS AGREEMENT is originally dated 25 September 2018, as amended on 8 November 2019 and 23 December 2020 and as further amended and restated on 29 April 2021 and thereafter on 21 December 2021 between the following parties:

- (1) **INTERNATIONAL FLEET FINANCING NO.2 B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated in The Netherlands and registered with the Dutch Trade Register of the Dutch Chamber of Commerce under number 34394429 and having its registered address at Fourth Floor, 3 George's IFSC, Dublin 1, Ireland, as Issuer (the "**Issuer**");
- (2) **HERTZ EUROPE LIMITED** (in its capacity as Issuer administrator, the "**Issuer Administrator**");
- (3) The several financial institutions that serve as committed note purchasers set forth on Schedule 2 hereto (each a "**Committed Note Purchaser**"), the several commercial paper conduits listed on Schedule 2 hereto (each a "**Conduit Investor**"), the financial institution set forth opposite the name of each Conduit Investor, or the Committed Note Purchaser with respect to such Investor Group, on Schedule 2 hereto (the "**Funding Agent**" with respect to such Conduit Investor or Committed Note Purchaser);
- (4) **CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK**, in its capacity as administrative agent for the Conduit Investors, the Committed Note Purchasers and the Funding Agents (the "**Administrative Agent**"); and
- (5) **BNP PARIBAS TRUST CORPORATION UK LIMITED**, as issuer security trustee (together with its successors in trust thereunder, the "**Issuer Security Trustee**").

WHEREAS

(A) the Issuer wishes to issue:

- (i) on the Closing Date, the Class A Notes; and
- (ii) at any time subsequent to the Closing Date, the Class B Notes,

in each case in favor of the Committed Note Purchasers or, if there is a Conduit Investor with respect to any Committed Note Purchaser's Investor Group, the Conduit Investor with respect to such Investor Group, as applicable, and obtain the agreement of the Committed Note Purchasers or the Conduit Investors, as applicable, to make Advances from time to time for the purchase of Principal Amounts, all of which Advances will be evidenced by the Issuer Notes purchased in connection therewith and will constitute purchases of Principal Amounts corresponding to the amount of such Advances;

- (B) subject to the terms and conditions of this Agreement, each Conduit Investor may make Advances from time to time and each Committed Note Purchaser is willing to commit to make Advances from time to time, to fund purchases of Principal Amounts in an aggregate outstanding amount up to the Maximum Investor Group Principal Amount for the related Investor Group during the Revolving Period; and
- (C) Hertz Europe Limited, in its capacity as Issuer Administrator, has joined in this Agreement to confirm certain representations, warranties and covenants made by it in such capacity for the benefit of each Conduit Investor and each Committed Note Purchaser.

IT IS AGREED by the parties hereto, in consideration of the mutual agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as follows:

1 DEFINITIONS AND CONSTRUCTION

1.1 Defined Terms and References

Capitalized terms used herein shall have the meanings assigned to such terms in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”). All Clause, Sub-Clause or paragraph references herein shall refer to clauses, sub-clauses or paragraphs of this Agreement, except as otherwise provided herein.

1.2 Rules of Construction

In this Agreement, including the preamble, recitals, attachments, schedules, annexes, exhibits and joinders hereto unless the context otherwise requires, words and expressions used in this Agreement have the constructions ascribed to them in Clause 2 (*Principles of Interpretation and Construction*) of the Master Definitions and Constructions Agreement.

1.3 Effectiveness

The parties hereto acknowledge and agree that the rights and obligations under this Agreement shall become effective at the Effective Time.

2 INITIAL ISSUANCE; INCREASES AND DECREASES OF PRINCIPAL AMOUNT OF ISSUER NOTES

For the avoidance of doubt and notwithstanding any other term of this Agreement, this Clause 2 (*Initial Issuance; Increases and Decreases of Principal Amount Of Issuer Notes*) shall be subject to the terms of the Refinancing Deed of Covenant.

2.1 Initial Purchase; Additional Issuer Notes

(a) *Initial Purchase.*

- (i) *Class A Notes.* On the terms set forth in this Agreement, the Issuer shall issue the initial Class A Notes on the Closing Date. Such Class A Notes for each Class A Investor Group shall:
- (A) bear a face amount as of the Closing Date of up to the Class A Maximum Investor Group Principal Amount with respect to such Class A Investor Group;
 - (B) have an initial principal amount equal to the Class A Initial Investor Group Principal Amount with respect to such Class A Investor Group;
 - (C) be equal to or greater than EUR 5,000,000 and integral multiples of EUR 100,000 in excess thereof;
 - (D) be dated the Closing Date; and
 - (E) be registered in the name of the related Class A Funding Agent or its nominee, as agent for the related Class A Conduit Investor, if any, and the related Class A Committed Note Purchaser, or in the name of the Class A Conduit Investor, the Class A Committed Note Purchaser or in such other name as the related Class A Funding Agent may request.
- (ii) *Class B Notes.* On the terms set forth in this Agreement, the Issuer shall have the right to issue the initial Class B Notes at any time subsequent to the Closing Date, provided that the Class A Noteholders holding 100% of the Class A Principal

Amount have given their prior written consent to such issuance. Such Class B Notes for each Class B Investor Group shall:

- (A) bear a face amount as of the issuance date of up to the Class B Maximum Investor Group Principal Amount with respect to such Class B Investor Group;
- (B) have an initial principal amount equal to the Class B Initial Investor Group Principal Amount with respect to such Class B Investor Group;
- (C) be equal to or greater than EUR 5,000,000 and integral multiples of EUR 100,000 in excess thereof;
- (D) be dated the applicable issuance date; and
- (E) be registered in the name of the related Class B Funding Agent or its nominee, as agent for the related Class B Conduit Investor, if any, and the related Class B Committed Note Purchaser, or in the name of the Class B Conduit Investor, the Class B Committed Note Purchaser or in such other name as the related Class B Funding Agent may request.

(b) [RESERVED]

(c) *Additional Investor Groups*

- (i) *Class A Notes.* Subject only to compliance with this Sub-Clause 2.1(c)(i) (*Class A Notes*), Sub-Clause 2.1(e) (*Conditions to Issuance of Additional Issuer Notes*) and Sub-Clause 2.1(f) (*Additional Issuer Notes Face and Principal Amount*), on any Business Day during the Revolving Period prior to the Second Amendment Date, the Issuer from time to time, upon one (1) month's prior written notice to the Class A Funding Agents (or such shorter period as may be agreed between the Issuer and the Class A Funding Agents), may increase the Class A Maximum Principal Amount by entering into a Class A Addendum with each member of a Class A Additional Investor Group and its related Class A Funding Agent, and upon execution of any such Class A Addendum, such related Class A Funding Agent, the Class A Conduit Investors, if any, and the Class A Committed Note Purchasers in such Class A Additional Investor Group shall become parties to this Agreement from and after the date of such execution. The Issuer shall provide at least three (3) Business Day's prior written notice to each Class A Funding Agent party hereto as of the date of such notice and the Administrative Agent, of any such addition, setting forth (i) the names of the Class A Conduit Investors, if any, and the Class A Committed Note Purchasers that are members of such Class A Additional Investor Group and their related Class A Funding Agent, (ii) the Class A Maximum Investor Group Principal Amount and the Class A Additional Investor Group Initial Principal Amount, in each case with respect to such Class A Additional Investor Group, (iii) the Class A Maximum Principal Amount and each Class A Committed Note Purchaser's Class A Committed Note Purchaser Percentage in each case after giving effect to such addition and (iv) the desired effective date of such addition. On the effective date of each such addition, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) hereto in accordance with the information provided in the notice described above relating to such addition, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Noteholder.
- (ii) *Class B Notes.* Subject only to compliance with this Sub-Clause 2.1(c)(ii) (*Class B Notes*), Sub-Clause 2.1(e) (*Conditions to Issuance of Additional Issuer Notes*) and Sub-Clause 2.1(f) (*Additional Issuer Notes Face and Principal Amount*), on

any Business Day during the Revolving Period, the Issuer from time to time, upon one (1) month's prior written notice to the Class B Funding Agents (or such shorter period as may be agreed between the Issuer and the Class B Funding Agents), may increase the Class B Maximum Principal Amount by entering into a Class B Addendum with each member of a Class B Additional Investor Group and its related Class B Funding Agent, and upon execution of any such Class B Addendum, such related Class B Funding Agent, the Class B Conduit Investors, if any, and the Class B Committed Note Purchasers in such Class B Additional Investor Group shall become parties to this Agreement from and after the date of such execution. The Issuer shall provide at least three (3) Business Days prior written notice to each Class B Funding Agent party hereto as of the date of such notice and the Administrative Agent, of any such addition, setting forth (i) the names of the Class B Conduit Investors, if any, and the Class B Committed Note Purchasers that are members of such Class B Additional Investor Group and their related Class B Funding Agent, (ii) the Class B Maximum Investor Group Principal Amount and the Class B Additional Investor Group Initial Principal Amount, in each case with respect to such Class B Additional Investor Group, (iii) the Class B Maximum Principal Amount and each Class B Committed Note Purchaser's Class B Committed Note Purchaser Percentage in each case after giving effect to such addition and (iv) the desired effective date of such addition. On the effective date of each such addition, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) hereto in accordance with the information provided in the notice described above relating to such addition, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Noteholder.

(d) *Investor Group Maximum Principal Increase*

- (i)** *Class A Investor Group Maximum Principal Increase.* Subject only to compliance with this Sub-Clause 2.1(d)(i) (*Class A Investor Group Maximum Principal Increase*), Sub-Clause 2.1(e) (*Conditions to Issuance of Additional Issuer Notes*) and Sub-Clause 2.1(f) (*Additional Issuer Notes Face and Principal Amount*) on any Business Day during the Revolving Period prior to the Second Amendment Date, the Issuer and any Class A Investor Group and its related Class A Funding Agent, Class A Conduit Investors, if any, and Class A Committed Note Purchasers may increase such Class A Investor Group's Class A Maximum Investor Group Principal Amount and effect a corresponding increase to the Class A Maximum Principal Amount (any such increase, a "**Class A Investor Group Maximum Principal Increase**") by entering into a Class A Investor Group Maximum Principal Increase Addendum. The Issuer shall provide at least one (1) month's prior written notice (or such shorter period as may be agreed between the Issuer and the Class A Funding Agents) to each Class A Funding Agent party hereto as of the date of such notice and the Administrative Agent of any such increase, setting forth (i) the names of the Class A Funding Agent, the Class A Conduit Investors, if any, and the Class A Committed Note Purchasers that are members of such Class A Investor Group, (ii) the Class A Maximum Investor Group Principal Amount with respect to such Class A Investor Group, the Class A Maximum Principal Amount, and each Class A Committed Note Purchaser's Class A Committed Note Purchaser Percentage, in each case after giving effect to such Class A Investor Group Maximum Principal Increase, (iii) the Class A Investor Group Maximum Principal Increase Amount in connection with such Class A Investor Group Maximum Principal Increase, if any, and (iv) the desired effective date of such Class A Investor Group Maximum Principal Increase. For the avoidance of doubt, no Class A Investor Group, its related Class A Funding Agent, Class A Conduit Investors nor, if any, Class A Committed Note Purchasers shall be obliged to agree to any Class A Investor Group Maximum Principal Increase. On the effective date of each Class A Investor Group Maximum Principal Increase, the Administrative Agent shall revise Schedule 2

(*Conduit Investors and Committed Note Purchasers*) hereto in accordance with the information provided in the notice described above relating to such Class A Investor Group Maximum Principal Increase, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Noteholder.

- (ii) *Class B Investor Group Maximum Principal Increase*. Subject only to compliance with this Sub-Clause 2.1(d)(ii) (*Class B Investor Group Maximum Principal Increase*), Sub-Clause 2.1(e) (*Conditions to Issuance of Additional Issuer Notes*) and Sub-Clause 2.1(f) (*Additional Issuer Notes Face and Principal Amount*) on any Business Day during the Revolving Period, the Issuer and any Class B Investor Group and its related Class B Funding Agent, Class B Conduit Investors, if any, and Class B Committed Note Purchasers may increase such Class B Investor Group's Class B Maximum Investor Group Principal Amount and effect a corresponding increase to the Class B Maximum Principal Amount (any such increase, a "**Class B Investor Group Maximum Principal Increase**") by entering into a Class B Investor Group Maximum Principal Increase Addendum. The Issuer shall provide at least one (1) month's prior written notice (or such shorter period as may be agreed between the Issuer and the Class B Funding Agents) to each Class B Funding Agent party hereto as of the date of such notice and the Administrative Agent of any such increase, setting forth (i) the names of the Class B Funding Agent, the Class B Conduit Investors, if any, and the Class B Committed Note Purchasers that are members of such Class B Investor Group, (ii) the Class B Maximum Investor Group Principal Amount with respect to such Class B Investor Group, the Class B Maximum Principal Amount, and each Class B Committed Note Purchaser's Class B Committed Note Purchaser Percentage, in each case after giving effect to such Class B Investor Group Maximum Principal Increase, (iii) the Class B Investor Group Maximum Principal Increase Amount in connection with such Class B Investor Group Maximum Principal Increase, if any, and (iv) the desired effective date of such Class B Investor Group Maximum Principal Increase. On the effective date of each Class B Investor Group Maximum Principal Increase, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) hereto in accordance with the information provided in the notice described above relating to such Class B Investor Group Maximum Principal Increase, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Noteholder.

(e) *Conditions to Issuance of Additional Issuer Notes*

- (i) In connection with the addition of a Class A Additional Investor Group or a Class A Investor Group Maximum Principal Increase, additional Class A Notes ("**Additional Class A Notes**") may be issued (and in the case of a Class A Investor Group Maximum Principal Increase the relevant Class A Investor Group shall surrender to the Registrar for cancellation any Class A Note certificates previously issued to the relevant Class A Investor Group and such certificates shall be replaced with new Class A Note certificates) subsequent to the Closing Date subject to the satisfaction of each of the following conditions:
 - (A) the amount of such issuance of Additional Class A Notes, if applicable, shall be equal to or greater than EUR 5,000,000, and in integral multiples of EUR 100,000 per Class A Investor Group in excess thereof;
 - (B) other than where Additional Class A Notes are to be issued to fund the Issuer Reserve Account, no Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes has occurred and is continuing and such issuance and the application of any

proceeds thereof, will not cause an Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes;

(C) all representations and warranties of the Issuer set forth in Clause 5 (*Representations and Warranties*) of the Issuer Note Framework Agreement and Clause 6 (*Representations and Warranties; Covenants; Closing Conditions*) of this Agreement shall be true and correct with the same effect as if made on and as of such date (except to the extent such representations expressly relate to an earlier date);

(D) [Reserved]; and

(E) [Reserved].

(ii) In connection with the addition of a Class B Additional Investor Group or a Class B Investor Group Maximum Principal Increase, additional Class B Notes (“**Additional Class B Notes**”) may be issued (and in the case of a Class B Investor Group Maximum Principal Increase the relevant Class B Investor Group shall surrender to the Registrar for cancellation any Class B Note certificates previously issued to the relevant Class B Investor Group and such certificates shall be replaced with new Class B Note certificates) subsequent to the Closing Date subject to the satisfaction of each of the following conditions:

(A) the amount of such issuance of Additional Class B Notes, if applicable, shall be equal to or greater than EUR 5,000,000 and in integral multiples of EUR 100,000 per Class B Investor Group in excess thereof;

(B) other than where Additional Class B Notes are to be issued to fund the Issuer Reserve Account, no Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes has occurred and is continuing and such issuance and the application of any proceeds thereof, will not cause an Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes;

(C) all representations and warranties of the Issuer set forth in Clause 5 (*Representations and Warranties*) of the Issuer Note Framework Agreement and Clause 6 (*Representations and Warranties; Covenants; Closing Conditions*) of this Agreement shall be true and correct with the same effect as if made on and as of such date (except to the extent such representations expressly relate to an earlier date);

(D) [Reserved];

(E) [Reserved]; and

(F) Class A Noteholders holding 100% of the Class A Principal Amount have given their prior written consent to such issuance.

(f) *Additional Issuer Notes Face and Principal Amount*

(i) *Additional Class A Notes Face and Principal Amount.* Additional Class A Notes shall bear a face amount equal to up to the Class A Maximum Investor Group Principal Amount with respect to the Class A Additional Investor Group or, in the case of a Class A Investor Group Maximum Principal Increase, the Class A Maximum Investor Group Principal Amount with respect to the related Class A Investor Group (after giving effect to such Class A Investor Group Maximum Principal Increase with respect to such Class A Investor Group), and initially shall be issued in a principal amount equal to the Class A Additional Investor

Group Initial Principal Amount, if any, with respect to such Class A Additional Investor Group and, in the case of a Class A Investor Group Maximum Principal Increase, the sum of the amount of the related Class A Investor Group Maximum Principal Increase and the Class A Investor Group Principal Amount of such Class A Investor Group's Class A Notes surrendered for cancellation in connection with such Class A Investor Group Maximum Principal Increase. Upon the issuance of any such Additional Class A Notes, the Class A Maximum Principal Amount shall be increased by the Class A Maximum Investor Group Principal Amount for any such Class A Investor Group or the amount of any such Class A Investor Group Maximum Principal Increase, as applicable. No later than one Business Day following any such Class A Investor Group Maximum Principal Increase, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) to reflect such Class A Investor Group Maximum Principal Increase, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Noteholder.

- (ii) *Additional Class B Notes Face and Principal Amount.* Additional Class B Notes shall bear a face amount equal to up to the Class B Maximum Investor Group Principal Amount with respect to the Class B Additional Investor Group or, in the case of a Class B Investor Group Maximum Principal Increase, the Class B Maximum Investor Group Principal Amount with respect to the related Class B Investor Group (after giving effect to such Class B Investor Group Maximum Principal Increase with respect to such Class B Investor Group), and initially shall be issued in a principal amount equal to the Class B Additional Investor Group Initial Principal Amount, if any, with respect to such Class B Additional Investor Group and, in the case of a Class B Investor Group Maximum Principal Increase, the sum of the amount of the related Class B Investor Group Maximum Principal Increase and the Class B Investor Group Principal Amount of such Class B Investor Group's Class B Notes surrendered for cancellation in connection with such Class B Investor Group Maximum Principal Increase. Upon the issuance of any such Additional Class B Notes, the Class B Maximum Principal Amount shall be increased by the Class B Maximum Investor Group Principal Amount for any such Class B Investor Group or the amount of any such Class B Investor Group Maximum Principal Increase, as applicable. No later than one Business Day following any such Class B Investor Group Maximum Principal Increase, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) to reflect such Class B Investor Group Maximum Principal Increase, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Noteholder.
- (g) *Proceeds.* Proceeds from the initial issuance of the Class A Notes, the Class B Notes and from any Additional Issuer Notes shall be deposited into the Issuer Principal Collection Account and allocated in accordance with Clause 5 (*Priority of Payments*) hereof.

2.2 Advances

- (a) *Class A Advances*
 - (i) *Class A Advance Requests.* Subject to the terms of this Agreement, including, with respect to any Class A Advance, satisfaction of the Class A Funding Conditions, the aggregate principal amount of the Class A Notes may be increased from time to time. On any Business Day (provided, with respect to any Class A Ordinary Advance only, such Business Day is during the Revolving Period), the Issuer, subject to this Sub-Clause 2.2 (*Advances*), may increase the Class A Principal Amount (such increase, including any increase resulting from a Class A Investor Group Maximum Principal Increase Amount, is referred to as a "**Class A Advance**"), by increasing the principal amounts of the Class A Notes

allocated ratably by their respective Class A Commitment Percentages in accordance with Sub-Clause 2.2(a)(iv) (*Class A Advance Allocations*); *provided that* the aggregate amount of all outstanding Class A Reserve Advances and Class A Ordinary Advances may not exceed the aggregate Class A Commitment of each Class A Investor Group; and *further provided that* such Class A Advance shall not cause the total amount of Class A Advances in any calendar month to exceed five (5).

- (A) Whenever the Issuer wishes a Class A Conduit Investor, or if there is no Class A Conduit Investor with respect to any Class A Investor Group, the Class A Committed Note Purchaser with respect to such Class A Investor Group, to make a Class A Advance, the Issuer shall notify the Administrative Agent, the related Class A Funding Agent and the Issuer Security Trustee by providing written notice substantially in the form of Exhibit J-1 (*Class A Form of Advance Notice*) hereto delivered to the Administrative Agent, the Issuer Security Trustee and such Class A Funding Agent (with a copy of such notice delivered to the Class A Committed Note Purchasers) no later than 11:30 a.m. (London time) on the third Business Day prior to the proposed Class A Advance (which notice may be combined with the notice delivered pursuant to Sub-Clause 2.1(c) (*Additional Investor Groups*) in the case of a Class A Ordinary Advance in connection with a Class A Additional Investor Group Initial Principal Amount, or pursuant to Sub-Clause 2.1(d) (*Investor Group Maximum Principal Increase*), in the case of a Class A Ordinary Advance in connection with a Class A Investor Group Maximum Principal Increase Amount). Each such notice shall be irrevocable and shall in each case refer to this Agreement and specify (i) whether such Class A Advance is a Class A Ordinary Advance or a Class A Reserve Advance, (ii) the expected repayment date of such Class A Advance and (iii) the aggregate amount of the requested Class A Advance to be made on such date; *provided, however*, if, with respect to any Class A Ordinary Advance, the Issuer receives a Class A Delayed Funding Notice in accordance with Sub-Clause 2.2(a)(v) (*Delayed Funding Procedures*) by 6:00 p.m. (London time) on the third Business Day prior to the date of any proposed Class A Ordinary Advance, the Issuer shall have the right to revoke the Class A Advance Request for such Class A Ordinary Advance by providing the Administrative Agent and each Class A Funding Agent (with a copy to the Issuer Security Trustee and each Class A Committed Note Purchaser) written notice, by telecopy or electronic mail, of such revocation no later than 10:00 a.m. (London time) on the second Business Day prior to the proposed date of such Class A Ordinary Advance.
- (B) Each Class A Funding Agent shall promptly advise its related Class A Conduit Investor, or if there is no Class A Conduit Investor with respect to any Class A Investor Group, its related Class A Committed Note Purchaser, of any notice given pursuant to Sub-Clause 2.2(a)(i) (*Class A Advance Requests*) and, with respect to any Class A Ordinary Advance, if there is a Class A Conduit Investor with respect to any Class A Investor Group, shall promptly thereafter (but in no event later than 11:00 a.m. (London time) on the second Business Day preceding the date of such proposed Class A Advance), notify the Issuer and the related Class A Committed Note Purchaser(s), whether such Class A Conduit Investor has determined to make such Class A Advance.
- (ii) *Party Obligated to Fund Class A Advances.* Upon the Issuer's request in accordance with Sub-Clause 2.2(a)(i) (*Class A Advance Request*):

- (A) each Class A Conduit Investor, if any, may fund Class A Ordinary Advances (whether as a Class A Non-Delayed Amount or a Class A Delayed Amount) from time to time during the Revolving Period;
 - (B) if any Class A Conduit Investor determines that it will not make a Class A Ordinary Advance (whether as a Class A Non-Delayed Amount or a Class A Delayed Amount) or any portion of a Class A Advance (whether as a Class A Non-Delayed Amount or a Class A Delayed Amount), then such Class A Conduit Investor shall notify the Administrative Agent and the Class A Funding Agent with respect to such Class A Conduit Investor, and each Class A Committed Note Purchaser with respect to such Class A Conduit Investor, subject to Sub-Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*) shall fund its *pro rata* portion (by Class A Committed Note Purchaser Percentage) of the Class A Commitment Percentage with respect to such Class A Investor Group of such Class A Ordinary Advance (whether as a Class A Non-Delayed Amount or a Class A Delayed Amount) not funded by such Class A Conduit Investor;
 - (C) if there is no Class A Conduit Investor with respect any Class A Investor Group, then the Class A Committed Note Purchaser(s) with respect to such Class A Investor Group, subject to Sub-Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*), shall fund Class A Ordinary Advances (whether as a Class A Non-Delayed Amount or a Class A Delayed Amount) from time to time; and
 - (D) each Class A Conduit Investor, or each Class A Committed Note Purchaser if there is no Class A Conduit Investor with respect to any Class A Investor Group, shall fund any Class A Reserve Advance.
- (iii) *Class A Conduit Investor Funding.* Each Class A Conduit Investor hereby agrees with respect to itself that it will use commercially reasonable efforts to fund Class A Advances made by its Class A Investor Group through the issuance of Class A Commercial Paper; *provided that*, (i) no Class A Conduit Investor will have any obligation to use commercially reasonable efforts to fund Class A Advances made by its Class A Investor Group through the issuance of Class A Commercial Paper at any time that the funding of such Class A Advance through the issuance of Class A Commercial Paper would be prohibited by the program documents governing such Class A Conduit Investor's commercial paper program, (ii) nothing herein is (or shall be construed) as a commitment by any Class A Conduit Investor to fund any Class A Advance through the issuance of Class A Commercial Paper; *provided further* that, the Class A Conduit Investors shall not, and shall not be obligated to, fund or pay any Class A Ordinary Advance pursuant to this Agreement unless (i) the respective Class A Conduit Investor has received funds that may be used to make such funding or other payment and which funds are not required to repay any of the commercial paper notes ("**Class A CP Notes**") issued by such Class A Conduit Investor when due and (ii) after giving effect to such funding or payment, either (x) such Class A Conduit Investor could issue Class A CP Notes to refinance all of its outstanding Class A CP Notes (assuming such outstanding Class A CP Notes matured at such time) in accordance with the program documents governing its commercial paper program or (y) all of the Class A CP Notes are paid in full. Any amount that a Class A Conduit Investor does not pay pursuant to the operation of the second proviso of the preceding sentence shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against or obligation of such Class A Conduit Investor for any such insufficiency.
- (iv) *Class A Advance Allocations.* The Issuer shall allocate the proposed Class A Advance among the Class A Investor Groups ratably by their respective Class A

Commitment Percentages; *provided that*, in the event that one or more Class A Additional Investor Groups becomes party to this Agreement in accordance with Sub-Clause 2.1(c) (*Additional Investor Groups*) or one or more Class A Investor Group Maximum Principal Increases are effected in accordance with Sub-Clause 2.1(d) (*Investor Group Maximum Principal Increase*), any Class A Additional Investor Group Initial Principal Amount in connection with the addition of each such Class A Additional Investor Group, any Class A Investor Group Maximum Principal Increase Amount in connection with each such Class A Investor Group Maximum Principal Increase and each Class A Advance subsequent to either of the foregoing shall be allocated solely to such Class A Additional Investor Groups and/or such Class A Investor Groups, as applicable, until (and only until) the Class A Principal Amount is allocated ratably among all Class A Investor Groups (based upon each such Class A Commitment Percentage after giving effect to each such Class A Additional Investor Group becoming party hereto and/or each such Class A Investor Group Maximum Principal Increase, as applicable); *provided further* that on or prior to the Payment Date immediately following the date on which any such Class A Additional Investor Group becomes party hereto or a Class A Investor Group Maximum Principal Increase occurs, the Issuer shall use commercially reasonable efforts to request Class A Advances and/or effect Class A Voluntary Decreases in relation to the Class A Notes to the extent necessary to cause (after giving effect to such Class A Advances and Class A Voluntary Decreases in relation to the Class A Notes) the Class A Principal Amount to be allocated ratably among all Class A Investor Groups (based upon each such Class A Investor Group's Class A Commitment Percentage after giving effect to such Class A Additional Investor Group becoming party hereto or such Class A Investor Group Maximum Principal Increase, as applicable).

(v) *Class A Delayed Funding Procedures.*

- (A) A Class A Delayed Funding Purchaser, upon receipt of any notice of a Class A Ordinary Advance pursuant to Sub-Clause 2.2(a), promptly (but in no event later than 6:00 p.m. (London time) on the third Business Day prior to the proposed date of such Class A Ordinary Advance) may notify the Issuer in writing (a "**Class A Delayed Funding Notice**") of its election to designate such Class A Ordinary Advance as a delayed Class A Ordinary Advance (such Class A Ordinary Advance, a "**Class A Designated Delayed Advance**"). If such Class A Delayed Funding Purchaser's ratable portion of such Class A Ordinary Advance exceeds its Class A Required Non-Delayed Amount (such excess amount, the "**Class A Permitted Delayed Amount**"), then the Class A Delayed Funding Purchaser shall also include in the Class A Delayed Funding Notice the portion of such Class A Ordinary Advance (such amount as specified in the Class A Delayed Funding Notice, not to exceed such Class A Delayed Funding Purchaser's Class A Permitted Delayed Amount, the "**Class A Delayed Amount**") that the Class A Delayed Funding Purchaser has elected to fund on a Business Day that is on or prior to the thirty-fifth (35th) day following the proposed date of such Class A Ordinary Advance (such date as specified in the Class A Delayed Funding Notice, the "**Class A Delayed Funding Date**") rather than on the date for such Class A Ordinary Advance specified in the related Class A Advance Request.
- (B) If (A) one or more Class A Delayed Funding Purchasers provide a Class A Delayed Funding Notice to the Issuer specifying a Class A Delayed Amount in respect of any Class A Ordinary Advance and (B) the Issuer shall not have revoked the notice of the Class A Ordinary Advance by 10:00 a.m. (London time) two Business Days preceding the proposed

date of such Class A Ordinary Advance, then the Issuer, by no later than 11:30 a.m. (London time) two Business Days preceding the date of such proposed Class A Ordinary Advance, may (but shall have no obligation to) direct each Class A Available Delayed Amount Committed Note Purchaser to fund an additional portion of such Class A Ordinary Advance on the proposed date of such Class A Ordinary Advance equal to such Class A Available Delayed Amount Committed Note Purchaser's proportionate share (based upon the relative Class A Committed Note Purchaser Percentage of such Class A Available Delayed Amount Committed Note Purchasers) of the aggregate Class A Delayed Amount with respect to the proposed Advance; *provided that*, (i) no Class A Available Delayed Amount Committed Note Purchaser shall be required to fund any portion of its proportionate share of such aggregate Class A Delayed Amount that would cause its Class A Investor Group Principal Amount to exceed its Class A Maximum Investor Group Principal Amount and (ii) any Class A Conduit Investor, if any, in the Class A Available Delayed Amount Committed Note Purchaser's Investor Group may, in its sole discretion, agree to fund such proportionate share of such aggregate Class A Delayed Amount.

- (C) Upon receipt of any notice of a Class A Delayed Amount in respect of a Class A Advance pursuant to Sub-Clause 2.2(v)(B) (*Class A Delayed Funding Procedures*), a Class A Available Delayed Amount Committed Note Purchaser, promptly (but in no event later than 6:00 p.m. (London time) on the Business Day prior to the proposed date of such Class A Advance) may notify the Issuer in writing (a "**Class A Second Delayed Funding Notice**") of its election to decline to fund a portion of its proportionate share of such Class A Delayed Amount (such portion, the "**Class A Second Delayed Funding Notice Amount**"); *provided that*, the Class A Second Delayed Funding Notice Amount shall not exceed the excess, if any, of (A) such Class A Available Delayed Amount Committed Note Purchaser's proportionate share of such Class A Delayed Amount over (B) such Class A Available Delayed Amount Committed Note Purchaser's Class A Required Non-Delayed Amount (after giving effect to the funding of any amount in respect of such Class A Advance to be made by such Class A Available Delayed Amount Committed Note Purchaser or the Class A Conduit Investor in such Class A Available Delayed Amount Committed Note Purchaser's Class A Investor Group) (such excess amount, the "**Class A Second Permitted Delayed Amount**"), and upon any such election, such Class A Available Delayed Amount Committed Note Purchaser shall include in the Class A Second Delayed Funding Notice the Class A Second Delayed Funding Notice Amount.

(vi) *Funding Class A Advances*

- (A) Subject to the other conditions set forth in this Sub-Clause 2.2(a) (*Class A Advances*), on the date of each Class A Ordinary Advance, each Class A Conduit Investor and Class A Committed Note Purchaser(s) funding such Class A Ordinary Advance shall make available to the Issuer its portion of the amount of such Class A Ordinary Advance (other than any Class A Delayed Amount) by wire transfer in Euros in same day funds to the Issuer Principal Collection Account no later than 2:00 p.m. (London time) on the date of such Class A Ordinary Advance. Proceeds from any Class A Ordinary Advance shall be deposited into the Issuer Principal Collection Account.

- (B) Subject to the other conditions set forth in this Sub-Clause 2.2(a) (*Class A Advances*), on the date of each Class A Reserve Advance, each Class A Conduit Investor and Class A Committed Note Purchaser(s) funding such Class A Reserve Advance shall make available to the Issuer its portion of the amount of such Class A Reserve Advance by wire transfer in Euros in same day funds to the Issuer Reserve Account no later than 2:00 p.m. (London time) on the date of such Class A Reserve Advance. Proceeds from any Class A Reserve Advance shall be deposited into the Issuer Reserve Account.
- (C) A Class A Delayed Funding Purchaser that delivered a Class A Delayed Funding Notice in respect of a Class A Delayed Amount shall be obligated to fund such Class A Delayed Amount on the related Class A Delayed Funding Date in the manner set forth in the next succeeding sentence, irrespective of whether the Commitment Termination Date shall have occurred on or prior to such Class A Delayed Funding Date or the Issuer would be able to satisfy the Class A Funding Conditions on such Class A Delayed Funding Date. Such Class A Delayed Funding Purchaser shall (i) (if applicable) pay the sum of the Class A Second Delayed Funding Notice Amount related to such Class A Delayed Amount, if any, to the Issuer no later than 2:00 p.m. (London time) on the related Class A Delayed Funding Date by wire transfer in Euros in same day funds to the Issuer Principal Collection Account, and (ii) pay the Class A Delayed Funding Reimbursement Amount related to such Class A Delayed Amount, if any, on such related Class A Delayed Funding Date to each applicable Class A Funding Agent in immediately available funds for the ratable benefit of the related Class A Available Delayed Amount Purchasers that funded the Class A Delayed Amount on the date of the Class A Advance related to such Class A Delayed Amount in accordance with Sub-Clause 2.2(a)(v)(C) (*Class A Delayed Funding Procedures*), based on the relative amount of such Class A Delayed Amount funded by such Class A Available Delayed Amount Purchaser on the date of such Class A Advance pursuant to Sub-Clause 2.2(a)(v)(C) (*Class A Delayed Funding Procedures*).
- (vii) *Class A Funding Defaults.* If, by 2:00 p.m. (London time) on the date of any Class A Advance, one or more Class A Committed Note Purchasers in a Class A Investor Group (each, a “**Class A Defaulting Committed Note Purchaser**,” and each Class A Committed Note Purchaser in the related Class A Investor Group that is not a Class A Defaulting Committed Note Purchaser, a “**Class A Non-Defaulting Committed Note Purchaser**”) fails to make its portion of such Class A Advance, available to the Issuer pursuant to Sub-Clause 2.2(a)(vi) (*Funding Class A Advances*) (the aggregate amount unavailable to the Issuer as a result of any such failure being herein called an “**Class A Advance Deficit**”), then the Class A Funding Agent for such Class A Investor Group, by no later than 2:30 p.m. (London time) on the applicable date of such Class A Advance, shall instruct each Class A Non-Defaulting Committed Note Purchaser in the same Class A Investor Group as the Class A Defaulting Committed Note Purchaser to pay, by no later than 3:00 p.m. (London time), in immediately available funds, to the Issuer Principal Collection Account, an amount equal to the lesser of (i) such Class A Non-Defaulting Committed Note Purchaser’s *pro rata* portion (based upon the relative Class A Committed Note Purchaser Percentage of such Class A Non-Defaulting Committed Note Purchasers) of the Class A Advance Deficit and (ii) the amount by which such Class A Non-Defaulting Committed Note Purchaser’s *pro rata* portion (by Class A Committed Note Purchaser Percentage) of the Class A Maximum Investor Group Principal Amount for such Class A Investor Group exceeds the portion of the Class A Investor Group Principal Amount, respectively for such Class A Investor Group funded by such Class A

Non-Defaulting Committed Note Purchaser (determined after giving effect to all Advances already made by such Class A Investor Group on such date). A Class A Defaulting Committed Note Purchaser shall forthwith, upon demand, pay to the applicable Funding Agent for the ratable benefit of the Class A Non-Defaulting Committed Note Purchasers all amounts paid by each such Class A Non-Defaulting Committed Note Purchaser on behalf of such Class A Defaulting Committed Note Purchaser, together with interest thereon, for each day from the date a payment was made by a Class A Non-Defaulting Committed Note Purchaser until the date such Class A Non-Defaulting Committed Note Purchaser has been paid such amounts in full, at a rate per annum equal to the sum of the Reference Rate plus 0.50% per annum. For the avoidance of doubt, no Class A Delayed Funding Purchaser that has provided a Class A Delayed Funding Notice in respect of a Class A Advance shall be considered to be in default of its obligation to fund its Class A Delayed Amount or be treated as a Class A Defaulting Committed Note Purchaser hereunder unless and until it has failed to fund the Class A Delayed Funding Reimbursement Amount or the Class A Second Delayed Funding Notice Amount on the related Class A Delayed Funding Date in accordance with Sub-Clause 2.2(a)(vi)(B) (*Funding Class A Advances*).

(b) *Class B Advances*

(i) *Class B Advance Requests.* Subject to the terms of this Agreement, including satisfaction of the Class B Funding Conditions, the aggregate principal amount of the Class B Notes may be increased from time to time. On any Business Day during the Revolving Period, the Issuer, subject to this Sub-Clause 2.2(b) (*Class B Advances*), may increase the Class B Principal Amount (such increase, including any increase resulting from a Class B Investor Group Maximum Principal Increase Amount, is referred to as a “**Class B Advance**”), by increasing the principal amounts of the Class B Notes allocated ratably by their respective Class B Commitment Percentages in accordance with Sub-Clause 2.2(b)(iv) (*Class B Advance Allocations*).

(A) Whenever the Issuer wishes a Class B Conduit Investor, or if there is no Class B Conduit Investor with respect to any Class B Investor Group, the Class B Committed Note Purchaser with respect to such Class B Investor Group, to make a Class B Advance, the Issuer shall notify the Administrative Agent, the related Class B Funding Agent and the Issuer Security Trustee by providing written notice substantially in the form of Exhibit J-2 (*Class B Form of Advance Notice*) delivered to the Administrative Agent, the Issuer Security Trustee and such Class B Funding Agent (with a copy of such notice delivered to the Class B Committed Note Purchasers) no later than 11:30 a.m. (London time) on the third Business Day prior to the proposed Class B Advance (which notice may be combined with the notice delivered pursuant to Sub-Clause 2.1(c) (*Additional Investor Groups*) in the case of a Class B Advance in connection with a Class B Additional Investor Group Initial Principal Amount, or pursuant to Sub-Clause 2.1(d) (*Investor Group Maximum Principal Increase*), in the case of a Class B Advance in connection with a Class B Investor Group Maximum Principal Increase Amount). Each such notice shall be irrevocable and shall in each case refer to this Agreement and specify the aggregate amount of the requested Class B Advance to be made on such date; *provided, however*, if the Issuer receives a Class B Delayed Funding Notice in accordance with Sub-Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) by 6:00 p.m. (London time) on the third Business Day prior to the date of any proposed Class B Advance, the Issuer shall have the right to revoke the Class B Advance Request by providing the Administrative Agent and each Class B Funding Agent (with a copy to the Issuer Security Trustee

and each Class B Committed Note Purchaser) written notice, by telecopy or electronic mail, of such revocation no later than 10:00 a.m. (London time) on the second Business Day prior to the proposed date of such Class B Advance.

- (B)** Each Class B Funding Agent shall promptly advise its related Class B Conduit Investor, or if there is no Class B Conduit Investor with respect to any Class B Investor Group, its related Class B Committed Note Purchaser, of any notice given pursuant to Sub-Clause 2.2(b)(i) (*Class B Advance Requests*) and, if there is a Class B Conduit Investor with respect to any Class B Investor Group, shall promptly thereafter (but in no event later than 11:00 a.m. (London time) on the second Business Day preceding the date of such proposed Class B Advance), notify the Issuer and the related Class B Committed Note Purchaser(s), whether such Class B Conduit Investor has determined to make such Class B Advance.
- (ii)** *Party Obligated to Fund Class B Advances.* Upon the Issuer's request in accordance with Sub-Clause 2.2(b)(i) (*Class B Advances*):

 - (A)** each Class B Conduit Investor, if any, may fund Class B Advances (whether as a Class B Non-Delayed Amount or a Class B Delayed Amount) from time to time during the Revolving Period;
 - (B)** if any Class B Conduit Investor determines that it will not make a Class B Advance (whether as a Class B Non-Delayed Amount or a Class B Delayed Amount) or any portion of a Class B Advance (whether as a Class B Non-Delayed Amount or a Class B Delayed Amount), then such Class B Conduit Investor shall notify the Administrative Agent and the Class B Funding Agent with respect to such Class B Conduit Investor, and each Class B Committed Note Purchaser with respect to such Class B Conduit Investor, subject to Sub-Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) shall fund its *pro rata* portion (by Class B Committed Note Purchaser Percentage) of the Class B Commitment Percentage with respect to such Class B Investor Group of such Class B Advance (whether as a Class B Non-Delayed Amount or a Class B Delayed Amount) not funded by such Class B Conduit Investor; and
 - (C)** if there is no Class B Conduit Investor with respect any Class B Investor Group, then the Class B Committed Note Purchaser(s) with respect to such Class B Investor Group, subject to Sub-Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*), shall fund Class B Advances (whether as a Class B Non-Delayed Amount or a Class B Delayed Amount) from time to time.
- (iii)** *Class B Conduit Investor Funding.* Each Class B Conduit Investor hereby agrees with respect to itself that it will use commercially reasonable efforts to fund Class B Advances made by its Class B Investor Group through the issuance of Class B Commercial Paper; *provided that*, (i) no Class B Conduit Investor will have any obligation to use commercially reasonable efforts to fund Class B Advances made by its Class B Investor Group through the issuance of Class B Commercial Paper at any time that the funding of such Class B Advance through the issuance of Class B Commercial Paper would be prohibited by the program documents governing such Class B Conduit Investor's commercial paper program, (ii) nothing herein is (or shall be construed) as a commitment by any Class B Conduit Investor to fund any Class B Advance through the issuance of Class B Commercial Paper; *provided further that*, the Class B Conduit Investors shall not, and shall not be obligated to, fund or pay any amount pursuant to this Agreement unless (i) the respective Class B Conduit Investor has received funds that may be

used to make such funding or other payment and which funds are not required to repay any of the commercial paper notes (“**Class B CP Notes**”) issued by such Class B Conduit Investor when due and (ii) after giving effect to such funding or payment, either (x) such Class B Conduit Investor could issue Class B CP Notes to refinance all of its outstanding Class B CP Notes (assuming such outstanding Class B CP Notes matured at such time) in accordance with the program documents governing its commercial paper program or (y) all of the Class B CP Notes are paid in full. Any amount that a Class B Conduit Investor does not pay pursuant to the operation of the second proviso of the preceding sentence shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against or obligation of such Class B Conduit Investor for any such insufficiency.

- (iv) *Class B Advance Allocations.* The Issuer shall allocate the proposed Class B Advance among the Class B Investor Groups ratably by their respective Class B Commitment Percentages; *provided that*, in the event that one or more Class B Additional Investor Groups becomes party to this Agreement in accordance with Sub-Clause 2.1(c) (*Additional Investor Groups*) or one or more Class B Investor Group Maximum Principal Increases are effected in accordance with Sub-Clause 2.1(d) (*Investor Group Maximum Principal Increase*), any Class B Additional Investor Group Initial Principal Amount in connection with the addition of each such Class B Additional Investor Group, any Class B Investor Group Maximum Principal Increase Amount in connection with each such Class B Investor Group Maximum Principal Increase and each Class B Advance subsequent to either of the foregoing shall be allocated solely to such Class B Additional Investor Groups and/or such Class B Investor Groups, as applicable, until (and only until) the Class B Principal Amount is allocated ratably among all Class B Investor Groups (based upon each such Class B Commitment Percentage after giving effect to each such Class B Additional Investor Group becoming party hereto and/or each such Class B Investor Group Maximum Principal Increase, as applicable); *provided further* that on or prior to the Payment Date immediately following the date on which any such Class B Additional Investor Group becomes party hereto or a Class B Investor Group Maximum Principal Increase occurs, the Issuer shall use commercially reasonable efforts to request Class B Advances and/or effect Class B Voluntary Decreases to the extent necessary to cause (after giving effect to such Class B Advances and Class B Voluntary Decreases) the Class B Principal Amount to be allocated ratably among all Class B Investor Groups (based upon each such Class B Investor Group’s Class B Commitment Percentage after giving effect to such Class B Additional Investor Group becoming party hereto or such Class B Investor Group Maximum Principal Increase, as applicable).
- (v) *Class B Delayed Funding Procedures.*
- (A) A Class B Delayed Funding Purchaser, upon receipt of any notice of a Class B Advance pursuant to Sub-Clause 2.2(b)(i), promptly (but in no event later than 6:00 p.m. (London time) on the third Business Day prior to the proposed date of such Class B Advance) may notify the Issuer in writing (a “**Class B Delayed Funding Notice**”) of its election to designate such Class B Advance as a delayed Class B Advance (such Class B Advance, a “**Class B Designated Delayed Advance**”). If such Class B Delayed Funding Purchaser’s ratable portion of such Class B Advance exceeds its Class B Required Non-Delayed Amount (such excess amount, the “**Class B Permitted Delayed Amount**”), then the Class B Delayed Funding Purchaser shall also include in the Class B Delayed Funding Notice the portion of such Class B Advance (such amount as specified in the Class B Delayed Funding Notice, not to exceed such Class B Delayed Funding Purchaser’s Class B Permitted Delayed Amount, the “**Class B Delayed Amount**”) that the Class B

Delayed Funding Purchaser has elected to fund on a Business Day that is on or prior to the thirty-fifth (35th) day following the proposed date of such Class B Advance (such date as specified in the Class B Delayed Funding Notice, the “**Class B Delayed Funding Date**”) rather than on the date for such Class B Advance specified in the related Class B Advance Request.

- (B) If (A) one or more Class B Delayed Funding Purchasers provide a Class B Delayed Funding Notice to the Issuer specifying a Class B Delayed Amount in respect of any Class B Advance and (B) the Issuer shall not have revoked the notice of the Class B Advance by 10:00 a.m. (London time) two Business Days preceding the proposed date of such Class B Advance, then the Issuer, by no later than 11:30 a.m. (London time) two Business Days preceding the date of such proposed Class B Advance, may (but shall have no obligation to) direct each Class B Available Delayed Amount Committed Note Purchaser to fund an additional portion of such Class B Advance on the proposed date of such Class B Advance equal to such Class B Available Delayed Amount Committed Note Purchaser’s proportionate share (based upon the relative Class B Committed Note Purchaser Percentage of such Class B Available Delayed Amount Committed Note Purchasers) of the aggregate Class B Delayed Amount with respect to the proposed Advance; *provided that*, (i) no Class B Available Delayed Amount Committed Note Purchaser shall be required to fund any portion of its proportionate share of such aggregate Class B Delayed Amount that would cause its Class B Investor Group Principal Amount to exceed its Class B Maximum Investor Group Principal Amount and (ii) any Class B Conduit Investor, if any, in the Class B Available Delayed Amount Committed Note Purchaser’s Investor Group may, in its sole discretion, agree to fund such proportionate share of such aggregate Class B Delayed Amount.
- (C) Upon receipt of any notice of a Class B Delayed Amount in respect of a Class B Advance pursuant to Sub-Clause 2.2(b)(v)(B) (*Class B Delayed Funding Procedures*), a Class B Available Delayed Amount Committed Note Purchaser, promptly (but in no event later than 6:00 p.m. (London time) on the Business Day prior to the proposed date of such Class B Advance) may notify the Issuer in writing (a “**Class B Second Delayed Funding Notice**”) of its election to decline to fund a portion of its proportionate share of such Class B Delayed Amount (such portion, the “**Class B Second Delayed Funding Notice Amount**”); *provided that*, the Class B Second Delayed Funding Notice Amount shall not exceed the excess, if any, of (A) such Class B Available Delayed Amount Committed Note Purchaser’s proportionate share of such Class B Delayed Amount over (B) such Class B Available Delayed Amount Committed Note Purchaser’s Class B Required Non-Delayed Amount (after giving effect to the funding of any amount in respect of such C Class B Advance to be made by such Class B Available Delayed Amount Committed Note Purchaser or the Class B Conduit Investor in such Class B Available Delayed Amount Committed Note Purchaser’s Class B Investor Group) (such excess amount, the “**Class B Second Permitted Delayed Amount**”), and upon any such election, such Class B Available Delayed Amount Committed Note Purchaser shall include in the Class B Second Delayed Funding Notice the Class B Second Delayed Funding Notice Amount.

(vi) *Funding Class B Advances*

- (A) Subject to the other conditions set forth in this Sub-Clause 2.2(b) (*Class B Advances*), on the date of each Class B Advance, each Class B Conduit Investor and Class B Committed Note Purchaser(s) funding such Class B Advance shall make available to the Issuer its portion of the amount of such Class B Advance (other than any Class B Delayed Amount) by wire transfer in Euros in same day funds to the Issuer Principal Collection Account no later than 2:00 p.m. (London time) on the date of such Class B Advance. Proceeds from any Class B Advance shall be deposited into the Issuer Principal Collection Account.
- (B) A Class B Delayed Funding Purchaser that delivered a Class B Delayed Funding Notice in respect of a Class B Delayed Amount shall be obligated to fund such Class B Delayed Amount on the related Class B Delayed Funding Date in the manner set forth in the next succeeding sentence, irrespective of whether the Commitment Termination Date shall have occurred on or prior to such Class B Delayed Funding Date or the Issuer would be able to satisfy the Class B Funding Conditions on such Class B Delayed Funding Date. Such Class B Delayed Funding Purchaser shall (i) (if applicable) pay the sum of the Class B Second Delayed Funding Notice Amount related to such Class B Delayed Amount, if any, to the Issuer no later than 2:00 p.m. (London time) on the related Class B Delayed Funding Date by wire transfer in Euros in same day funds to the Issuer Principal Collection Account, and (ii) pay the Class B Delayed Funding Reimbursement Amount related to such Class B Delayed Amount, if any, on such related Class B Delayed Funding Date to each applicable Class B Funding Agent in immediately available funds for the ratable benefit of the related Class B Available Delayed Amount Purchasers that funded the Class B Delayed Amount on the date of the Class B Advance related to such Class B Delayed Amount in accordance with Sub-Clause 2.2(b)(v)(C) (*Class B Delayed Funding Procedures*), based on the relative amount of such Class B Delayed Amount funded by such Class B Available Delayed Amount Purchaser on the date of such Class B Advance pursuant to Sub-Clause 2.2(b)(v)(C) (*Class B Delayed Funding Procedures*).
- (vii) *Class B Funding Defaults*. If, by 2:00 p.m. (London time) on the date of any Class B Advance, one or more Class B Committed Note Purchasers in a Class B Investor Group (each, a “**Class B Defaulting Committed Note Purchaser**,” and each Class B Committed Note Purchaser in the related Class B Investor Group that is not a Class B Defaulting Committed Note Purchaser, a “**Class B Non-Defaulting Committed Note Purchaser**”) fails to make its portion of such Class B Advance, available to the Issuer pursuant to Sub-Clause 2.2(b)(vi) (*Funding Class B Advances*) (the aggregate amount unavailable to the Issuer as a result of any such failure being herein called an “**Class B Advance Deficit**”), then the Class B Funding Agent for such Class B Investor Group, by no later than 2:30 p.m. (London time) on the applicable date of such Class B Advance, shall instruct each Class B Non-Defaulting Committed Note Purchaser in the same Class B Investor Group as the Class B Defaulting Committed Note Purchaser to pay, by no later than 3:00 p.m. (London time), in immediately available funds, to the Issuer Principal Collection Account, an amount equal to the lesser of (i) such Class B Non-Defaulting Committed Note Purchaser’s *pro rata* portion (based upon the relative Class B Committed Note Purchaser Percentage of such Class B Non-Defaulting Committed Note Purchasers) of the Class B Advance Deficit and (ii) the amount by which such Class B Non-Defaulting Committed Note Purchaser’s *pro rata* portion (by Class B Committed Note Purchaser Percentage) of the Class B Maximum Investor Group Principal Amount for such Class B Investor Group exceeds the portion of the Class B Investor Group Principal Amount for such Class B Investor Group funded by such Class B Non-Defaulting

Committed Note Purchaser (determined after giving effect to all Advances already made by such Class B Investor Group on such date). A Class B Defaulting Committed Note Purchaser shall forthwith, upon demand, pay to the applicable Funding Agent for the ratable benefit of the Class B Non-Defaulting Committed Note Purchasers all amounts paid by each such Class B Non-Defaulting Committed Note Purchaser on behalf of such Class B Defaulting Committed Note Purchaser, together with interest thereon, for each day from the date a payment was made by a Class B Non-Defaulting Committed Note Purchaser until the date such Class B Non-Defaulting Committed Note Purchaser has been paid such amounts in full, at a rate per annum equal to the sum of the Reference Rate plus 0.50% per annum. For the avoidance of doubt, no Class B Delayed Funding Purchaser that has provided a Class B Delayed Funding Notice in respect of a Class B Advance shall be considered to be in default of its obligation to fund its Class B Delayed Amount or be treated as a Class B Defaulting Committed Note Purchaser hereunder unless and until it has failed to fund the Class B Delayed Funding Reimbursement Amount or the Class B Second Delayed Funding Notice Amount on the related Class B Delayed Funding Date in accordance with Sub-Clause 2.2(b)(vi)(B) (*Funding Class B Advances*).

- (c) *No obligation to make Class A Advance Requests or Class B Advance Requests.* For the avoidance of doubt, the Issuer is not obliged to make any Class A Advance Requests or Class B Advance Requests, save that the Issuer shall deliver a Class A Advance Request to the Administrative Agent, the Class A Funding Agents and the Issuer Security Trustee (i) on the third Business Day prior to the Payment Date immediately preceding the Commitment Termination Date, in an amount equal to the Required Reserve Advance Amount and (ii) upon the occurrence of a Liquidation Event, in an amount equal to the Required Reserve Advance Amount; *provided that*, if the Issuer obtains actual knowledge of the occurrence of a Liquidation Event after 10:30 a.m. (London time) on any Business Day, the Class A Advance Request required to be delivered in accordance with item (ii) of this Sub-Clause 2.2(c) shall be delivered no later than 11:30 a.m. (London time) on the next succeeding Business Day; *provided further that*, no Class A Advance Request shall be required in accordance with item (ii) of this Sub-Clause 2.2(c) if a Class A Advance Request shall have previously been delivered in accordance with item (i) of this Sub-Clause 2.2(c).

2.3 Procedure for Decreasing the Principal Amount

- (a) *Principal Decreases.* Subject to the terms of this Agreement, the aggregate principal amount of the Issuer Notes may be decreased from time to time.
- (b) *Expected Decrease*
- (i) The expected repayment date of each Class A Advance shall be specified in the Class A Advance Request, which shall be a Payment Date or an Alternative Payment Date (such date, the “**Expected Payment Date**”); *provided that*, with respect to the Class A Initial Advance Amount with respect to each Class A Noteholder as of the Closing Date, the Expected Payment Date shall be the first Alternative Payment Date.
- (ii) Should the Issuer wish to repay a Class A Advance on its Expected Payment Date (the amount of such Class A Advance to be repaid, the “**Class A Expected Decrease Amount**”), then the Issuer shall provide notice to each Class A Noteholder, each Class A Conduit Investor, each Class A Committed Note Purchaser, the Administrative Agent and the Issuer Security Trustee at least 3 Business Days prior to such Expected Payment Date. Each such notice shall set forth the date of such Class A Expected Decrease, the related Class A Expected Decrease Amount, whether the Issuer is electing to pay any Class A Terminated

Purchaser in connection with such Class A Expected Decrease, and the amount to be paid to such Class A Terminated Purchaser (if any).

- (iii) Any Class A Advance which is repaid on a Payment Date or an Alternative Payment Date shall be payable in accordance with Clause 5 (*Priority of Payments*) (such repayment, a “**Class A Expected Decrease**”).
- (iv) If the Issuer does not provide notice in accordance with Sub-Clause 2.3(b)(ii) above, then the relevant Class A Advance shall not be due and payable on its Expected Payment Date but instead will become due and payable on the earlier of the next Alternative Payment Date and the next Payment Date, in each case immediately after such Expected Payment Date. For the avoidance of doubt, and subject to all Class A Advances being due and payable on the Expected Final Payment Date, there is no limit on the number of times which the Expected Payment Date may be extended in accordance with this Sub-Clause 2.3(b)(iv).

(c) *Mandatory Decrease*

- (i) *Obligation to Decrease Class A Notes.* If any Class A Excess Principal Event shall have occurred and be continuing, then, within five (5) Business Days following the Issuer’s discovery of such Class A Excess Principal Event, the Issuer shall withdraw from the Issuer Principal Collection Account an amount equal to the lesser of (x) the amount then on deposit in such account and available for distribution to effect a reduction in the Class A Principal Amount pursuant to Sub-Clause 5.2(c) (*Application of Funds in the Issuer Principal Collection Account*), and (y) the amount necessary so that, after giving effect to all Class A Voluntary Decreases prior to such date, no such Class A Excess Principal Event shall exist, and distribute the lesser of such (x) and (y) to the Class A Noteholders in respect of principal of the Class A Notes to make a reduction in the Class A Principal Amount in accordance with Sub-Clause 5.2 (*Application of Funds in the Issuer Principal Collection Account*) (each reduction of the Principal Amount pursuant to this paragraph (i), a “**Class A Excess Principal Mandatory Decrease**” and the amount of each such reduction, the “**Class A Excess Principal Mandatory Decrease Amount**”).
- (ii) *Obligation to Decrease Class B Notes.* If any Class B Excess Principal Event shall have occurred and be continuing, then, within five (5) Business Days following the Issuer’s discovery of such Class B Excess Principal Event, the Issuer shall withdraw from the Issuer Principal Collection Account an amount equal to the lesser of (x) the amount then on deposit in such account and available for distribution to effect a reduction in the Class B Principal Amount pursuant to Sub-Clause 5.2(c) (*Application of Funds in the Issuer Principal Collection Account*), and (y) the amount necessary so that, after giving effect to all Class B Voluntary Decreases prior to such date, no such Class B Excess Principal Event shall exist, and distribute the lesser of such (x) and (y) to the Class B Noteholders in respect of principal of the Class B Notes to make a reduction in the Class B Principal Amount in accordance with Sub-Clause 5.2 (*Application of Funds in the Issuer Principal Collection Account*) (each reduction of the Principal Amount pursuant to this paragraph (i), a “**Class B Excess Principal Mandatory Decrease**” and the amount of each such reduction, the “**Class B Excess Principal Mandatory Decrease Amount**”).
- (iii) *Illegality in respect of Class A Notes.* If, in any applicable jurisdiction, it becomes unlawful for a Class A Noteholder to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Class A Advance:

- (A) that Class A Noteholder shall promptly notify the relevant Class A Funding Agent and the Administrative Agent upon becoming aware of that event;
 - (B) upon the relevant Class A Funding Agent notifying the Issuer, the Class A Commitment of that Class A Noteholder will be immediately cancelled; and
 - (C) to the extent that the Class A Noteholder's Class A Note has not been transferred pursuant to Clause 9 (*Transfers, Replacements and Assignments*), the Issuer shall withdraw from the Issuer Principal Collection Account an amount equal to the amount necessary to reduce the Principal Amount Outstanding of such Class A Note to zero (such reduction, a "**Class A Illegality Mandatory Decrease**" and the amount of each such reduction, the "**Class A Illegality Mandatory Decrease Amount**").
- (iv) *Illegality in respect of Class B Notes.* If, in any applicable jurisdiction, it becomes unlawful for a Class B Noteholder to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Class B Advance:
- (A) that Class B Noteholder shall promptly notify the relevant Class B Funding Agent and the Administrative Agent upon becoming aware of that event;
 - (B) upon the relevant Class B Funding Agent notifying the Issuer, the Class B Commitment of that Class B Noteholder will be immediately cancelled; and
 - (C) to the extent that the Class B Noteholder's Class B Note has not been transferred pursuant to Clause 9 (*Transfers, Replacements and Assignments*), the Issuer shall withdraw from the Issuer Principal Collection Account an amount equal to the amount necessary to reduce the Principal Amount Outstanding of such Class B Note to zero (such reduction, a "**Class B Illegality Mandatory Decrease**" and the amount of each such reduction, the "**Class B Illegality Mandatory Decrease Amount**").
- (v) *Breakage.* Subject to and in accordance with Sub-Clause 3.5 (*Funding Losses*), (x) with respect to each Class A Excess Principal Mandatory Decrease or Class A Illegality Mandatory Decrease, the Issuer shall reimburse each Class A Investor Group or Class A Noteholder (as the case may be) on the next succeeding Payment Date for any associated breakage costs payable as a result of such Class A Excess Principal Mandatory Decrease or Class A Illegality Mandatory Decrease and (y) with respect to each Class B Excess Principal Mandatory Decrease or Class B Illegality Mandatory Decrease, the Issuer shall reimburse each Class B Investor Group or Class B Noteholder (as the case may be) on the next succeeding Payment Date for any associated breakage costs payable as a result of such Class B Excess Principal Mandatory Decrease or Class B Illegality Mandatory Decrease.
- (vi) *Notice of Mandatory Decrease.* Upon discovery of any Class A Excess Principal Event, the Issuer, within two (2) Business Days of such discovery, shall deliver written notice of any related Class A Excess Principal Mandatory Decreases, any related Class A Excess Principal Mandatory Decrease Amount and the date of any such Class A Excess Principal Mandatory Decrease to the Administrative Agent, the Issuer Security Trustee and each Class A Noteholder. Upon discovery of any Class B Excess Principal Event, the Issuer, within two (2) Business Days

of such discovery, shall deliver written notice of any related Class B Excess Principal Mandatory Decreases, any related Class B Excess Principal Mandatory Decrease Amount and the date of any such Class B Excess Principal Mandatory Decrease to the Administrative Agent, the Issuer Security Trustee and each Class B Noteholder.

(d) *Voluntary Decrease*

- (i)** *Procedures for Class A Voluntary Decrease.* On any Business Day, upon at least three (3) Business Days' prior notice to each Class A Noteholder, each Class A Conduit Investor, each Class A Committed Note Purchaser, the Administrative Agent and the Issuer Security Trustee, the Issuer may decrease the Class A Principal Amount in whole or in part (each such reduction of the Principal Amount pursuant to this Sub-Clause 2.3(d) (*Voluntary Decrease*), a "**Class A Voluntary Decrease**") by withdrawing from the Issuer Principal Collection Account an amount up to the sum of all amounts then on deposit in such account and available for distribution to effect a Class A Voluntary Decrease pursuant to Sub-Clause 5.2 (*Application of Funds in the Issuer Principal Collection Account*), and distributing the amount of such withdrawal (such amount, the "**Class A Voluntary Decrease Amount**") to the Class A Noteholders as specified in Sub-Clause 5.2 (*Application of Funds in the Issuer Principal Collection Account*) on a *pro rata* basis amongst the Class A Noteholders other than the Class A Terminated Purchasers. Each such notice shall set forth the date of such Class A Voluntary Decrease, the related Class A Voluntary Decrease Amount, whether the Issuer is electing to pay any Class A Terminated Purchaser in connection with such Class A Voluntary Decrease, and the amount to be paid to such Class A Terminated Purchaser (if any).
- (ii)** *Procedures for Class B Voluntary Decrease.* On any Business Day, upon at least three (3) Business Days' prior notice to each Class B Noteholder and provided that no Potential Amortization Event with respect to the Class A Notes has occurred, each Class B Conduit Investor, each Class B Committed Note Purchaser, the Administrative Agent and the Issuer Security Trustee, the Issuer may decrease the Class B Principal Amount in whole or in part (each such reduction of the Principal Amount pursuant to this Sub-Clause 2.3(d) (*Voluntary Decrease*), a "**Class B Voluntary Decrease**") by withdrawing from the Issuer Principal Collection Account an amount up to the sum of all amounts then on deposit in such account and available for distribution to effect a Class B Voluntary Decrease pursuant to Sub-Clause 5.2 (*Application of Funds in the Issuer Principal Collection Account*), and distributing the amount of such withdrawal (such amount, the "**Class B Voluntary Decrease Amount**") to the Class B Noteholders as specified in Sub-Clause 5.2 (*Application of Funds in the Issuer Principal Collection Account*) on a *pro rata* basis amongst the Class B Noteholders other than the Class B Terminated Purchasers. Each such notice shall set forth the date of such Class B Voluntary Decrease, the related Class B Voluntary Decrease Amount, whether the Issuer is electing to pay any Class B Terminated Purchaser in connection with such Class B Voluntary Decrease, and the amount to be paid to such Class B Terminated Purchaser (if any).
- (iii)** *Breakage.* Subject to and in accordance with Sub-Clause 3.5 (*Funding Losses*), (x) with respect to each Class A Voluntary Decrease, the Issuer shall reimburse each Class A Investor Group on the next succeeding Payment Date for any associated breakage costs payable as a result of such Class A Voluntary Decrease and (y) with respect to each Class B Voluntary Decrease, the Issuer shall reimburse each Class B Investor Group on the next succeeding Payment Date for any associated breakage costs payable as a result of such Class B Voluntary Decrease.
- (iv)** *Voluntary Decrease Minimum Denominations.* Each such Class A Voluntary Decrease shall be, in the aggregate for all Class A Notes, in a minimum principal

amount of EUR 5,000,000 and integral multiples of EUR 100,000 in excess thereof unless such Class A Voluntary Decrease is allocated to pay any Class A Investor Group Principal Amount in full. Each such Class B Voluntary Decrease shall be, in the aggregate for all Class B Notes, in a minimum principal amount of EUR 1,000,000 and integral multiples of EUR 100,000 in excess thereof unless such Class B Voluntary Decrease is allocated to pay any Class B Investor Group Principal Amount in full.

2.4 Funding Agent Register

- (a) On each date of a Class A Advance or Class A Decrease hereunder, a duly authorized officer, employee or agent of the related Class A Funding Agent shall make appropriate notations in its books and records of the amount of such Class A Advance or Class A Decrease, as applicable. The Issuer hereby authorizes each duly authorized officer, employee and agent of such Class A Funding Agent to make such notations on the books and records as aforesaid and every such notation made in accordance with the foregoing authority shall be *prima facie* evidence of the accuracy of the information so recorded and shall be binding on the Issuer absent manifest error; *provided, however*, that in the event of a discrepancy between the books and records of such Class A Funding Agent and the records maintained by the Registrar pursuant to the Issuer Note Framework Agreement, such discrepancy shall be resolved by such Class A Funding Agent and the Administrative Agent and the Registrar shall be directed by the Class A Funding Agent to update the Note Register accordingly.
- (b) On each date of a Class B Advance or Class B Decrease hereunder, a duly authorized officer, employee or agent of the related Class B Funding Agent shall make appropriate notations in its books and records of the amount of such Class B Advance or Class B Decrease, as applicable. The Issuer hereby authorizes each duly authorized officer, employee and agent of such Class B Funding Agent to make such notations on the books and records as aforesaid and every such notation made in accordance with the foregoing authority shall be *prima facie* evidence of the accuracy of the information so recorded and shall be binding on the Issuer absent manifest error; *provided, however*, that in the event of a discrepancy between the books and records of such Class B Funding Agent and the records maintained by the Registrar pursuant to the Issuer Note Framework Agreement, such discrepancy shall be resolved by such Class B Funding Agent and the Administrative Agent and the Registrar shall be directed by the Class B Funding Agent to update the Note Register accordingly.

2.5 Reduction of Maximum Principal Amount

- (a) *Reduction of Class A Maximum Principal Amount.* The Issuer, upon three (3) Business Days' notice to the Administrative Agent, each Class A Funding Agent, each Class A Conduit Investor and each Class A Committed Note Purchaser, may effect a reduction (but without prejudice of the Issuer right to effect a Class A Investor Group Maximum Principal Increase with respect to any Class A Investor Group or add any Class A Additional Investor Group in the future, in each case in accordance with Sub-Clause 2.1 (*Initial Purchase; Additional Issuer Notes*)) of the Class A Maximum Principal Amount and a corresponding reduction of each Class A Maximum Investor Group Principal Amount; *provided that*, with respect to any such reduction effected pursuant to this Sub-Clause 2.5(a) (*Reduction of Class A Maximum Principal Amount*):
 - (i) any such reduction (A) will be limited to the undrawn portion of the Class A Maximum Principal Amount as of such date, although any such reduction may be combined with a Class A Decrease effected pursuant to and in accordance with Sub-Clause 2.3 (*Procedure for Decreasing the Principal Amount*), and (B) must be in a minimum amount of EUR 10,000,000; *provided that*, solely for the purposes of this Sub-Clause 2.5(a)(i) (*Reduction of Class A Maximum Principal Amount*), such undrawn portion of the Class A Maximum Principal Amount as of

such date shall not include any then unfunded Delayed Amounts relating to any Class A Advance the notice with respect to which the Issuer shall not have revoked as of the date of such reduction; and

- (ii) after giving effect to such reduction, the Class A Maximum Principal Amount as of such date equals or exceeds EUR 100,000,000, unless reduced to zero.

Any reduction made pursuant to this Sub-Clause 2.5(a) (*Reduction of Class A Maximum Principal Amount*) shall be made ratably among the Class A Investor Groups on the basis of their respective Class A Maximum Investor Group Principal Amounts as of such date. No later than one Business Day following any reduction of the Class A Maximum Principal Amount becoming effective, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) to reflect such reduction, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Class A Noteholder.

- (b) *Reduction of Class B Maximum Principal Amount.* The Issuer, upon three (3) Business Days' notice to the Administrative Agent, each Class B Funding Agent, each Class B Conduit Investor and each Class B Committed Note Purchaser, may effect a reduction (but without prejudice of the Issuer right to effect a Class B Investor Group Maximum Principal Increase with respect to any Class B Investor Group or add any Class B Additional Investor Group in the future, in each case in accordance with Sub-Clause 2.1 (*Initial Purchase; Additional Issuer Notes*)) of the Class B Maximum Principal Amount and a corresponding reduction of each Class B Maximum Investor Group Principal Amount; *provided that*, with respect to any such reduction effected pursuant to this Sub-Clause 2.5(b) (*Reduction of Class B Maximum Principal Amount*):

- (i) any such reduction (A) will be limited to the undrawn portion of the Class B Maximum Principal Amount as of such date, although any such reduction may be combined with a Class B Decrease effected pursuant to and in accordance with Sub-Clause 2.3 (*Procedure for Decreasing the Principal Amount*), and (B) must be in a minimum amount of EUR 5,000,000; *provided that*, solely for the purposes of this Sub-Clause 2.5(b)(i) (*Reduction of Class B Maximum Principal Amount*), such undrawn portion of the Class B Maximum Principal Amount as of such date shall not include any then unfunded Delayed Amounts relating to any Class B Advance the notice with respect to which the Issuer shall not have revoked as of the date of such reduction; and
- (ii) after giving effect to such reduction, the Class B Maximum Principal Amount as of such date equals or exceeds EUR 20,000,000, unless reduced to zero.

Any reduction made pursuant to this Sub-Clause 2.5(b) (*Reduction of Class B Maximum Principal Amount*) shall be made ratably among the Class B Investor Groups on the basis of their respective Class B Maximum Investor Group Principal Amounts as of such date. No later than one Business Day following any reduction of the Class B Maximum Principal Amount becoming effective, the Administrative Agent shall revise Schedule 2 (*Conduit Investors and Committed Note Purchasers*) to reflect such reduction, which revision, for the avoidance of doubt, shall not require the consent of the Issuer Security Trustee or any Class B Noteholder.

2.6 Commitment Terms and Extensions of Commitments

- (a) *Term.* The “**Facility Term**” of the Commitment hereunder shall be for a period commencing on the date hereof and ending on the Commitment Termination Date.
- (b) *Requests for Extensions.* The Issuer may request, through the Administrative Agent, that each Funding Agent, for the account of the related Investor Group, consents to an extension of the Commitment Termination Date for such period as the Issuer may

specify (the “**Extension Length**”), which consent will be granted or withheld by each Funding Agent, on behalf of the related Investor Group, in its sole discretion. For the avoidance of doubt, all Noteholders must provide their consent to such extension for the Commitment Termination Date to be extended.

- (c) *Procedures for Extension Consents.* Upon receipt of any request described in Sub-Clause (b) above, the Administrative Agent shall promptly notify each Funding Agent thereof, each of which Funding Agents shall notify each Conduit Investor, if any, and each Committed Note Purchaser in its Investor Group thereof. Not later than the first Business Day following the 45th day after such request for an extension (such period, the “**Election Period**”), each Committed Note Purchaser shall notify the Issuer and the Administrative Agent of its willingness or refusal to consent to such extension and each Conduit Investor shall notify the Funding Agent for its Investor Group of its willingness or refusal to consent to such extension, and such Funding Agent shall notify the Issuer and the Administrative Agent of such willingness or refusal by each such Conduit Investor (any such Conduit Investor or Committed Note Purchaser that refuses to consent to such extension, a “**Non-Extending Purchaser**”). Any Committed Note Purchaser that does not expressly notify the Issuer and the Administrative Agent that it is willing to consent to an extension of the Commitment Termination Date during the applicable Election Period and each Conduit Investor that does not expressly notify such Funding Agent that it is willing to consent to an extension of the Commitment Termination Date during the applicable Election Period shall be deemed to be a Non-Extending Purchaser. If a Committed Note Purchaser or a Conduit Investor has agreed to extend its Commitment Termination Date, and, at the end of the applicable Election Period no Amortization Event shall be continuing with respect to the Issuer Notes, then the Commitment Termination Date for such Committed Note Purchaser or Conduit Investor then in effect shall be extended to the date that is the last day of the Extension Length (which shall begin running on the day after the then-current Commitment Termination Date); *provided that*, no such extension to the Commitment Termination Date shall become effective until (i) the termination of each Non-Extending Purchaser’s commitment, if any, (ii) on the date of any such termination, the prepayment in full of each such Non-Extending Purchaser’s portion of the Class A Investor Group Principal Amount for such Non-Extending Purchaser’s Class A Investor Group and all accrued and unpaid interest thereon, if any, in each case, in accordance with Sub-Clause 9.2 (*Replacement of Investor Group*), and (iii) on the date of any such termination, the prepayment in full of each such Non-Extending Purchaser’s portion of the Class B Investor Group Principal Amount for such Non-Extending Purchaser’s Class B Investor Group and all accrued and unpaid interest thereon, if any, in each case, in accordance with Sub-Clause 9.2 (*Replacement of Investor Group*).

2.7 Timing and Method of Payment

All amounts payable to any Funding Agent hereunder or with respect to the Issuer Notes on any date shall be made to the applicable Funding Agent or upon the order of the applicable Funding Agent by wire transfer of immediately available funds in Euros not later than 2:00 p.m. (London time) on the date due; *provided that*,

- (a) if (i) any Class A Funding Agent receives funds payable to it hereunder later than 2:00 p.m. (London time) on any date and (ii) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which such Class A Funding Agent received such funds, such Class A Funding Agent notifies the Issuer in writing of such late receipt, then such funds received later than 2:00 p.m. (London time) on such date by such Class A Funding Agent will be deemed to have been received by such Class A Funding Agent on the next Business Day and any interest accruing with respect to the payment of such on such next Business Day shall not be payable until the Payment Date immediately following the later of such two dates specified in paragraph (ii);

- (b) if (i) any Class A Funding Agent receives funds payable to it hereunder later than 2:00 p.m. (London time) on any date and (ii) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which such Class A Funding Agent received such funds, such Class A Funding Agent does not notify the Issuer in writing of such receipt, then such funds, received later than 2:00 p.m. (London time) on such date will be treated for all purposes hereunder as received on such date;
- (c) if (i) any Class B Funding Agent receives funds payable to it hereunder later than 2:00 p.m. (London time) on any date and (ii) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which such Class B Funding Agent received such funds, such Class B Funding Agent notifies the Issuer in writing of such late receipt, then such funds received later than 2:00 p.m. (London time) on such date by such Class B Funding Agent will be deemed to have been received by such Class B Funding Agent on the next Business Day and any interest accruing with respect to the payment of such on such next Business Day shall not be payable until the Payment Date immediately following the later of such two dates specified in paragraph (ii);
- (d) if (i) any Class B Funding Agent receives funds payable to it hereunder later than 2:00 p.m. (London time) on any date and (ii) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which such Class B Funding Agent received such funds, such Class B Funding Agent does not notify the Issuer in writing of such receipt, then such funds, received later than 2:00 p.m. (London time) on such date will be treated for all purposes hereunder as received on such date; and
- (e) the Issuer's obligations hereunder in respect of any amounts payable to any Class A Conduit Investor or Class A Committed Note Purchaser shall be discharged to the extent funds are disbursed by the Issuer to the related Class A Funding Agent as provided herein whether or not such funds are properly applied by such Class A Funding Agent and the Issuer's obligations hereunder in respect of any amounts payable to any Class B Conduit Investor or Class B Committed Note Purchaser shall be discharged to the extent funds are disbursed by the Issuer to the related Class B Funding Agent as provided herein whether or not such funds are properly applied by such Class B Funding Agent.

2.8 Legal Final Payment Date

The Principal Amount shall be due and payable on the Legal Final Payment Date.

2.9 Delayed Funding Purchaser Groups

- (a) *Class A Delayed Funding Purchaser Groups*
 - (i) Notwithstanding any provision of this Agreement to the contrary, if at any time a Class A Delayed Funding Purchaser delivers a Class A Delayed Funding Notice, no Class A Undrawn Fees shall accrue (or be payable) to its Class A Delayed Funding Purchaser Group in respect of any Class A Delayed Amount from the date of the related Class A Advance to the date the Class A Delayed Funding Purchaser in such Class A Delayed Funding Purchaser Group funds the related Class A Delayed Funding Reimbursement Amount, if any, and the Class A Second Delayed Funding Notice Amount, if any.
 - (ii) Notwithstanding any provision of this Agreement to the contrary, if at any time a Class A Committed Note Purchaser in a Class A Investor Group becomes a Class A Defaulting Committed Note Purchaser, then the following provisions shall apply for so long as such Class A Defaulting Committed Note Purchaser has failed to pay all amounts required pursuant to Clause 2.2(a) (*Class A Advances*):

- (A) no Class A Undrawn Fees shall accrue (or be payable) on any unfunded portion of the Class A Maximum Investor Group Principal Amount of such Class A Defaulting Committed Note Purchaser as of such date; and
- (B) the Class A Commitment Percentage of such Class A Defaulting Committed Note Purchaser shall not be included in determining whether the Required Noteholders or all Class A Conduit Investors and/or Class A Committed Note Purchasers have taken or may take any action hereunder.

(b) *Class B Delayed Funding Purchaser Groups*

- (i) Notwithstanding any provision of this Agreement to the contrary, if at any time a Class B Delayed Funding Purchaser delivers a Class B Delayed Funding Notice, no Class B Undrawn Fees shall accrue (or be payable) to its Class B Delayed Funding Purchaser Group in respect of any Class B Delayed Amount from the date of the related Class B Advance to the date the Class B Delayed Funding Purchaser in such Class B Delayed Funding Purchaser Group funds the related Class B Delayed Funding Reimbursement Amount, if any, and the Class B Second Delayed Funding Notice Amount, if any.
- (ii) Notwithstanding any provision of this Agreement to the contrary, if at any time a Class B Committed Note Purchaser in a Class B Investor Group becomes a Class B Defaulting Committed Note Purchaser, then the following provisions shall apply for so long as such Class B Defaulting Committed Note Purchaser has failed to pay all amounts required pursuant to Clause 2.2(b) (*Class B Advances*):
 - (A) no Class B Undrawn Fees shall accrue (or be payable) on any unfunded portion of the Class B Maximum Investor Group Principal Amount of such Class B Defaulting Committed Note Purchaser as of such date; and
 - (B) the Class B Commitment Percentage of such Class B Defaulting Committed Note Purchaser shall not be included in determining whether the Required Noteholders or all Class B Conduit Investors and/or Class B Committed Note Purchasers have taken or may take any action hereunder.

For the avoidance of doubt, no provision of this Sub-Clause 2.9 (*Delayed Funding Purchaser Groups*) shall be deemed to relieve any Class A Defaulting Committed Note Purchaser or any Class B Defaulting Committed Note Purchaser of its Commitment hereunder and the Issuer may pursue all rights and remedies available to it under the law in connection with the event(s) that resulted in such Class A Committed Note Purchaser becoming a Class A Defaulting Committed Note Purchaser or such Class B Committed Note Purchaser becoming a Class B Defaulting Committed Note Purchaser.

3 INTEREST, FEES AND COSTS

3.1 Interest and Interest Rates

(a) *Interest Rate*

- (i) *Class A Interest Rate.* Each related Class A Advance funded or maintained by a Class A Investor Group during the related Interest Period:
 - (A) through the issuance of Class A Commercial Paper shall bear interest at the Class A CP Rate for such Interest Period, and

- (B) through means other than the issuance of Class A Commercial Paper shall bear interest at the Reference Rate applicable to such Class A Investor Group for the related Interest Period.
 - (ii) *Class B Interest Rate.* Each related Class B Advance funded or maintained by a Class B Investor Group during the related Interest Period:
 - (A) through the issuance of Class B Commercial Paper shall bear interest at the Class B CP Rate for such Interest Period, and
 - (B) through means other than the issuance of Class B Commercial Paper shall bear interest at the Reference Rate applicable to such Class B Investor Group for the related Interest Period.
- (b) *Notice of Interest Rates*
- (i) Each Class A Funding Agent shall notify the Issuer and the Issuer Administrator of the applicable Class A CP Rate for the Class A Advances made by its Class A Investor Group for the related Interest Period by 11:00 a.m. (London time) on each Determination Date and each Class B Funding Agent shall notify the Issuer and the Issuer Administrator of the applicable Class B CP Rate for the Class B Advances made by its Class B Investor Group for the related Interest Period by 11:00 a.m. (London time) on each Determination Date. Each such notice shall be substantially in the form of Exhibit N (*Form of Required Invoice*) hereto.
 - (ii) The Administrative Agent shall notify the Issuer and the Issuer Administrator of the applicable Reference Rate by 11:00 a.m. (London time) on each Determination Date. Each such notice shall be substantially in the form of Exhibit N (*Form of Required Invoice*) hereto.
- (c) *Payment of Interest; Funding Agent Failure to Provide Rate*
- (i) On each Payment Date, the Class A Monthly Interest Amount, the Class A Monthly Default Interest Amount, the Class B Monthly Interest Amount and the Class B Monthly Default Interest Amount, in each case, with respect to such Payment Date, shall be due and payable on such Payment Date in accordance with the provisions hereof.
 - (ii) If the amounts described in Sub-Clause 5.3 (*Application of Funds in the Issuer Interest Collection Account*) are insufficient to pay the Class A Monthly Interest Amount or the Class A Monthly Default Interest Amount for any Payment Date, payments of such Class A Monthly Interest Amount or such Class A Monthly Default Interest Amount, as applicable and in each case, to the Class A Noteholders will be reduced on a *pro rata* basis (determined on the basis of the portion of such Class A Monthly Interest Amount or Class A Monthly Default Interest Amount, as applicable and in each case, payable to each such Class A Noteholder) by the amount of such insufficiency (the aggregate amount, if any, of such insufficiency on any Payment Date, the “**Class A Deficiency Amount**”), and interest shall accrue on any such Class A Deficiency Amount at the applicable Class A Note Rate; *provided that*, for the avoidance of doubt, any Class A Deficiency Amount shall remain due on the Payment Date when initially due and payable and shall give rise to an Amortization Event pursuant to Sub-Clause 7.1(a) if such Class A Deficiency Amount plus any applicable interest thereon remains unpaid following the applicable cure period. If the amounts described in Sub-Clause 5.3 (*Application of Funds in the Issuer Interest Collection Account*) are insufficient to pay the Class B Monthly Interest Amount or the Class B Monthly Default Interest Amount for any Payment Date, payments of such Class B Monthly Interest Amount or such Class B Monthly Default

Interest Amount, as applicable and in each case, to the Class B Noteholders will be reduced on a *pro rata* basis (determined on the basis of the portion of such Class B Monthly Interest Amount or Class B Monthly Default Interest Amount, as applicable and in each case, payable to each such Class B Noteholder) by the amount of such insufficiency (the aggregate amount, if any, of such insufficiency on any Payment Date, the “**Class B Deficiency Amount**”), and interest shall accrue on any such Class B Deficiency Amount at the applicable Class B Note Rate; *provided that*, for the avoidance of doubt, any Class B Deficiency Amount that remains unpaid following the applicable cure period shall give rise to an Amortization Event pursuant to Sub-Clause 7.1(a).

- (d) *Day Count and Business Day Convention.* All computations of interest at the Class A CP Rate, Class B CP Rate and Reference Rate shall be made on the basis of a year of 360 days and the actual number of days elapsed. Whenever any payment of interest or principal in respect of any Class A Advance or Class B Advance shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the amount of interest owed.
- (e) *Funding Agent’s Failure to Notify.* With respect to any Class A Funding Agent that shall have failed to notify the Issuer and the Issuer Administrator of the applicable Class A CP Rate for the Class A Advances made by its Class A Investor Group for the related Interest Period by 1.00 p.m. (London time) on any Determination Date in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*), on the first Payment Date occurring after the date on which such Class A Funding Agent provides such notice previously not provided in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*) (or, if such notice is provided on any date occurring after a Determination Date and prior to the Payment Date immediately following such Determination Date, then the second Payment Date occurring after the date on which such Class A Funding Agent provides such notice previously not provided), such Class A Funding Agent shall pay to or at the direction of the Issuer an amount equal to the excess, if any, of the amount actually paid by the Issuer to or for the benefit of the Class A Noteholders in such Class A Funding Agent’s Class A Investor Group as a result of the reversion to the Class A CP Fall-back Rate in accordance with the definition of Class A CP Rate over the amount that should have been paid by the Issuer to or for the benefit of the Class A Noteholders in such Class A Funding Agent’s Class A Investor Group had all of the relevant information for the relevant Interest Period been provided by such Class A Funding Agent to the Issuer on a timely basis. With respect to any Class B Funding Agent that shall have failed to notify the Issuer and the Issuer Administrator of the applicable Class B CP Rate for the Class B Advances made by its Class B Investor Group for the related Interest Period by 11:00 a.m. (London time) on any Determination Date in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*), on the first Payment Date occurring after the date on which such Class B Funding Agent provides such notice previously not provided in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*) (or, if such notice is provided on any date occurring after a Determination Date and prior to the Payment Date immediately following such Determination Date, then the second Payment Date occurring after the date on which such Class B Funding Agent provides such notice previously not provided), such Class B Funding Agent shall pay to or at the direction of the Issuer an amount equal to the excess, if any, of the amount actually paid by the Issuer to or for the benefit of the Class B Noteholders in such Class B Funding Agent’s Class B Investor Group as a result of the reversion to the Class B CP Fall-back Rate in accordance with the definition of Class B CP Rate over the amount that should have been paid by the Issuer to or for the benefit of the Class B Noteholders in such Class B Funding Agent’s Class B Investor Group had all of the relevant information for the relevant Interest Period been provided by such Class B Funding Agent to the Issuer on a timely basis.

- (f) *CP True-Up Payment Amount.* With respect to any Class A Funding Agent that shall have failed to notify the Issuer and the Issuer Administrator of the applicable Class A CP Rate for the Class A Advances made by its Class A Investor Group for the related Interest Period by 1:00 p.m. (London time) on any Determination Date in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*), on the first Payment Date occurring after the date on which such Class A Funding Agent provides such notice previously not provided in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*) (or, if such notice is provided on any date occurring after a Determination Date and prior to the Payment Date immediately following such Determination Date, then the second Payment Date occurring after the date on which such Class A Funding Agent provides such notice previously not provided), the Issuer shall pay to or at the direction of the Class A Funding Agent for the benefit of the Class A Noteholders in such Class A Funding Agent's Class A Investor Group an amount equal to the excess, if any, of the amount that should have been paid by the Issuer to or for the benefit of the Class A Noteholders in such Class A Funding Agent's Class A Investor Group had all of the relevant information for the relevant Interest Period been provided by such Class A Funding Agent to the Issuer on a timely basis over the amount actually paid by the Issuer to or for the benefit of such Class A Noteholders as a result of the reversion to the Class A CP Fall-back Rate in accordance with the definition of Class A CP Rate (such excess with respect to such Class A Funding Agent, the "**Class A CP True-Up Payment Amount**"). For the avoidance of doubt, Class A CP True-Up Payment Amounts, if any, shall be paid in accordance with Sub-Clause 5.3 as a component of the Class A Monthly Interest Amount. With respect to any Class B Funding Agent that shall have failed to notify the Issuer and the Issuer Administrator of the applicable Class B CP Rate for the Class B Advances made by its Class B Investor Group for the related Interest Period by 11:00 a.m. (London time) on any Determination Date in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*), on the first Payment Date occurring after the date on which such Class B Funding Agent provides such notice previously not provided in accordance with Sub-Clause 3.1(b)(i) (*Notice of Interest Rates*) (or, if such notice is provided on any date occurring after a Determination Date and prior to the Payment Date immediately following such Determination Date, then the second Payment Date occurring after the date on which such Class B Funding Agent provides such notice previously not provided), the Issuer shall pay to or at the direction of the Class B Funding Agent for the benefit of the Class B Noteholders in such Class B Funding Agent's Class B Investor Group an amount equal to the excess, if any, of the amount that should have been paid by the Issuer to or for the benefit of the Class B Noteholders in such Class B Funding Agent's Class B Investor Group had all of the relevant information for the relevant Interest Period been provided by such Class B Funding Agent to the Issuer on a timely basis over the amount actually paid by the Issuer to or for the benefit of such Class B Noteholders as a result of the reversion to the Class B CP Fall-back Rate in accordance with the definition of Class B CP Rate (such excess with respect to such Class B Funding Agent, the "**Class B CP True-Up Payment Amount**"). For the avoidance of doubt, Class B CP True-Up Payment Amounts, if any, shall be paid in accordance with Sub-Clause 5.3 as a component of the Class B Monthly Interest Amount.

3.2 Administrative Agent, Up-Front Fees and Restructuring Fees

- (a) *Administrative Agent Fees.* On each Payment Date, the Issuer shall pay to the Administrative Agent the applicable Administrative Agent Fee for such Payment Date.
- (b) *Up-Front Fees.* On the Closing Date, the Issuer shall pay the applicable Class A Up-Front Fee (as defined and set out in the Class A Up-Front Fee Letter) to each Class A Funding Agent for the account of the related Class A Committed Note Purchasers. On the date on which any Class B Notes are first issued under this Agreement, the Issuer shall pay the applicable Class B Up-Front Fee (as defined and set out in the Class B Up-Front Fee Letter), if any, to each Class B Funding Agent for the account of the related Class B Committed Note Purchasers. On the Third Amendment Date, the Issuer shall

pay the applicable Class A Up-Front Fee (as defined and set out in the Class A Up-Front Fee Letter, as applicable) to each Class A Funding Agent for the account of the related Class A Committed Note Purchasers.

- (c) *Restructuring Fees.* On the Second Amendment Date the Issuer shall pay 50 per cent. of the applicable Class A Restructuring Fee (as defined and set out in the Class A Restructuring Fee Letter) to each Class A Funding Agent for the account of the related Class A Committed Note Purchasers. On the Payment Date falling in December 2021, the Issuer shall pay the remaining 50 per cent. of the applicable Class A Restructuring Fee (as defined and set out in the Class A Restructuring Fee Letter) to each Class A Funding Agent for the account of the related Class A Committed Note Purchasers.

3.3 Lending Unlawful

- (a) If a Class A Conduit Investor, a Class A Committed Note Purchaser or any Class A Program Support Provider (each such person, a “**Class A Affected Person**”) shall reasonably determine (which determination, upon notice thereof to the Administrative Agent, the related Class A Funding Agent and the Issuer, shall be conclusive and binding on the Issuer absent manifest error) that the introduction of or any change in or in the interpretation of any law, rule or regulation makes it unlawful, or any central bank or other Governmental Authority asserts that it is unlawful, for any such Class A Affected Person to make, continue, or maintain any Class A Advance, the obligation of such Class A Affected Person to make, continue or maintain any such Class A Advance upon such determination, shall forthwith be suspended until such Class A Affected Person shall notify the related Class A Funding Agent and the Issuer that the circumstances causing such suspension no longer exist.
- (b) If a Class B Conduit Investor, a Class B Committed Note Purchaser or any Class B Program Support Provider (each such person, a “**Class B Affected Person**”) shall reasonably determine (which determination, upon notice thereof to the Administrative Agent, the related Class B Funding Agent and the Issuer, shall be conclusive and binding on the Issuer absent manifest error) that the introduction of or any change in or in the interpretation of any law, rule or regulation makes it unlawful, or any central bank or other Governmental Authority asserts that it is unlawful, for any such Class B Affected Person to make, continue, or maintain any Class B Advance, the obligation of such Class B Affected Person to make, continue or maintain any such Class B Advance upon such determination, shall forthwith be suspended until such Class B Affected Person shall notify the related Class B Funding Agent and the Issuer that the circumstances causing such suspension no longer exist.

3.4 [Reserved]

3.5 Increased or Reduced Costs, etc.

The Issuer agrees to reimburse (a) each Class A Affected Person for any increase in the cost of, or any reduction in the amount of any sum receivable by any such Class A Affected Person in respect of making, continuing or maintaining (or of its obligation to make, continue or maintain) any Class A Advances as, or of converting (or of its obligation to convert) any Class A Advances into, the Class A Reference Rate Tranche that arise in connection with any Changes in Law and (b) each Class B Affected Person for any increase in the cost of, or any reduction in the amount of any sum receivable by any such Class B Affected Person in respect of making, continuing or maintaining (or of its obligation to make, continue or maintain) any Class B Advances as, or of converting (or of its obligation to convert) any Class B Advances into, the Class B Reference Rate Tranche that arise in connection with any Changes in Law, except for any such Changes in Law with respect to increased capital costs and Taxes, which shall be governed by Sub-Clauses 3.7 (*Increased Capital Costs*) and 3.8 (*Taxes*), respectively. Each such demand shall be provided to the related Class A Funding Agent or Class B Funding Agent (as applicable) and the Issuer in writing and shall state, in reasonable detail, the reasons therefor and the additional amount

required fully to compensate such Class A Affected Person or Class B Affected Person (as applicable) for such increased cost or reduced amount or return. Such additional amounts shall be payable by the Issuer to such Class A Funding Agent or Class B Funding Agent (as applicable) and by such Class A Funding Agent or Class B Funding Agent (as applicable) directly to such Class A Affected Person or Class B Affected Person (as applicable) on the Payment Date immediately following the Issuer's receipt of such notice, and such notice, in the absence of manifest error, shall be conclusive and binding on the Issuer.

3.6 Funding Losses

In the event any Affected Person shall incur any loss or expense (including, for the avoidance of doubt, any loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Affected Person to make, continue or maintain any portion of the principal amount of any Class A CP Tranche, Class A Reference Rate Tranche, Class B CP Tranche or Class B Reference Rate Tranche or to convert any portion of the principal amount of any Class A Advance not in the Class A CP Tranche into the Class A CP Tranche or not in the Class A Reference Rate Tranche into the Class A Reference Rate Tranche or to convert any portion of the principal amount of any Class B Advance not in the Class B CP Tranche into the Class B CP Tranche or not in the Class B Reference Rate Tranche into the Class B Reference Rate Tranche) as a result of:

- (a) other than in connection with a Class A Decrease pursuant to Sub-Clause 2.3(b) (*Procedure for Decreasing the Principal Amount – Expected Decrease*), any conversion or repayment or prepayment (for any other reason, including as a result of the acceleration of the maturity of any portion of the Class A CP Tranche, Class A Reference Rate Tranche, Class B CP Tranche or Class B Reference Rate Tranche in connection with any optional repurchase of the Class A Notes or Class B Notes pursuant to Sub-Clause 10.1 (*Authorization and Action of the Administrative Agent*) or otherwise, or the assignment thereof in accordance with the requirements of the applicable Class A Program Support Agreement or Class B Program Support Agreement) of the principal amount of any portion of the Class A CP Tranche, Class A Reference Rate Tranche, Class B CP Tranche or Class B Reference Rate Tranche on a date other than a Payment Date;
- (b) any conversion or repayment or prepayment of the principal amount of any portion of the Class A CP Tranche or Class A Reference Rate Tranche in connection with any Class A Decrease pursuant to Sub-Clause 2.3(b) (*Procedure for Decreasing the Principal Amount – Expected Decrease*) on a date other than a Payment Date or an Alternative Payment Date;
- (c) any Class A Advance or Class B Advance not being made as part of the Class A CP Tranche, Class A Reference Rate Tranche, Class B CP Tranche or Class B Reference Rate Tranche after a request for such an Advance has been made in accordance with the terms contained herein;
- (d) any Class A Advance or Class B Advance not being continued as part of the Class A CP Tranche, Class A Reference Rate Tranche, Class B CP Tranche or Class B Reference Rate Tranche, or converted into a Class A Advance under the Class A Reference Rate Tranche or Class B Advance under the Class B Reference Rate Tranche, as applicable, after a request for such Class A Advance or Class B Advance, as applicable has been made in accordance with the terms contained herein; or
- (e) any failure of the Issuer to make a Class A Decrease or Class B Decrease after giving notice thereof pursuant to Sub-Clause 2.3(b) or Sub-Clause 2.3(d),

then, upon the written notice (which shall include calculations in reasonable detail) by any Affected Person to the related Funding Agent and the Issuer, which written notice shall be conclusive and binding on the Issuer (in the absence of manifest error), the Issuer shall pay to such Funding Agent on the next succeeding Payment Date and such Funding Agent shall pay directly to

such Affected Person such amount as will (in the reasonable determination of such Affected Person) reimburse such Affected Person for such loss or expense; *provided that*, the maximum amount payable by the Issuer to any Affected Person in respect of any losses or expenses that result from any conversion, repayment or prepayment described in Sub-Clause (a) above shall be the amount the Issuer would be obligated to pay pursuant to Sub-Clause (a) above if such conversion, repayment or prepayment were scheduled to have been paid on the next succeeding Payment Date.

3.7 Increased Capital Costs

If any Change in Law affects or would affect the amount of capital required or reasonably expected to be maintained by any Affected Person or any Person controlling such Affected Person and such Affected Person reasonably determines that the rate of return on its or such controlling Person's capital as a consequence of its commitment or the Class A Advances and/or the Class B Advances, as the case may be, made by such Affected Person hereunder is reduced to a level below that which such Affected Person or such controlling Person would have achieved but for the occurrence of any such Change in Law, then, in any such case after notice from time to time by such Affected Person to the related Funding Agent and the Issuer, the Issuer shall pay to such Funding Agent and such Funding Agent shall pay to such Affected Person an incremental commitment fee, payable on each Payment Date, sufficient to compensate such Affected Person or such controlling Person for such reduction in rate of return to the extent that the increased costs for which such Affected Person is being compensated are allocable to the existence of such Affected Person's Class A Advances or Class B Advances, as applicable, or Class A Commitment or Class B Commitment, as applicable, hereunder. A statement of such Affected Person as to any such additional amount or amounts (including calculations thereof in reasonable detail), in the absence of manifest error, shall be conclusive and binding on the Issuer; *provided that*, the initial payment of such increased commitment fee shall include a payment for accrued amounts due under this Sub-Clause 3.7 (*Increased Capital Costs*) prior to such initial payment.

3.8 Taxes

- (a) *Payments Free of Tax.* Any and all payments by the Issuer under this Agreement and the Issuer Notes shall be made free and clear of Tax and without deduction or withholding unless such deduction or withholding is a Requirement of Law.
- (b) *Notification of Requirement for Tax Deduction.* The Issuer shall promptly upon becoming aware that the Issuer must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Issuer Administrator and the Administrative Agent accordingly. Similarly, a Noteholder (or related Funding Agent on behalf of such Noteholder) shall notify the Issuer Administrator and Administrative Agent on becoming so aware in respect of a payment payable to that Noteholder.
- (c) *Tax Gross-Up.* Subject to Sub-Clause 3.8(d) (*Exemption from Tax Gross-Up*), if a Tax Deduction is required by law to be made by the Issuer, the amount of the payment due from the Issuer shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been made or required to be made. If the Issuer is required to make a Tax Deduction, the Issuer shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law. Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Issuer shall deliver to Noteholder entitled to the payment (or its agent) evidence reasonably satisfactory to that Noteholder that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.
- (d) *Exemption from Tax Gross-Up.* The Issuer is not required to make an increased payment to a Noteholder under Sub-Clause 3.8(c) (*Tax Gross-Up*) above for a Tax Deduction, if on the date on which the payment falls due, the payment could have been made to the

relevant Noteholder without a Tax Deduction if it was a Qualifying Noteholder, but on that date that Noteholder is not or has ceased to be a Qualifying Noteholder other than as a result of any change, after the date it became a Noteholder under this Agreement, in (or in the interpretation, administration, or application of) any law or any published practice or concession of any relevant Tax Authority.

- (e) *Stamp Taxes*. The Issuer shall pay and, within three (3) Business Days of demand indemnify each of the Noteholders against any present or future stamp, documentary and other similar Taxes, charges and levies that arise from any payment made under this Agreement or under an Issuer Note or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or an Issuer Note.

3.9 Carrying Charges; Survival

Any amounts payable by the Issuer under the Specified Cost Clauses shall constitute Carrying Charges. The agreements in the Specified Cost Clauses and in this Sub-Clause 3.9 (*Carrying Charges; Survival*) shall survive the termination of this Agreement and the Issuer Note Framework Agreement and the payment of all amounts payable hereunder and thereunder.

3.10 Minimizing Costs and Expenses and Equivalent Treatment

- (a) Each Affected Person shall be deemed to have agreed that it shall, as promptly as practicable after it becomes aware of any circumstance referred to in any Specified Cost Clause, use commercially reasonable efforts (to the extent not inconsistent with its internal policies of general application) to minimize the costs, expenses, Taxes or other Liabilities incurred by it and payable to it by the Issuer pursuant to such Specified Cost Clause.
- (b) In determining any amounts payable to it by the Issuer pursuant to any Specified Cost Clause, each Affected Person shall treat the Issuer the same as or better than all similarly situated Persons (as determined by such Affected Person in its reasonable discretion) and such Affected Person may use any method of averaging and attribution that it (in its reasonable discretion) shall deem applicable so long as it applies such method to other similar transactions, such that the Issuer is treated the same as, or better than, all such other similarly situated Persons with respect to such other similar transactions.

3.11 Timing Threshold for Specified Cost Clauses

Notwithstanding anything in this Agreement to the contrary, the Issuer shall not be under any obligation to compensate any Affected Person pursuant to any Specified Cost Clause in respect of any amount otherwise owing pursuant to any Specified Cost Clause that arose during any period prior to the date that is 180 days prior to such Affected Person's obtaining knowledge thereof, except that the foregoing limitation shall not apply to any increased costs arising out of the retroactive application of any Change in Law within such 180-day period. If, after the payment of any amounts by the Issuer pursuant to any Specified Cost Clause, any applicable law, rule or regulation in respect of which a payment was made is thereafter determined to be invalid or inapplicable to such Affected Person, then such Affected Person, within sixty (60) days after such determination, shall repay any amounts paid to it by the Issuer hereunder in respect of such Change in Law.

4 ISSUER ACCOUNTS

4.1 Granting Section

[RESERVED]

4.2 Accounts

- (a) *Establishment of Accounts*

- (i) The Issuer has established and maintained, and shall continue to maintain in its own name and held with the Account Bank: the Issuer principal collection account (such account, the “**Issuer Principal Collection Account**”), the Issuer interest collection account (such account, the “**Issuer Interest Collection Account**”) and the Issuer reserve account (such account, the “**Issuer Reserve Account**”).
 - (ii) On or prior to the date of any drawing under a Letter of Credit pursuant to Sub-Clause 5.5 (*Letters of Credit*) or Sub-Clause 5.7 (*Letters of Credit and L/C Collateral*), the Issuer shall establish and maintain the Issuer L/C cash collateral account (the “**Issuer L/C Cash Collateral Account**”).
 - (iii) On or prior to the date on which any collateral is required to be posted by an Interest Rate Cap Provider in accordance with Sub-Clause 4.4 (*Interest Rate Caps*), the Issuer shall establish and maintain, the Issuer IR cap CSA collateral account (the “**IR Cap CSA Collateral Account**” and together with the Issuer Principal Collection Account, the Issuer Interest Collection Account, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account, the “**Issuer Accounts**”).
- (b) *Account Criteria*
- (i) Pursuant to the International Account Bank Agreement, the Account Bank will acknowledge that each Account is subject to the Security created under the Issuer Security Documents.
 - (ii) *Each Issuer Account shall be an Eligible Account.* If any Issuer Account is at any time no longer an Eligible Account, the Issuer shall, within ten (10) Business Days of an Authorized Officer of the Issuer obtaining actual knowledge that such Issuer Account is no longer an Eligible Account, establish a new Issuer Account for such non-qualifying Issuer Account that is an Eligible Account, and if a new Issuer Account is so established, the Issuer shall transfer all cash and investments from such non-qualifying Issuer Account into such new Issuer Account. Initially, each of the Issuer Accounts will be established with the Account Bank.
- (c) *Administration of the Issuer Accounts*
- (i) The Issuer may instruct (by standing instructions or otherwise) any institution maintaining any Issuer Accounts to invest funds on deposit in such Issuer Account from time to time in Permitted Investments and Permitted Investments shall be credited to the applicable Issuer Account; *provided, however,* that:
 - (A) any such investment in the Issuer Reserve Account shall mature not later than the first Payment Date following the date on which such investment was made; and
 - (B) any such investment in the Issuer Principal Collection Account, Issuer Interest Collection Account or the Issuer L/C Cash Collateral Account shall mature not later than the Business Day prior to the first Payment Date following the date on which such investment was made.
 - (ii) The Issuer shall not dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of the initial purchase price of such Permitted Investment.
 - (iii) In the absence of written investment instructions hereunder, funds on deposit in the Issuer Accounts shall remain uninvested.

- (d) *Earnings from Issuer Accounts.* With respect to each Issuer Account, all interest and earnings (net of losses and investment expenses) paid on funds on deposit in or on any security entitlement with respect to financial assets credited to such Issuer Account shall be deemed to be on deposit therein and available for distribution unless previously distributed pursuant to the terms hereof.
- (e) *Termination of Issuer Accounts*
 - (i) On or after the date on which the Issuer Notes are fully paid, the Issuer, shall withdraw from each Issuer Account (other than the Issuer L/C Cash Collateral Account) all remaining amounts on deposit therein and pay such amounts for its own account or as it may direct.
 - (ii) Upon the termination of this Agreement in accordance with its terms, the Issuer, after the prior payment of all amounts due and owing to the Noteholders and payable from the Issuer L/C Cash Collateral Account as provided herein, shall withdraw from the Issuer L/C Cash Collateral Account all amounts on deposit therein and shall pay such amounts:

first, pro rata to the Letter of Credit Providers, to the extent that there are unreimbursed Disbursements due and owing to such Letter of Credit Providers, for application in accordance with the provisions of the respective Letters of Credit, and

second, any remaining amounts for its own account or as it may direct.

4.3 [RESERVED]

4.4 Interest Rate Caps

- (a) *Requirement to Obtain Interest Rate Caps.*
 - (i) On or prior to the tenth day following the Closing Date, the Issuer shall acquire one or more Interest Rate Caps from Eligible Interest Rate Cap Providers with an aggregate notional amount at least equal to the Issuer Maximum Principal Amount as of such date. The Issuer shall acquire each Interest Rate Cap from an Eligible Interest Rate Cap Provider that satisfies the Initial Counterparty Required Ratings as of the date the Issuer acquires such Interest Rate Cap. The Interest Rate Caps shall provide, in the aggregate, that the aggregate notional amount of all Interest Rate Caps shall amortize such that the aggregate notional amount of all Interest Rate Caps, as of any date of determination, shall be equal to or greater than the product of (a) the Issuer Maximum Principal Amount as of the earlier of such date and the Expected Final Payment Date and (b) the percentage set forth on Schedule 3 corresponding to such date, and the Issuer shall maintain, and, if necessary, amend existing Interest Rate Caps (including in connection with a Class A Investor Group Maximum Principal Increase or Class B Investor Group Maximum Principal Increase or the addition of a Class A Additional Investor Group or Class B Additional Investor Group) or acquire one or more additional Interest Rate Caps, such that the Interest Rate Caps, in the aggregate, shall provide that the notional amount of all Interest Rate Caps shall amortize such that the aggregate notional amount of all Interest Rate Caps, as of any date of determination, shall be equal to or greater than the product of (a) the Issuer Maximum Principal Amount as of the earlier of such date and the Expected Final Payment Date and (b) the percentage set forth on Schedule 3 corresponding to such date. The strike rate of each Interest Rate Cap shall not be greater than 2.0%.

- (ii) The Issuer shall acquire each Interest Rate Cap from an Eligible Interest Rate Cap Provider that satisfies the Initial Counterparty Required Ratings as of the date the Issuer acquires such Interest Rate Cap.
- (b) *Failure to Remain an Eligible Interest Rate Cap Provider.* Each Interest Rate Cap shall provide that, if at any time the Interest Rate Cap Provider (or if the present and future obligations of such Interest Rate Cap Provider are guaranteed pursuant to a guarantee (satisfying the other requirements set forth in such Interest Rate Cap), the related guarantor) with respect thereto is not an Eligible Interest Rate Cap Provider, then such Interest Rate Cap Provider will be required, at such Interest Rate Cap Provider's expense, to obtain a replacement interest rate cap on the same terms as such Interest Rate Cap from an Eligible Interest Rate Cap Provider within the time period specified in the related Interest Rate Cap and, simultaneously with such replacement, the Issuer shall terminate the Interest Rate Cap being replaced or such Interest Rate Cap Provider shall obtain a guarantee from a replacement guarantor that satisfies the DBRS Trigger Required Ratings with respect to the present and future obligations of such Interest Rate Cap Provider under such Interest Rate Cap; *provided that*, no termination of the Interest Rate Cap shall occur until the Issuer has entered into a replacement Interest Rate Cap or obtained a guarantee pursuant to this Sub-Clause 4.4(b) (*Interest Rate Caps*).
- (c) *Collateral Posting for Ineligible Interest Rate Cap Providers.* Each Interest Rate Cap shall provide that, if the Interest Rate Cap Provider with respect thereto is required to obtain a replacement as described in Sub-Clause 4.4(b) (*Interest Rate Caps*) and such replacement is not obtained within the period specified in the Interest Rate Cap, then such Interest Rate Cap Provider must, until such replacement is obtained or such Interest Rate Cap Provider again becomes an Eligible Interest Rate Cap Provider, post and maintain collateral in order to meet its obligations under such Interest Rate Cap in an amount determined pursuant to the credit support annex entered into in connection with such Interest Rate Cap (a "**Credit Support Annex**").
- (d) *Interest Rate Cap Provider Replacement.* Each Interest Rate Cap shall provide that, if the Issuer is unable to cause such Interest Rate Cap Provider to take any of the required actions described in Sub-Clauses 4.4(b) (*Failure to Remain an Eligible Interest Rate Cap Provider*) and (c) (*Collateral Posting for Ineligible Interest Rate Cap Providers*) after making commercially reasonable efforts, then the Issuer will, within twenty (20) Business Days of becoming aware that it is unable to cause such Interest Rate Cap Provider to take such actions, obtain a replacement Interest Rate Cap at the expense of the replaced Interest Rate Cap Provider or, if the replaced Interest Rate Cap Provider fails to make such payment, at the expense of the Issuer (in which event, such expense shall be considered as Carrying Charges and shall be paid from Issuer Interest Collections available pursuant to Sub-Clause 5.3 (*Application of Funds in the Issuer Interest Collection Account*) or, at the option of the Issuer, from any other source available to it).
- (e) *Treatment of Collateral Posted.* Each Noteholder by its acceptance of an Issuer Note hereby acknowledges and agrees, and directs the Issuer Security Trustee to acknowledge and agree, and the Issuer Security Trustee, at such direction, hereby acknowledges and agrees, that any collateral posted by an Interest Rate Cap Provider pursuant to Sub-Clauses (b) or (c) above (A) is collateral solely for the obligations of such Interest Rate Cap Provider under its Interest Rate Cap, (B) does not constitute collateral for the Issuer Notes (*provided that* in order to secure and provide for the payment of the Issuer Secured Obligations with respect to the Issuer Notes, the Issuer has pledged each Interest Rate Cap and its security interest in any collateral posted in connection therewith as collateral for the Issuer Notes), (C) will in no event be available to satisfy any obligations of the Issuer hereunder or otherwise unless and until such Interest Rate Cap Provider defaults in its obligations under its Interest Rate Cap and such collateral is applied in accordance with the terms of such Interest Rate Cap to satisfy such defaulted

obligations of such Interest Rate Cap Provider, and (D) shall be held in a segregated account in accordance with the terms of the applicable Credit Support Annex.

- (f) *Proceeds from Interest Rate Caps.* The Issuer shall require all proceeds of each Interest Rate Cap (including amounts received in respect of the obligations of the related Interest Rate Cap Provider from a guarantor or from the application of collateral posted by such Interest Rate Cap Provider) to be paid to the Issuer Interest Collection Account.

4.5 [RESERVED]

4.6 [RESERVED]

4.7 [RESERVED]

4.8 [RESERVED]

5 PRIORITY OF PAYMENTS

5.1 [RESERVED]

5.2 Application of Funds in the Issuer Principal Collection Account

Subject to Past Due Rental Payments Priorities, (i) on any Business Day, the Issuer may apply, and (ii) on each Payment Date and each date identified by the Issuer for a Class A Decrease or Class B Decrease pursuant to Sub-Clause 2.3, the Issuer shall apply, all amounts then on deposit in the Issuer Principal Collection Account on such date (after giving effect to all deposits thereto pursuant to Sub-Clause 5.4 and 5.5) as follows (and in each case only to the extent of funds available in the Issuer Principal Collection Account on such date):

- (a) *first*, if such date is a Payment Date, then for deposit into the Issuer Interest Collection Account an amount equal to the Senior Interest Waterfall Shortfall Amount, if any, with respect to such Payment Date;
- (b) *second*, on any such date during the Revolving Period, for deposit into the Issuer Reserve Account an amount equal to the Reserve Account Deficiency Amount, if any, for such date (calculated after giving effect to any withdrawals from the Issuer Reserve Account pursuant to Sub-Clause 5.4 and deposits to the Issuer Reserve Account on such date pursuant to Sub-Clause 5.3);
- (c) *third*, (i) first, to make a Class A Mandatory Decrease, if applicable on such day, in accordance with Sub-Clause 2.3(b), for payment of the related Class A Mandatory Decrease Amount on such date to the Class A Noteholders of each Investor Group, on a *pro rata* basis (based on the Class A Investor Group Principal Amount as of such date for each such Class A Investor Group) as payment of principal of the Class A Notes until the Class A Noteholders have been paid such amount in full and (ii) second, to make a Class B Mandatory Decrease, if applicable on such day, in accordance with Sub-Clause 2.3(b), for payment of the related Class B Mandatory Decrease Amount on such date to the Class B Noteholders of each Class B Investor Group, on a *pro rata* basis (based on the Class B Investor Group Principal Amount as of such date for each such Class B Investor Group) as payment of principal of the Class B Notes until the Class B Noteholders have been paid such amount in full;
- (d) *fourth*, on any such date during the Rapid Amortization Period, for payment on such date to (i) first, the Class A Noteholders of each Class A Investor Group, on a *pro rata* basis (based on the Class A Investor Group Principal Amount as of such date for each such Class A Investor Group) as payment of principal of the Class A Notes until the Class A Noteholders have been paid the Class A Principal Amount relating to the Class A Notes in full and (ii) second, the Class B Noteholders of each Class B Investor Group,

on a *pro rata* basis (based on the Class B Investor Group Principal Amount as of such date for each such Class B Investor Group) as payment of principal of the Class B Notes until the Class B Noteholders have been paid the Class B Principal Amount in full;

- (e) **fifth**, if such date is a Payment Date, to pay (i) first, the Class A Noteholders on a *pro rata* basis (based on the amount owed to each such Class A Noteholder), the Class A Monthly Default Interest Amounts, if any, owing to each such Class A Noteholder on such Payment Date (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(k) below) and (ii) second, the Class B Noteholders on a *pro rata* basis (based on the amount owed to each such Class B Noteholder), the Class B Monthly Default Interest Amounts, if any, owing to each such Class B Noteholder on such Payment Date (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(k) below);
- (f) **sixth**, if such date is a Payment Date, to pay (i) first, the Class A Noteholders on a *pro rata* basis (based on the amount owed to each such Class A Noteholder), any remaining amounts owing on such Payment Date to such Class A Noteholders as Carrying Charges (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(k) below) and (ii) second, the Class B Noteholders on a *pro rata* basis (based on the amount owed to each such Class B Noteholder), any remaining amounts owing on such Payment Date to such Class B Noteholders as Carrying Charges (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(k) below);
- (g) **seventh**, at the option of the Issuer, to make (i) first, a Class A Expected Decrease, if applicable on such day, for payment of the related Class A Expected Decrease Amount on such date (x) first, in the event that the Issuer has elected to prepay any Class A Terminated Purchaser's Class A Investor Group, to such Class A Terminated Purchaser up to such Class A Terminated Purchaser's Class A Investor Group Principal Amount as of such date and (y) second, any remaining portion of such Class A Expected Decrease Amount, to the Class A Noteholders of each Class A Investor Group on a *pro rata* basis (based on the Class A Investor Group Principal Amount as of such date for each such Class A Investor Group), in each case as a payment of principal of the Class A Notes until the applicable Class A Noteholders have been paid the applicable amount in full, (ii) second, a Class A Voluntary Decrease, if applicable on such day, for payment of the related Class A Voluntary Decrease Amount on such date (x) first, in the event that the Issuer has elected to prepay any Class A Terminated Purchaser's Class A Investor Group, to such Class A Terminated Purchaser up to such Class A Terminated Purchaser's Class A Investor Group Principal Amount as of such date and (y) second, any remaining portion of such Class A Voluntary Decrease Amount, to the Class A Noteholders of each Class A Investor Group on a *pro rata* basis (based on the Class A Investor Group Principal Amount as of such date for each such Class A Investor Group), in each case as a payment of principal of the Class A Notes until the applicable Class A Noteholders have been paid the applicable amount in full, (iii) third, a Class B Voluntary Decrease, if applicable on such day, for payment of the related Class B Voluntary Decrease Amount on such date (x) first, in the event that the Issuer has elected to prepay any Class B Terminated Purchaser's Class B Investor Group, to such Class B Terminated Purchaser up to such Class B Terminated Purchaser's Class B Investor Group Principal Amount as of such date and (y) second, any remaining portion of such Class B Voluntary Decrease Amount, to the Class B Noteholders of each Class B Investor Group on a *pro rata* basis (based on the Class B Investor Group Principal Amount as of such date for each such Class B Investor Group), in each case as a payment of principal of the Class B Notes until the applicable Class B Noteholders have been paid the applicable amount in full;
- (h) **eighth** [RESERVED]

- (i) **ninth**, to pay all principal amounts then due and payable in respect of the Subordinated Issuer Debt, on a *pro-rata* basis, until all amounts outstanding in respect of the Subordinated Issuer Debt have been paid in full; and
- (j) **tenth**, the balance, if any, shall be released to or at the direction of the Issuer, including for re-deposit to the Issuer Principal Collection Account, or, if ineligible for release to the Issuer, shall remain on deposit in the Issuer Principal Collection Account;

provided that, (i) the application of such funds pursuant to Sub-Clauses 5.2(a), (e), (f), (i) and (j) may not be made if a Principal Deficit Amount would exist as a result of such application, (ii) the application of such funds pursuant to Sub-Clause 5.2(i) may not be made if an Aggregate Asset Amount Deficiency or Principal Deficit Amount would exist as a result of such application, and (iii) the application of such funds pursuant to Sub-Clauses 5.2(a), (b), (e), (f), (i) and (j) above may be made only to the extent that no Potential Amortization Event pursuant to Sub-Clause 7.1(u) with respect to the Issuer Notes exists as of such date or would occur as a result of such application.

5.3 Application of Funds in the Issuer Interest Collection Account

Subject to the Past Due Rental Payments Priorities, on each Payment Date, the Issuer shall apply all amounts then on deposit in the Issuer Interest Collection Account (after giving effect to all deposits thereto pursuant to Sub-Clauses 5.2, 5.4 and 5.5) on such day as follows (and in each case only to the extent of funds available in the Issuer Interest Collection Account):

- (a) **first**, to pay the Issuer Security Trustee the Capped Issuer Security Trustee Fee Amount with respect to such Payment Date;
- (b) **second**, to pay to the Issuer Administrator the Capped Issuer Administrator Fee Amount with respect to such Payment Date;
- (c) **third**, *pro rata* and *pari passu*, to pay (i) *provided that* following a Liquidation Event any fees, costs and expenses of the Issuer Security Trustee have been paid or provided for, the Persons to whom the Capped Issuer Operating Expense Amount with respect to such Payment Date are owing, on a *pro rata* basis (based on the amount owed to each such Person), such Capped Issuer Operating Expense Amounts owing to such persons on such Payment Date and (ii) to the Issuer, one twelfth of the Issuer Minimum Profit Amount;
- (d) **fourth**, to pay (i) first, the Class A Noteholders on a *pro rata* basis (based on the amount owed to each such Class A Noteholder), the Class A Monthly Interest Amount with respect to such Payment Date and (ii) second, the Class B Noteholders on a *pro rata* basis (based on the amount owed to each such Class B Noteholder), the Class B Monthly Interest Amount with respect to such Payment Date;
- (e) **fifth**, to pay the Administrative Agent the Administrative Agent Fee with respect to such Payment Date;
- (f) **sixth**, on any such Payment Date during the Revolving Period, other than on any such Payment Date on which a withdrawal has been made pursuant to Sub-Clause 5.4(a)(i), for deposit to the Issuer Reserve Account in an amount equal to the Reserve Account Deficiency Amount, if any, for such date (calculated after giving effect to any withdrawals from the Issuer Reserve Account pursuant to Sub-Clause 5.4);
- (g) **seventh**, to pay to the Issuer Security Trustee the Excess Trustee Fee Amount with respect to such Payment Date;
- (h) **eighth**, to pay to the Issuer Administrator the Excess Administrator Fee Allocation Amount with respect to such Payment Date;

- (i) *ninth*, to pay, *provided that* following a Liquidation Event any fees, costs and expenses of the Issuer Security Trustee have been paid or provided for, the Persons to whom the Excess Issuer Operating Expense Amount with respect to such Payment Date are owing, on a *pro rata* basis (based on the amount owed to each such Person), such Excess Issuer Operating Expense Amounts owing to such Persons on such Payment Date;
- (j) *tenth*, on any such Payment Date during the Rapid Amortization Period, for deposit into the Issuer Principal Collection Account any remaining amount;
- (k) *eleventh*, to pay (i) first, the Class A Noteholders on a *pro rata* basis (based on the amount owed to each such Class A Noteholder), the Class A Monthly Default Interest Amounts, if any, owing to each such Class A Noteholder on such Payment Date (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(k) above) and (ii) second, the Class B Noteholders on a *pro rata* basis (based on the amount owed to each such Class B Noteholder), the Class B Monthly Default Interest Amounts, if any, owing to each such Class B Noteholder on such Payment Date (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(k) above);
- (l) *twelfth*, to pay (i) first, the Class A Noteholders on a *pro rata* basis (based on the amount owed to each such Class A Noteholder), any remaining amounts owing on such Payment Date to such Class A Noteholders as Carrying Charges (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(j) above) and (ii) second, the Class B Noteholders on a *pro rata* basis (based on the amount owed to each such Class B Noteholder), any remaining amounts owing on such Payment Date to such Class B Noteholders as Carrying Charges (after giving effect to the payments in Sub-Clauses 5.3(a) through 5.3(j) above);
- (m) *thirteenth*, to pay the holders of the Subordinated Issuer Debt, on a *pro rata* basis, any interest fees, costs, expenses or other amounts (excluding any principal) owing to such Persons on such Payment Date; and
- (n) *fourteenth*, for deposit into the Issuer Principal Collection Account any remaining amount.

5.4 Reserve Account Withdrawals

- (a) Subject to Clause 5.4(b) in respect of items (i) and (ii) only, on each Payment Date, the Issuer shall apply all amounts then on deposit (without giving effect to any deposits thereto pursuant to Sub-Clause 5.2 and 5.3) in the Issuer Reserve Account as follows (and in each case only to the extent of funds available in the Issuer Reserve Account):
 - (i) *first*, to the Issuer Interest Collection Account an amount equal to the excess, if any, of the Payment Date Interest Amount for such Payment Date over the Payment Date Available Interest Amount for such Payment Date (with respect to such Payment Date, the excess, if any, of such excess over the Available Reserve Account Amount on such Payment Date, the “**Reserve Account Interest Withdrawal Shortfall**”);
 - (ii) *second*, if the Principal Deficit Amount is greater than zero on such Payment Date, then to the Issuer Principal Collection Account an amount equal to such Principal Deficit Amount (with respect to such Payment Date, the excess, if any, of such Principal Deficit Amount over the Available Reserve Account Amount, in each case, on such Payment Date (after giving effect to the withdrawal therefrom pursuant to Sub-Clause 5.4(a)(i) above on such Payment Date), the “**Reserve Account Principal Withdrawal Shortfall**”); and
 - (iii) *third*, if on the Legal Final Payment Date the amount to be distributed, if any, in accordance with Sub-Clause 5.2 (prior to giving effect to any withdrawals from

the Issuer Reserve Account pursuant to this Sub-Clause) on such Legal Final Payment Date is insufficient to pay the Principal Amount in full on such Legal Final Payment Date, then to the Issuer Principal Collection Account, an amount equal to such insufficiency (with respect to the Legal Final Payment Date, the excess, if any, of such insufficiency over the Available Reserve Account Amount, in each case, on such Payment Date (after giving effect to each withdrawal therefrom pursuant to Sub-Clauses 5.4(a)(i) and (ii) above on such Legal Final Payment Date), the “**Reserve Account Legal Final Withdrawal Shortfall**”);

provided that, if no amounts are required to be applied pursuant to this Sub-Clause 5.4 (*Reserve Account Withdrawals*) on such date, then the Issuer shall have no obligation to make any payment from the Issuer Reserve Account on such date.

- (b) On any Business Day following the occurrence of a Liquidation Event and following a Letter of Credit Liquidation Event Advance and/or a Class A Reserve Advance, the Issuer may withdraw amounts standing to the credit of the Issuer Reserve Account following such advances in order to (i) effect a FleetCo Reserve Advance to each FleetCo (other than French FleetCo) pursuant to the relevant FleetCo Facility Agreement and (ii) make a FCT Note Increase pursuant to the FCT Note Purchase Agreement in order to enable the FCT to pay the purchase price of any FleetCo Reserve Advance and thus finance this Advance, in an amount equal to the applicable FleetCo Required Reserve Advance.

5.5 Letters of Credit

- (a) *Interest Deficit and Lease Interest Payment Deficit Events – Draws on Letters of Credit.* If the Issuer determines on any Payment Date that there exists a Reserve Account Interest Withdrawal Shortfall or (with respect to any Letter of Credit entered into on or after the Second Amendment Date only) a Lease Interest Payment Deficit Amount with respect to such Payment Date, then the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer’s Failure to Draw*)), shall draw on the Letters of Credit an amount equal to the least of (i) such Reserve Account Interest Withdrawal Shortfall, (ii) the Letter of Credit Amount as of such Payment Date and (iii) the Lease Interest Payment Deficit for such Payment Date, by presenting to each Letter of Credit Provider a draft accompanied by a Certificate of Credit Demand on the Letters of Credit; *provided that*, if the Issuer L/C Cash Collateral Account has been established and funded, then the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer’s Failure to Draw*)), shall withdraw from the Issuer L/C Cash Collateral Account and deposit into the Issuer Interest Collection Account an amount equal to the lesser of (1) the L/C Cash Collateral Percentage on such Payment Date of the least of the amounts described in paragraphs (i), (ii) and (iii) above and (2) the Available L/C Cash Collateral Account Amount on such Payment Date and draw an amount equal to the remainder of such amount on the Letters of Credit. The Issuer shall deposit, or cause the deposit of, the proceeds of any such draw on the Letters of Credit and the proceeds of any such withdrawal from the Issuer L/C Cash Collateral Account into the Issuer Interest Collection Account on such Payment Date.
- (b) *Lease Principal Payment Deficit Events – Initial Draws on Letters of Credit.* If the Issuer determines on any Payment Date (with respect to any Letter of Credit entered into on or after the Second Amendment Date only) or on the Legal Final Payment Date that there exists a Lease Principal Payment Deficit that exceeds the amount, if any, withdrawn from the Issuer Reserve Account pursuant to Sub-Clause 5.4(a)(ii) (*Reserve Account Withdrawals*), then the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer’s Failure to Draw*)), shall draw on the Letters of Credit, if any, in an amount equal to the lesser of:
 - (i) such excess;

- (ii) the Letter of Credit Amount (after giving effect to any drawings on the Letters of Credit on such Payment Date or the Legal Final Payment Date, as applicable, pursuant to Sub-Clause 5.5(a)); and
- (iii) the excess, if any, of the Principal Amount over the amount to be deposited into the Issuer Principal Collection Account (other than as a result of this Sub-Clause 5.5(b) (*Letters of Credit*)) for payment of principal of the Issuer Notes.

The Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)) shall, by 12:00 p.m. (London time) on such Payment Date or the Legal Final Payment Date, as applicable, draw an amount as set forth in such notice equal to the applicable amount set forth above on the Letters of Credit by presenting to each Letter of Credit Provider a draft accompanied by a Certificate of Credit Demand; *provided however*, that if the Issuer L/C Cash Collateral Account has been established and funded, the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)), shall withdraw from the Issuer L/C Cash Collateral Account an amount equal to the lesser of (x) the L/C Cash Collateral Percentage on such Payment Date or the Legal Final Payment Date, as applicable, of the amount described in paragraphs (i), (ii) and (iii) above and (y) the Available L/C Cash Collateral Account Amount on such Payment Date or the Legal Final Payment Date, as applicable, (after giving effect to any withdrawals therefrom on such date pursuant to Sub-Clause 5.5(a)), and the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)), shall draw an amount equal to the remainder of such amount on the Letters of Credit. The Issuer or the Issuer Security Trustee, as applicable, shall deposit, or cause the deposit of, the proceeds of any such draw on the Letters of Credit and the proceeds of any such withdrawal from the Issuer L/C Cash Collateral Account into the Issuer Principal Collection Account on such Payment Date or Legal Final Payment Date, as applicable.

(c) *Principal Deficit Amount – Draws on Letters of Credit.* If the Issuer determines on:

- (i) any Payment Date that the Principal Deficit Amount (after giving effect to any draws on the Letters of Credit on such Payment Date pursuant to Sub-Clause 5.5(b) above) will be greater than zero; or
- (ii) the Legal Final Payment Date that the Principal Amount exceeds the amount to be deposited into the Issuer Principal Collection Account (other than as a result of this Sub-Clause 5.5(c)) on the Legal Final Payment Date for payment of principal of the Issuer Notes,

then the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)), shall, by 12:00 p.m. (London time) on such Payment Date draw on the Letters of Credit an amount equal to the lesser of:

- (A) on a Payment Date other than the Legal Final Payment Date, the Principal Deficit Amount less the amount to be deposited into the Issuer Principal Collection Account in accordance with Sub-Clause 5.4(a)(ii) and Sub-Clause 5.5(b) above;
- (B) on the Legal Final Payment Date, the excess, if any, of the Principal Amount over the amount to be deposited into the Issuer Principal Collection Account, other pursuant to this Sub-Clause 5.5(c), on the Legal Final Payment Date for payment of principal of the Issuer Notes; and
- (C) the Letter of Credit Amount,

by presenting to each Letter of Credit Provider a draft accompanied by a Certificate of Credit Demand, *provided however*, that if the Issuer L/C Cash Collateral Account has been established and funded, the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)), shall withdraw from the Issuer L/C Cash Collateral Account an amount equal to the lesser of (x) the L/C Cash Collateral Percentage on such Payment Date of the amount described in sub-paragraphs (A), (B) and (C) above and (y) the Available L/C Cash Collateral Account Amount on such Payment Date (after giving effect to any withdrawals therefrom on such Payment Date pursuant to Sub-Clause 5.5(a) and Sub-Clause 5.5(b)), and the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)), shall draw an amount equal to the remainder of such amount on the Letters of Credit. The Issuer shall deposit, or cause the deposit of, the proceeds of any such draw on the Letters of Credit and the proceeds of any such withdrawal from the Issuer L/C Cash Collateral Account into the Issuer Principal Collection Account on such Payment Date.

- (d) *Liquidation Event – Draws on Letters of Credit.* Within one (1) Business Day of the occurrence of a Liquidation Event, the Issuer shall draw on the Letters of Credit, or if the Issuer fails to make such drawing, within one (1) Business Day of such failure, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)) shall draw on the Letters of Credit, in each case, an amount equal to the lesser of (i) the excess of the Required Liquid Enhancement Amount over the Available L/C Cash Collateral Account Amount and (ii) the Letter of Credit Amount as of date, by presenting to each Letter of Credit Provider a draft accompanied by a Certificate of Credit Demand on the Letters of Credit. The Issuer shall deposit, or cause the deposit of, the proceeds of any such draw on the Letters of Credit and the proceeds of any such withdrawal from the Issuer L/C Cash Collateral Account (along with any other amounts standing to the credit of the L/C Cash Collateral Account) into the Issuer Reserve Account on such date.
- (e) *Draws on the Letters of Credit.* If there is more than one Letter of Credit on the date of any draw on the Letters of Credit pursuant to the terms of this Agreement (other than pursuant to Sub-Clause 5.7(b)), then the Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer's Failure to Draw*)), shall draw on each Letter of Credit an amount equal to the Pro Rata Share for such Letter of Credit of such draw on such Letter of Credit.
- (f) *Letter of Credit status.* At the same time as the Issuer provides the Administrative Agent and the Issuer Security Trustee with a Monthly Noteholders' Statement, the Issuer shall also furnish the Administrative Agent and the Issuer Security Trustee with a notice outlining the status of the Letter of Credit. Such notice shall detail (a) the Letter of Credit Expiration Date, (b) the maximum amount which is available to be drawn as of such date and (c) details of any drawings under the Letter of Credit prior to such notice and any repayment thereof.

5.6 Past Due Rental Payments

On each Deposit Date, the Issuer shall withdraw from (a) first, the Issuer Interest Collection Account all amounts then on deposit representing Past Due Rent Payments and (b) second, to the extent the amounts withdrawn from the Issuer Interest Collection Account are not sufficient to satisfy the amount owed in respect of Past Due Rent Payments, the Issuer Principal Collection Account, and apply such amounts towards the Past Due Rent Payment in the following order:

- (i) if the occurrence of the related Lease Payment Deficit resulted in one or more L/C Credit Disbursements being made under any Letters of Credit, then pay to each Letter of Credit Provider who made such a L/C Credit Disbursement an amount equal to the lesser of (x) the unreimbursed amount of such Letter of Credit Provider's L/C Credit Disbursement and (y) such Letter of Credit Provider's *pro*

rata portion, calculated on the basis of the unreimbursed amount of each such Letter of Credit Provider's L/C Credit Disbursement, of the amount of the Past Due Rent Payment;

- (ii) if the occurrence of such Lease Payment Deficit resulted in a withdrawal being made from the Issuer L/C Cash Collateral Account, then deposit in the Issuer L/C Cash Collateral Account an amount equal to the lesser of (x) the amount of the Past Due Rent Payment remaining after any payments pursuant to paragraph (i) above and (y) the amount withdrawn from the Issuer L/C Cash Collateral Account on account of such Lease Payment Deficit;
- (iii) if the occurrence of such Lease Payment Deficit resulted in a withdrawal being made from the Issuer Reserve Account pursuant to Sub-Clause 5.4(a)(i), then deposit in the Issuer Reserve Account an amount equal to the lesser of (x) the amount of the Past Due Rent Payment remaining after any payments pursuant to paragraphs (i) and (ii) above and (y) the Reserve Account Deficiency Amount, if any, as of such day; and
- (iv) any remainder to be deposited into the Issuer Principal Collection Account.

5.7 Letters of Credit and L/C Cash Collateral Account

- (a) *Letter of Credit Expiration Date – Deficiencies.* If as of the date that is sixteen (16) Business Days prior to the then scheduled Letter of Credit Expiration Date with respect to any Letter of Credit, excluding such Letter of Credit from each calculation in paragraphs (i) through (ii) immediately below but taking into account any substitute Letter of Credit that has been obtained from an Eligible Letter of Credit Provider and is in full force and effect on such date:
 - (i) the Issuer Aggregate Asset Amount would be less than the Adjusted Asset Coverage Threshold Amount, in each case as of such date (after giving effect to all deposits to, and withdrawals from, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account on such date); or
 - (ii) the Adjusted Liquid Enhancement Amount would be less than the Required Liquid Enhancement Amount, in each case as of such date (after giving effect to all deposits to, and withdrawals from, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account on such date),

then the Issuer shall notify the Issuer Security Trustee and the Administrative Agent in writing no later than fifteen (15) Business Days prior to such Letter of Credit Expiration Date of:

- (A) the greater of:
 - (1) the excess, if any, of the Adjusted Asset Coverage Threshold Amount over the Issuer Aggregate Asset Amount, in each case as of such date (after giving effect to all deposits to, and withdrawals from, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account on such date); and
 - (2) the excess, if any, of the Required Liquid Enhancement Amount over the Adjusted Liquid Enhancement Amount, in each case as of such date (after giving effect to all deposits to, and withdrawals from, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account on such date),

provided that the calculations in each of paragraph (A)(1) through (A)(2) above shall be made on such date, excluding from such calculation of each amount contained therein such Letter of Credit but taking into account each substitute Letter of Credit that has been obtained from an Eligible Letter of Credit Provider and is in full force and effect on such date; and

- (B) the amount available to be drawn on such expiring Letter of Credit on such date.

Upon delivery of such notice to the Issuer Security Trustee and Administrative Agent, the Issuer shall draw the lesser of the amounts set forth in paragraphs (A) and (B) above on such Letter of Credit by presenting a draft accompanied by a Certificate of Termination Demand and shall cause the L/C Termination Disbursements to be deposited into the Issuer L/C Cash Collateral Account. If the Administrative Agent does not receive the notice from the Issuer described above on or prior to the date that is fifteen (15) Business Days prior to each Letter of Credit Expiration Date, then the Administrative Agent shall instruct the Issuer Security Trustee to draw, and by 12:00 p.m. (London time) on such Business Day the Issuer Security Trustee shall draw, the full amount of such Letter of Credit by presenting a draft accompanied by a Certificate of Termination Demand and shall cause the L/C Termination Disbursements to be deposited into the applicable Issuer L/C Cash Collateral Account.

- (b) *Letter of Credit Provider Downgrades.* The Issuer shall notify the Issuer Security Trustee and the Administrative Agent in writing within one (1) Business Day of an Authorized Officer of the Issuer obtaining actual knowledge that (i) the long-term debt credit rating of any Letter of Credit Provider rated by DBRS has fallen below “BBB” as determined by DBRS or (ii) the long-term debt credit rating of any Letter of Credit Provider not rated by DBRS is not at least “Baa2” by Moody’s or “BBB” by S&P (such (i) or (ii) with respect to any Letter of Credit Provider, a “**Downgrade Event**”). On the thirtieth (30th) day after the occurrence of any Downgrade Event with respect to any Letter of Credit Provider, the Issuer shall notify the Issuer Security Trustee and the Administrative Agent in writing on such date of (i) the greatest of (A) the excess, if any, of the Adjusted Asset Coverage Threshold Amount over the Issuer Aggregate Asset Amount and (B) the excess, if any, of the Required Liquid Enhancement Amount over the Adjusted Liquid Enhancement Amount, in each case as of such date and excluding from the calculation of each amount referenced in such sub-paragraphs such Letter of Credit but taking into account each substitute Letter of Credit that has been obtained from an Eligible Letter of Credit Provider and is in full force and effect on such date, and (ii) the amount available to be drawn on such Letter of Credit on such date (the lesser of such (i) and (ii), the “**Downgrade Withdrawal Amount**”). The Issuer, or if the Issuer is not able to or fails to make such drawing, the Issuer Security Trustee (subject to Sub-Clause 5.10 (*Issuer’s Failure to Draw*)), shall, by 12:00 p.m. (London time) within one Business Day of giving notice to the Issuer Security Trustee, draw on the Letters of Credit issued by such Letter of Credit Provider in an amount (in the aggregate) equal to the Downgrade Withdrawal Amount specified in such notice by presenting a draft accompanied by a Certificate of Termination Demand and shall cause the L/C Termination Disbursement to be deposited into the Issuer L/C Cash Collateral Account.
- (c) *Reductions in Stated Amounts of the Letters of Credit.* If the Administrative Agent receives a written notice from the Issuer Administrator, substantially in the form of Exhibit C hereto, requesting a reduction in the stated amount of any Letter of Credit, then the Administrative Agent shall within two (2) Business Days of the receipt of such notice deliver to the Letter of Credit Provider who issued such Letter of Credit a Notice of Reduction requesting a reduction in the stated amount of such Letter of Credit in the amount requested in such notice effective on the date set forth in such notice; *provided that*, on such effective date, immediately after giving effect to the requested reduction in the stated amount of such Letter of Credit, (i) the Adjusted Liquid Enhancement Amount will equal or exceed the Required Liquid Enhancement Amount, and (ii) no

Aggregate Asset Amount Deficiency will exist immediately after giving effect to such reduction.

(d) *Increases in Stated Amounts of the Letters of Credit.* If required to ensure that (i) the Adjusted Liquid Enhancement Amount will equal or exceed the Required Liquid Enhancement Amount, and (ii) no Aggregate Asset Amount Deficiency will exist, the Issuer Administrator shall, within two (2) Business Days of becoming aware of such requirement, deliver to the Letter of Credit Provider a notice substantially in the form of Exhibit C-1 hereto, requesting an increase in the stated amount of any Letter of Credit effective on the date set forth in such notice.

(e) *L/C Cash Collateral Account Surpluses and Reserve Account Surpluses.*

(i) On each Payment Date, the Issuer may withdraw from the Issuer Reserve Account an amount equal to the Issuer Reserve Account Surplus, if any for its own account or as it may direct.

(ii) On each Payment Date on which there is an L/C Cash Collateral Account Surplus, the Issuer may, subject to the limitations set forth in this Sub-Clause 5.7(d), withdraw such amount from the Issuer L/C Cash Collateral Account and apply such amount in accordance with the terms of this Sub-Clause 5.7(d). The amount of any such withdrawal from the Issuer L/C Cash Collateral Account shall be limited to the lesser of (a) the Available L/C Cash Collateral Account Amount on such Payment Date and (b) the Issuer L/C Cash Collateral Account Surplus on such Payment Date. Any amounts withdrawn from the Issuer L/C Cash Collateral Account pursuant to this Sub-Clause 5.7(d) shall be paid:

first, to the Letter of Credit Providers, to the extent that there are unreimbursed Disbursements due and owing to such Letter of Credit Providers in respect of the Letters of Credit, for application in accordance with the provisions of the respective Letters of Credit, and

second, to the Issuer any remaining amounts.

5.8 Payment by Wire Transfer

On each Payment Date, the Issuer shall cause the amounts (to the extent available) set forth in Sub-Clause 5.2, 5.3, 5.4 and 5.5, in each case if any and in accordance with such Sub-Clause, to be paid by wire transfer of immediately available funds no later than 4:30 p.m. (London time) for credit to the account designated by the party to which such amounts are payable (*provided that*, such designating party shall designate such account at least three (3) Business Days prior to the relevant Payment Date).

5.9 Certain Instructions to the Issuer Security Trustee

(a) If on any date the Principal Deficit Amount is greater than zero or the Issuer determines that there exists a Lease Principal Payment Deficit, then the Issuer shall promptly provide written notice thereof to the Administrative Agent and the Issuer Security Trustee.

(b) On or before 10:00 a.m. (London time) on each Payment Date on which any Lease Payment Deficit Exists, the Issuer Administrator shall notify the Issuer Security Trustee of the amount of such Lease Payment Deficit, such notification to be in the form of Exhibit D hereto (each a "**Lease Payment Deficit Notice**").

5.10 Issuer's Failure to Draw

In the event the Issuer fails to draw on any Letter of Credit then the Issuer Security Trustee shall, following a written direction from the Administrative Agent (or, in the event there is not an Administrative Agent, from the Required Noteholders), draw on such Letter of Credit provided that the Issuer, upon request of the Issuer Security Trustee, the Administrative Agent or any Funding Agent, promptly provides the Issuer Security Trustee with all information necessary to allow the Issuer Security Trustee to draw on any such Letter of Credit (and it is acknowledged that the Issuer Security Trustee shall not be responsible for making any calculations or determinations in connection with the relevant drawing).

5.11 [RESERVED]

6 REPRESENTATIONS AND WARRANTIES; COVENANTS; CLOSING CONDITIONS

6.1 Representations and Warranties

Each of the Issuer, the Issuer Administrator, each Conduit Investor and each Committed Note Purchaser hereby makes the representations and warranties applicable to it set forth in Annex 1 hereto.

6.2 Covenants

Each of the Issuer and the Issuer Administrator hereby agrees to perform and observe the covenants applicable to it set forth in Annex 2 hereto.

6.3 Closing Conditions

The effectiveness of this Agreement is subject to the satisfaction of the conditions precedent set forth in Annex 3 hereto and Schedule 1 (*Conditions Precedent*) of the Issuer Amendment and Restatement Deed.

6.4 [RESERVED]

6.5 [RESERVED]

7 AMORTIZATION EVENTS AND REMEDIES

7.1 Amortization Events

The occurrence of any of the following events shall constitute Amortization Events with respect to the Issuer Notes:

- (a) the Issuer defaults in the payment of interest on, or other amount payable in respect of, the Issuer Notes when the same becomes due and payable, unless default is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;
- (b) either of a Liquid Enhancement Deficiency or a Letter of Credit/Cash Liquid Enhancement Deficiency shall exist and continue to exist for at least three (3) consecutive Business Days *provided* that where such grace period coincides with a Payment Date then on that Payment Date, the Issuer will not be permitted to request any Advance and will not be permitted to make any repayment under the Issuer Subordinated Facility Agreement in accordance with Clause 5.2(i) and Clause 5.3(m) of this Agreement or as otherwise permitted pursuant to the Issuer Related Documents until such Liquid Enhancement Deficiency or a Letter of Credit/Cash Liquid Enhancement Deficiency is cured and ceases to exist;

- (c) all principal of and interest on the Issuer Notes is not paid in full on or before the Expected Final Payment Date;
- (d) any Aggregate Asset Amount Deficiency exists and continues for a period of three (3) consecutive Business Days *provided* that where such grace period coincides with a Payment Date then on that Payment Date, the Issuer will not be permitted to request any Advance and will not be permitted to make any repayment under the Issuer Subordinated Facility Agreement in accordance with Clause 5.2(i) and Clause 5.3(m) of this Agreement or as otherwise permitted pursuant to the Issuer Related Documents until such Aggregate Asset Amount Deficiency is cured and ceases to exist;
- (e) any of the Leasing Company Amortization Events shall have occurred with respect to any FleetCo Note or the French Facility;
- (f) there shall have been filed against the Issuer a notice of any Security (other than a Permitted Security) that could reasonably be expected to attach to the assets of the Issuer and fourteen (14) consecutive days shall have elapsed without such notice having been effectively withdrawn or such Security having been released or discharged;
- (g) any of the Issuer Related Documents or any material portion thereof shall cease, for any reason, to be in full force and effect, enforceable in accordance with its terms (other than in accordance with the terms thereof or as otherwise expressly permitted in the Issuer Related Documents) for a period of ten (10) consecutive days, *provided* that such then (10) consecutive day grace period shall not apply where Hertz, any FleetCo, any OpCo, any Leasing Company, any Lessee, any Servicer, any FleetCo Administrator, the Issuer or the Issuer Administrator is the entity asserting that the relevant Issuer Related Document ceases to be in full force and effect, other than any such cessation as a result of any waiver, supplement, modification, amendment or other action not prohibited by the Related Documents;
- (h) any Issuer Administrator Default shall have occurred;
- (i) the Issuer Account in which any Issuer Collections are on deposit as of such date or any Issuer Account (other than the Issuer Reserve Account and the Issuer L/C Cash Collateral Account) shall be subject to an injunction, estoppel or other stay or a Security (other than any Security described in paragraph (iii) of the definition of Permitted Security) and fourteen (14) consecutive days shall have elapsed without such Security having been released or discharged;
- (j) (A) the Issuer Reserve Account shall be subject to any injunction, estoppel or other stay or a Security (other than any Permitted Security described in paragraph (iii) of the definition of Permitted Security) for a period of at least three (3) consecutive Business Days or (B) other than any Security described in paragraph (iii) of the definition of Permitted Security, the Issuer Security Trustee shall cease to have a valid and perfected first priority security interest in the Issuer Reserve Account Collateral (or any of the Issuer or any Affiliate thereof so asserts in writing) and, in each case, the Adjusted Liquid Enhancement Amount, excluding therefrom the Available Reserve Account Amount, would be less than the Required Liquid Enhancement Amount and such cessation shall not have resulted from a Permitted Security;
- (k) from and after the funding of the Issuer L/C Cash Collateral Account, (A) the Issuer L/C Cash Collateral Account shall be subject to any injunction, estoppel or other stay or a Security (other than any Security described in paragraph (iii) of the definition of Permitted Security) for a period of at least three (3) consecutive Business Days or (B) other than any Permitted Security, the Issuer Security Trustee shall cease to have a valid and perfected first priority security interest in the Issuer L/C Cash Collateral Account Collateral (or the Issuer or any Affiliate thereof so asserts in writing) and, in each case, the Adjusted Liquid Enhancement Amount, excluding therefrom the Available L/C Cash

Collateral Account Amount, would be less than the Required Liquid Enhancement Amount;

- (l)** a Change of Control shall have occurred;
- (m)** the Issuer shall fail to acquire and maintain in force one or more Interest Rate Caps at the times and in at least the notional amounts required by the terms of Sub-Clause 4.4 and such failure continues for at least three (3) consecutive Business Days;
- (n)** other than as a result of a Permitted Security, the Issuer Security Trustee shall for any reason cease to have a valid and perfected first priority security interest in the Issuer Collateral (other than the Issuer Reserve Account Collateral, the Issuer L/C Cash Collateral Account Collateral or any Letter of Credit) or the Issuer or any Affiliate thereof so asserts in writing;
- (o)** the occurrence of a Hertz Senior Credit Facility Default;
- (p)** any of the Issuer or the Issuer Administrator fails to comply with any of its other agreements or covenants in the Issuer Notes or any Issuer Related Document (and, in the case of the Risk Retention Letter, the Retention Holder fails to comply with any of its covenants therein), which in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Noteholders and in the case of a default which is remediable, continues for fourteen (14) consecutive days after the earlier of (i) the date on which an Authorized Officer of the Issuer (in case of failure by the Issuer) or the Issuer Administrator (in case of failure by the Issuer Administrator) or the Retention Holder (in case of failure by the Retention Holder) obtains actual knowledge thereof or (ii) the date on which written notice of such failure, requiring the same to be remedied, shall have been given to any of the Issuer or the Issuer Administrator or the Retention Holder (in each case, in respect of failure by itself only) by the Issuer Security Trustee or to any of the Issuer or the Issuer Administrator or the Retention Holder (in each case, in respect of failure by itself only) and the Issuer Security Trustee by the Administrative Agent;
- (q)** (i) any representation made by the Issuer in any Issuer Related Document is false (and, in the case of the Risk Retention Letter, any representation made by the Retention Holder therein is false) or (ii) (A) any representation made by the Issuer Administrator herein or (B) any schedule, certificate, financial statement, report, notice, or other writing furnished by or on behalf of the Issuer Administrator to any Funding Agent pursuant to paragraph 24 of Annex 2 hereto, in the case of either the preceding paragraph (A) or (B), is false or misleading on the date as of which the facts therein set forth are stated or certified, and, in the case of either the preceding paragraphs (i) or (ii), such falsity, which in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Noteholders and the event or condition that caused such representation to have been false is not cured for a period of fourteen (14) consecutive days after the earlier of (x) the date on which an Authorized Officer of the Issuer or the Issuer Administrator or the Retention Holder, as the case may be, obtains actual knowledge thereof or (y) the date that written notice thereof is given to the Issuer or the Issuer Administrator or the Retention Holder, as the case may be, by the Issuer Security Trustee or to the Issuer or the Issuer Administrator or the Retention Holder, as the case may be, and to the Issuer Security Trustee by the Administrative Agent;
- (r)** (I) any Servicer shall fail to comply with its obligations under any Liquidation Co-ordination Agreement and the failure to comply, in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Noteholders and in the case of a default which is remediable, continues for 14 consecutive days after the earlier of (i) the date on which an Authorized Officer of the Issuer Administrator or the Issuer obtains actual knowledge thereof or (ii) the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Issuer Administrator and

the Issuer by the Issuer Security Trustee or to the Issuer Administrator, the Issuer and the Issuer Security Trustee by the Administrative Agent or (II) any Liquidation Co-ordination Agreement or any material portion thereof shall cease, for any reason, to be in full force and effect or enforceable (other than in accordance with its terms or otherwise as expressly permitted in such Liquidation Co-ordination Agreement) for a period of fourteen (14) consecutive days after the earlier of (i) the date on which an Authorized Officer of the Issuer or the Issuer Administrator, as applicable, has reasonable grounds to believe that or (ii) the date on which written notice thereof shall have been given to the Issuer and the Issuer Administrator by the Issuer Security Trustee or to the Issuer, the Issuer Administrator and the Issuer Security Trustee by the Administrative Agent (unless such failure to be in full force and effect or failure to be enforceable is a result of a breach of such Liquidation Co-ordination Agreement or any portion thereof by the relevant Servicer, in which case such fourteen (14) day grace period shall not apply);

- (s) (I) any FleetCo or any FleetCo Administrator shall fail to comply with its obligations under the applicable FleetCo Back-Up Administration Agreement and the failure to comply, in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Noteholders and in the case of a default which is remediable, continues for a period of fourteen (14) days after the earlier of (i) the date on which an Authorized Officer of the relevant FleetCo Administrator or Issuer Administrator, as applicable, obtains actual knowledge thereof or (ii) the date on which written notice of such failure, requiring the same to be remedied, shall have been given to such FleetCo and FleetCo Administrator by the FleetCo Security Trustee or to such FleetCo, FleetCo Administrator and the FleetCo Security Trustee by the Issuer or (II) any FleetCo Back-Up Administration Agreement or any material portion thereof shall cease, for any reason, to be in full force and effect or enforceable (other than in accordance with its terms or otherwise as expressly permitted in such FleetCo Back-Up Administration Agreement) for a period of fourteen (14) days after the earlier of (i) the date on which an Authorized Officer of the relevant FleetCo or FleetCo Administrator, as applicable, obtains actual knowledge thereof or (ii) the date on which written notice thereof shall have been given to such FleetCo and FleetCo Administrator by the FleetCo Security Trustee or to such FleetCo, FleetCo Administrator and the FleetCo Security Trustee by the Issuer (unless such failure to be in full force and effect or failure to be enforceable is a result of a breach of the applicable FleetCo Back-Up Administration Agreement or any portion thereof by the relevant FleetCo or FleetCo Administrator, in which case such fourteenth (14) day grace period shall not apply);
- (t) a FleetCo Administrator fails to comply with any of its other agreements or covenants in any FleetCo Related Document or any representation made by a FleetCo Administrator in any FleetCo Related Document is false and the failure to so comply or such false representation, as the case may be, (A) and the failure to comply with any of its other agreements or covenants in any FleetCo Related Document, in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Noteholders and in the case of a default which is remediable, continues for 14 consecutive days after the earlier of (i) the date on which an Authorized Officer of such FleetCo Administrator obtains actual knowledge thereof or (ii) the date on which written notice of such failure or such false representation, requiring the same to be remedied, shall have been given to (x) the relevant FleetCo Administrator by the FleetCo Security Trustee or to such FleetCo Administrator and the FleetCo Security Trustee by the Issuer or (y) to the Issuer Administrator by the FleetCo Security Trustee or to the Issuer Administrator and the FleetCo Security Trustee by the Administrative Agent and (B) in the case of a false representation, the event or condition that causes such representation to have been false is not cured for a period of fourteen (14) consecutive days, in each case after the earlier of (i) the date on which an Authorized Officer of such FleetCo Administrator obtains actual knowledge thereof or (ii) the date on which written notice of such failure or such false representation, requiring the same to be remedied, shall have been given to (x) the relevant FleetCo Administrator by the

FleetCo Security Trustee or to such FleetCo Administrator and the FleetCo Security Trustee by the Issuer or (y) to the Issuer Administrator by the FleetCo Security Trustee or to the Issuer Administrator and the FleetCo Security Trustee by the Administrative Agent;

- (u) on any Business Day, the Adjusted Principal Amount exceeds the Aggregate Leasing Company Principal Amount, and the Aggregate Leasing Company Principal Amount does not equal or exceed the Adjusted Principal Amount on or prior to the close of business on the next succeeding Business Day, in each case after giving effect to all increases and decreases on such date;
- (v) any FleetCo Administrator Default shall have occurred;
- (w) [RESERVED];
- (x) (I) any of the FleetCo Related Documents or any material portion thereof relating to any of the FleetCo Notes shall cease, for any reason, to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the FleetCo Related Documents) for a period of ten (10) consecutive days, *provided* that such then (10) consecutive day grace period shall not apply where Hertz, any FleetCo, any OpCo, any Leasing Company, any Lessee, any Servicer, any FleetCo Administrator, the Issuer or the Issuer Administrator is the entity asserting that the relevant FleetCo Related Document ceases to be in full force and effect; (II) any of the FleetCo Collateral shall cease, for any reason, to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the FleetCo Related Documents), in each case, other than any such cessation as a result of any waiver, supplement, modification, amendment or other action not prohibited by the Related Documents;
- (y) the occurrence of an Event of Bankruptcy with respect to the Issuer;
- (z) the Securities and Exchange Commission or other regulatory body having jurisdiction reaches a final determination that the Issuer is an “investment company” or is under the “control” of an “investment company” under the Investment Company Act;
- (aa) a Level 2 Minimum Liquidity Test Breach shall exist;
- (bb) the Issuer or Issuer Administrator fails to deliver any certificate to the Administrative Agent or any Funding Agent pursuant to paragraph 25 of Annex 2 hereto within three (3) Business Days of written request by the Administrative Agent or the Issuer Security Trustee;
- (cc) there is a material breach of or material failure to satisfy any of the representations, undertakings or conditions specified in the Refinancing Deed of Covenant by any of the Issuer, the Issuer Administrator, any FleetCo (in all capacities), any OpCo (in all capacities), HIL or HHN2 which in the opinion of the Issuer Security Trustee is materially prejudicial to the interests of the Noteholders and in the case of a breach or failure which is remediable, continues for fourteen (14) consecutive days after the earlier of (i) the date on which an Authorized Officer of the Issuer (in case of breach or failure by the Issuer) or the Issuer Administrator (in case of breach or failure by the Issuer Administrator), the relevant FleetCo (in case of breach or failure by any FleetCo), the relevant OpCo (in case of breach or failure by any OpCo), HIL (in case of breach or failure by HIL) or HHN2 (in case of breach or failure by HHN2) obtains actual knowledge thereof or (ii) the date on which written notice of such breach or failure, requiring the same to be remedied, shall have been given to any of the Issuer or the Issuer Administrator or any FleetCo or any OpCo, or HIL or HHN2 (in each case, in respect of breach or failure by itself only) by the Issuer Security Trustee or to any of the Issuer or the Issuer Administrator or the any FleetCo or any OpCo, or HIL or HHN2 (in each case, in respect of breach or failure by itself only) and the Issuer Security Trustee by the Administrative Agent; or

- (dd)** the German FleetCo incurs any Liabilities in connection with items (b) or (c) under the Existing/Prior Financings definition or in connection with the German Fleetco ceasing to be, or is not treated at any time as being or having been, a “qualifying company” for the purposes of section 110 Taxes Consolidation Act 1997, or a claim (whether actual or contingent, present or future) has arisen related to or in connection with such items and/or qualification, as applicable.

7.2 Effects of Amortization Events

- (a)** In the case of:
- (i)** any event described in Sub-Clauses 7.1(a) through (e), Sub-Clause 7.1(u), Sub-Clause 7.1(y) and Sub-Clause 7.1(z), an Amortization Event with respect to the Issuer Notes will immediately occur without any notice or other action on the part of the Issuer Security Trustee or any Noteholder, and
 - (ii)** any event described in Sub-Clauses 7.1(f) through (t), Sub-Clause 7.1(v), Sub-Clause 7.1(x) and Sub-Clause 7.1(aa) through 7.1(cc), so long as such event is continuing, either the Issuer Security Trustee may, by written notice to the Issuer, or the Required Noteholders may, by written notice to the Issuer and the Issuer Security Trustee, declare that an Amortization Event with respect to the Issuer Notes has occurred as of the date of the notice (except in relation to an event described in Sub-Clause 7.1(aa), in which case such Amortization Event shall occur no earlier than 14 calendar days after the date of such notice).
- (b)** An Amortization Event with respect to the Issuer Notes described in Sub-Clauses 7.1(a) through (d) and Sub-Clause 7.1(e) above may be waived solely with the written consent of the Noteholders holding 100% of the Principal Amount.
- (ii)** An Amortization Event with respect to the Issuer Notes described in Sub-Clause 7.1(p) (solely with respect to any agreement, covenant or provision in the Issuer Notes or any other Issuer Related Document the amendment or modification of which requires the consent of Noteholders holding more than 66²/₃% of the Principal Amount or that otherwise prohibits the Issuer from taking any action without the consent of Noteholders holding more than 66²/₃% of the Principal Amount), Sub-Clause 7.1(r) (solely with respect to any agreement, covenant or provision in the related Liquidation Co-ordination Agreement the amendment or modification of which requires the consent of Noteholders holding more than 66²/₃% of the Principal Amount or that otherwise prohibits the Issuer from taking any action without the consent of Noteholders holding more than 66²/₃% of the Principal Amount) or Sub-Clause 7.1(u) may be waived solely with the written consent of the Noteholders holding 100% of the Principal Amount.
- (iii)** An Amortization Event with respect to the Issuer Notes described in Sub-Clauses 7.1(f) through (q) (other than with respect to any agreement, covenant or provision in the Issuer Notes or any other Issuer Related Document the amendment or modification of which requires the consent of Noteholders holding more than 66²/₃% of the Principal Amount or that otherwise prohibits the Issuer from taking any action without the consent of Noteholders holding more than 66²/₃% of the Principal Amount), Sub-Clause 7.1(r) (other than with respect to any agreement, covenant or provision in the related Liquidation Co-ordination Agreement the amendment or modification of which requires the consent of Noteholders holding more than 66²/₃% of the Principal Amount or that otherwise prohibits the Issuer from taking any action without the consent of Noteholders holding more than 66²/₃% of the Principal Amount), Sub-Clause 7.1(s), Sub-Clause 7.1(t), Sub-Clause 7.1(v), Sub-Clause 7.1(x) or Sub-Clause 7.1(aa) through 7.1(cc), may be waived solely with the written consent of the Required Supermajority Noteholders.

- (iv) [RESERVED].
- (v) An Amortization Event with respect to the Issuer Notes described in Sub-Clauses 7.1(y) and 7.1(z) (and the consequences thereof) shall only be waived with the written consent of each Noteholder.
- (vi) If any existing Potential Amortization Event or Amortization Event (and, in any such case, any consequences thereof) is waived in accordance with this Agreement, then, subject to the terms of that waiver, such Potential Amortization Event shall cease to exist with respect to the Issuer Notes, and any Amortization Event arising therefrom shall be deemed to have been cured for every purpose of this Agreement and the Issuer Note Framework Agreement, but no such waiver shall extend to any subsequent or other Potential Amortization Event or Amortization Event or impair any right consequent thereon.

Notwithstanding anything herein to the contrary and for the avoidance of doubt, an Amortization Event with respect to the Issuer Notes described in any of Sub-Clause 7.1 (i), (j), (k), or (n) above shall be curable at any time.

7.3 Rights of the Issuer Security Trustee upon Amortization Event or Certain Other Events of Default

- (a) *General and FleetCo Related Documents.* If any Amortization Event shall have occurred and be continuing, then the Issuer Security Trustee, at the written direction of the Required Noteholders, subject to being indemnified and/or secured and/or prefunded to its satisfaction, shall exercise (and the Issuer agrees to exercise) from time to time any rights and remedies available to it on behalf of the Noteholders under applicable law or any FleetCo Related Documents, and all other rights, remedies, powers, privileges and claims of the Issuer relating to the FleetCo Collateral against any party to any FleetCo Related Documents, including the right or power to take any action to compel performance or observance by any Leasing Company and to give any consent, request, notice, direction, approval, extension or waiver in respect of the FleetCo Related Documents.
- (b) *Liquidation Event.* If any Liquidation Event shall have occurred and be continuing, then the Issuer Security Trustee may or, at the direction of the Required Noteholders, shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, exercise from time to time any rights and remedies available to it as the result of such occurrence under the FleetCo Related Documents.
- (c) *Failure of FleetCo Security Trustee, Leasing Companies or Lessees to Take Action.* If, after the occurrence of any Liquidation Event the FleetCo Security Trustee or any Lessee fails to take action to accomplish any instructions given to it by the Issuer Security Trustee within five (5) Business Days of receipt thereof, then the Issuer Security Trustee may or, at the direction of the Required Noteholders, shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, take such action or such other appropriate action on behalf of the FleetCo Security Trustee or such Lessee. In the event that the Issuer Security Trustee determines to take action pursuant to the immediately preceding sentence, the Issuer Security Trustee may institute legal proceedings for the appointment of a receiver or receivers to take possession of some or all of the Eligible Vehicles pending the sale thereof, and the Issuer Security Trustee may institute legal proceedings for the appointment of a receiver or receivers pursuant to the powers of sale granted by the FleetCo Security Documents.
- (d) [Reserved]

(e) Amortization Event

(i) [Reserved]

(ii) Any amounts relating to the Issuer Collateral or the Issuer Secured Obligations obtained by the Issuer Security Trustee on account of or as a result of the exercise by the Issuer Security Trustee of any rights or remedies specified in this Clause 7 (*Amortization Events and Remedies*) shall be held by the Issuer Security Trustee as additional collateral for the repayment of Issuer Secured Obligations and shall be applied as provided in Clause 5 (*Priority of Payments*).

7.4 Other Remedies

Subject to the terms and conditions of this Agreement, the Issuer Security Trust Deed and the Issuer Note Framework Agreement, if an Amortization Event occurs and is continuing, the Issuer Security Trustee may pursue any remedy available to it on behalf of the Noteholders under applicable law or in equity to collect the payment of principal of or interest on the Issuer Notes or to enforce the performance of any provision of such Issuer Notes, this Agreement or any other Issuer Related Document. All remedies are cumulative to the extent permitted by law.

7.5 Control by Required Noteholders

The Required Noteholders may direct the time, method and place of conducting any proceeding for any remedy available to the Issuer Security Trustee on behalf of the Noteholders or exercising any trust or power conferred on the Issuer Security Trustee. Subject to the provisions of the Issuer Security Trust Deed, the Issuer Security Trustee may, however, refuse to follow any direction that conflicts with law, this Agreement or the Issuer Note Framework Agreement, that the Issuer Security Trustee determines may be materially prejudicial to the rights of other Noteholders, or that may involve the Issuer Security Trustee in personal liability.

7.6 Right of Holders to Bring Suit

Subject to the provisions of Clause 21 (*Limited Recourse and Non-Petition*) of the Issuer Security Trust Deed, the right of any Noteholder to bring suit for the enforcement of any payment of principal of or interest on any Note, in each case, on or after the respective due dates therefor expressed in such Note, is absolute and unconditional and shall not be impaired or affected without the consent of such Noteholder.

7.7 Collection Suit by the Issuer Security Trustee

If any Amortization Event arising from the failure to make a payment in respect of the Issuer Notes occurs and is continuing, the Issuer Security Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal and interest remaining unpaid on the Issuer Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Issuer Security Trustee, its agents and counsel.

7.8 The Issuer Security Trustee May File Proofs of Claim

The Issuer Security Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Issuer Security Trustee (including any claim for the properly incurred compensation, expenses, disbursements and advances of the Issuer Security Trustee, its agents and counsel) and the Noteholders relating to the Issuer Collateral or the Issuer Secured Obligations allowed in any judicial proceedings relative to the Issuer (or any other obligor under the Issuer Notes), its creditors or its property, and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claim and any custodian in any such judicial proceeding is hereby

authorized by each Noteholder to make such payments to the Issuer Security Trustee and, in the event that the Issuer Security Trustee shall consent to the making of such payments directly to such Noteholders, to pay the Issuer Security Trustee any amount due to it for the properly incurred compensation, expenses, disbursements and advances of the Issuer Security Trustee, its agents and counsel. Nothing herein contained shall be deemed to authorize the Issuer Security Trustee to authorize or consent to or accept or adopt on behalf of any such Noteholder any plan of reorganization, arrangement, adjustment or composition affecting the Issuer Notes of any Noteholder or the rights of any such Noteholder thereof, or to authorize the Issuer Security Trustee to vote in respect of the claim of any such Noteholder in any such proceeding.

7.9 Priorities

If the Issuer Security Trustee collects any money pursuant to this Clause 7 (*Amortization Events and Remedies*), the Issuer Security Trustee shall pay out the money in accordance with the provisions of Clause 5 (*Priority of Payments*).

7.10 Rights and Remedies Cumulative

No right or remedy herein conferred upon or reserved to the Issuer Security Trustee or to the holders of Issuer Notes is intended to be exclusive of any other right or remedy, and every right or remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under this Agreement or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Agreement, or otherwise, shall not prevent the concurrent assertion or employment of any other valid right or remedy.

7.11 Delay or Omission Not Waiver

No delay or omission of the Issuer Security Trustee or of any Noteholder to exercise any right or remedy accruing upon any Amortization Event shall impair any such right or remedy or constitute a waiver of any such Amortization Event or acquiescence thereto (other than any such right or remedy that by its terms requires such Amortization Event to be continuing at the time of exercising such right or remedy). Every right and remedy given by this Clause 7 (*Amortization Events and Remedies*) or by law to the Issuer Security Trustee or to each Noteholder may be exercised from time to time, and as often as may be deemed expedient, by the Issuer Security Trustee or such Noteholder, as the case may be. For the avoidance of doubt, this Sub-Clause 7.11 (*Delay or Omission Not Waiver*) shall be subject to and qualified in its entirety by the provisions of Sub-Clause 11.10 (*Amendments*) and paragraph 2 (*Amendments*) of Annex 2 (*Covenants*).

7.12 Reassignment of Surplus

After termination of this Agreement and the payment in full of the Issuer Secured Obligations, any proceeds of the Issuer Collateral received or held by the Issuer Security Trustee shall be turned over to the Issuer and the Issuer Collateral shall be reassigned to the Issuer by the Issuer Security Trustee without recourse to the Issuer Security Trustee and without any representations, warranties or agreements of any kind.

8 [RESERVED]

9 TRANSFERS, REPLACEMENTS AND ASSIGNMENTS

9.1 Transfer of Issuer Notes

- (a) Other than in accordance with this Clause 9, the Issuer Notes will not be permitted to be transferred, assigned, exchanged or otherwise pledged or conveyed by the Noteholders.

- (b) Subject to the terms and restrictions set forth in the Issuer Note Framework Agreement and this Agreement (including, without limitation, Clause 9.3), the holder of any Class A Note may transfer the same in whole or in part, in an amount equivalent to an authorized denomination, under a written instrument of transfer in form satisfactory to the Issuer and the Registrar and accompanied by a certificate substantially in the form of Exhibit E-1 hereto; *provided that*, if the holder of any Class A Note transfers, in whole or in part, its interest in any Class A Note pursuant to (i) a Class A Assignment and Assumption Agreement substantially in the form of Exhibit G-1 hereto or (ii) a Class A Investor Group Supplement substantially in the form of Exhibit H-1 hereto, then such Noteholder will not be required to submit a certificate substantially in the form of Exhibit E-1 hereto upon transfer of its interest in such Class A Note; *provided further that*, notwithstanding anything to the contrary contained in this Agreement, no Class A Note shall be transferrable to any person that is a Restricted Lender without the prior written consent of the Issuer, such consent not to be unreasonably withheld. If the Issuer fails to respond to such consent request within 3 Business Days of receipt of such request, the Issuer shall be deemed to have consented to such transfer to such Restricted Lender.
- (c) Subject to the terms and restrictions set forth in the Issuer Note Framework Agreement and this Agreement (including, without limitation, Clause 9.3), the holder of any Class B Note may transfer the same in whole or in part, in an amount equivalent to an authorized denomination, under a written instrument of transfer in form satisfactory to the Issuer and the Registrar and accompanied by a certificate substantially in the form of Exhibit E-2 hereto; *provided that*, if the holder of any Class B Note transfers, in whole or in part, its interest in any Class B Note pursuant to (i) a Class B Assignment and Assumption Agreement substantially in the form of Exhibit G-2 hereto or (ii) a Class B Investor Group Supplement substantially in the form of Exhibit H-2 hereto, then such Noteholder will not be required to submit a certificate substantially in the form of Exhibit E-2 hereto upon transfer of its interest in such Class B Note; *provided further that*, notwithstanding anything to the contrary contained in this Agreement, no Class B Note shall be transferrable to any person that is a Restricted Lender without the prior written consent of the Issuer, such consent not to be unreasonably withheld. If the Issuer fails to respond to such consent request within 3 Business Days of receipt of such request, the Issuer shall be deemed to have consented to such transfer to such Restricted Lender.
- (d) Any transfer of an Issuer Note must be in compliance with the selling restrictions set out in Annex 4 (*Selling Restrictions*).
- (e) In relation to paragraph (b) of the definition of Restricted Lender, the following process will apply in relation to the Administration Agent acting on the instructions of all Noteholders for the purposes of responding to Hertz within 20 Business Days of receipt of a Restricted Lender Notice:
- (i) each Funding Agent, Committed Note Purchaser or Conduit Investor shall, no later than [10] Business Days following receipt of such Restricted Lender Notice, confirm to the Administrative Agent whether it (i) accepts that the Person identified in the Restricted Lender Notice shall be a Restricted Lender or (ii) rejects the assertion (acting reasonably) that the Person identified in any Restricted Lender Notice is a competitor of Hertz or any of its Subsidiaries. Where such Funding Agent, Committed Note Purchaser or Conduit Investor rejects the assertion, it must set out the reasons for objection in such confirmation;
 - (ii) to the extent that any Funding Agent, Committed Note Purchaser or Conduit Investor does not respond to the Administrative Agent within 10 Business Days of receipt of such notice, such Funding Agent, Committed Note Purchaser or Conduit Investor shall be deemed to instruct the Administrative Agent to confirm that the Person identified in the Restricted Lender Notice shall be a Restricted Lender;

- (iii) no later than 15 Business Days following receipt of the Restricted Lender Notice, the Administrative Agent shall inform each Funding Agent, each Committed Note Purchaser and each Conduit Investor, as to whether (based on the responses or (if applicable) deemed instructions received from all Noteholders) it intends to (i) confirm that the Person identified in the Restricted Lender Notice shall be a Restricted Lender or (ii) reject the assertion that the Person identified in any Restricted Lender Notice is a competitor of Hertz or any of its Subsidiaries. Where there is not unanimous instruction to the Administrative Agent on such matter, the Administrative Agent shall use reasonable endeavors to seek to establish a unanimous agreement;
- (iv) to the extent that all Funding Agent, Committed Note Purchaser and Conduit Investor are unable to reach unanimous agreement as to whether the Person identified in any Restricted Lender Notice is a competitor of Hertz or any of its Subsidiaries, then the Administrative Agent shall provide notice to the Issuer and Issuer Administrator, on or prior to the date that is 20 Business Days after the receipt of such Restricted Lender Notice, that it either accepts or rejects the assertion that the Person identified in any Restricted Lender Notice is a competitor of Hertz or any of its Subsidiaries, on the basis of the feedback received from the Required Noteholders.

9.2 Replacement of Investor Group

(a) *Replacement of Class A Investor Group*

- (i) Notwithstanding anything to the contrary contained herein or in any other Related Document, in the event that:
 - (A) any Class A Affected Person shall request reimbursement for amounts owing pursuant to any Specified Cost Section,
 - (B) a Class A Committed Note Purchaser shall become a Class A Defaulting Committed Note Purchaser, and such Class A Defaulting Committed Note Purchaser shall fail to pay any amounts in accordance with Sub-Clause 2.2(a) (vii) (*Class A Funding Defaults*) within five (5) Business days after demand from the applicable Class A Funding Agent,
 - (C) any Class A Committed Note Purchaser or Class A Conduit Investor shall (x) become a Non-Extending Purchaser or (y) deliver a Class A Delayed Funding Notice or a Class A Second Delayed Funding Notice,
 - (D) as of any date of determination (A) the rolling average Class A CP Rate applicable to the Class A CP Tranche attributable to any Class A Conduit Investor for any three (3) month period is equal to or greater than the greater of (I) the Class A CP Rate applicable to such Class A CP Tranche attributable to such Class A Conduit Investor at the start of such period plus 0.50% and (II) the product of (x) the Class A CP Rate applicable to such Class A CP Tranche attributable to such Class A Conduit Investor at the start of such period and (y) 125%, (B) any portion of the Class A Investor Group Principal Amount with respect to such Class A Conduit Investor is being continued or maintained as a Class A CP Tranche as of such date and (C) the circumstance described in paragraph (A) does not apply to more than two Class A Conduit Investors as of such date, or
 - (E) any Class A Committed Note Purchaser or Class A Conduit Investor fails to give its consent to any amendment, modification, termination or waiver of any Issuer Related Document (a “**Class A Action**”), by the date specified by the Issuer, for which (A) at least half of the percentage

of the Class A Committed Note Purchasers and the Class A Conduit Investors required for such Class A Action have consented to such Class A Action, and (B) the percentage of the Class A Committed Note Purchasers and the Class A Conduit Investors required for such Class A Action have not consented to such Class A Action or provided written notice that they intend to consent (each, a “**Class A Non-Consenting Purchaser**”, and each such Class A Committed Note Purchaser or Class A Conduit Investor described in Sub-Clauses (A) through (E) of this Clause 9.2, a “**Class A Potential Terminated Purchaser**”),

the Issuer shall be permitted, upon no less than seven (7) days’ notice (the “**Class A Purchaser Termination Notice**”) to the Administrative Agent, each Class A Conduit Investor, each Class A Committed Note Purchaser and each Class A Funding Agent related to each Class A Conduit Investor and Class A Committed Note Purchaser including the Class A Potential Terminated Purchaser, to (x)(1) elect to terminate the Class A Commitment, if any, of such Class A Potential Terminated Purchaser on the date specified in such Class A Purchaser Termination Notice, and (2) prepay on the date of such termination such Class A Potential Terminated Purchaser’s portion of the Class A Investor Group Principal Amount for such Class A Potential Terminated Purchaser’s Class A Investor Group and all accrued and unpaid interest thereon, if any, or (y) elect to cause such Class A Potential Terminated Purchaser to (and the Class A Potential Terminated Purchaser must) assign its Class A Commitment to a replacement purchaser who may be an existing Class A Conduit Investor, Class A Committed Note Purchaser, Class A Program Support Provider or other Class A Noteholder (each, a “**Class A Replacement Purchaser**” and, any such Class A Potential Terminated Purchaser with respect to which the Issuer has made any such election, a “**Class A Terminated Purchaser**”). In the case of a Class A Purchaser Termination Notice delivered in connection with any Class A Potential Terminated Purchaser who is a Class A Non-Consenting Purchaser pursuant to Sub-Clause 9.2(a)(i)(E), such Class A Purchaser Termination Notice shall specify each Class A Committed Note Purchaser and Class A Conduit Investor that is a Class A Potential Terminated Purchaser and shall provide that any Class A Committed Note Purchaser or Class A Conduit Investor that is not a Class A Potential Terminated Purchaser may notify the Issuer of its election to become a Class A Non-Consenting Purchaser and additional Class A Potential Terminated Purchaser (each, a “**Revoking Lender**”). The Issuer shall be permitted to make any election specified in clauses (x) or (y) of this final paragraph of Sub-Clause 9.2(a)(i) with respect to each Revoking Lender, upon which election by the Issuer each such Revoking Lender shall become an additional Class A Terminated Purchaser on the date specified in the Class A Purchaser Termination Notice delivered with respect to each Class A Potential Terminated Purchaser pursuant to the immediately preceding sentence. No Class A Purchaser Termination Notice shall be required to be delivered with respect to a Revoking Lender who becomes a Class A Potential Terminated Purchaser.

- (ii) The Issuer shall not make an election described in Sub-Clause 9.2(a) unless (i) no Amortization Event or Potential Amortization Event with respect to Class A Notes shall have occurred and be continuing at the time of such election (unless such Amortization Event or Potential Amortization Event would no longer be continuing after giving effect to such election), (ii) in respect of an election described in clause (y) of the final paragraph of Sub-Clause 9.2(a)(i) only, on or prior to the effectiveness of the applicable assignment, the Class A Terminated Purchaser shall have been paid its portion of the Class A Investor Group Principal Amount for such Class A Terminated Purchaser’s Class A Investor Group and all accrued and unpaid interest thereon, if any, by or on behalf of the Issuer or the related Class A Replacement Purchaser, (iii) in the event that the Class A Terminated Purchaser is a Non-Extending Purchaser, the Class A Replacement

Purchaser, if any, shall have agreed to the applicable extension of the Commitment Termination Date and (iv) in the event that the Class A Terminated Purchaser is a Class A Non-Consenting Purchaser, the Class A Replacement Purchaser, if any, shall have consented to the applicable amendment, modification, termination or waiver. Each Class A Terminated Purchaser hereby agrees to take all actions reasonably necessary, at the expense of the Issuer, to permit a Class A Replacement Purchaser to succeed to its rights and obligations hereunder. Notwithstanding the foregoing, the consent of each then-current member of an existing Class A Investor Group (other than any Class A Terminated Purchaser in such Class A Investor Group) shall be required in order for a Class A Replacement Purchaser to join any such Class A Investor Group. Upon the effectiveness of any such assignment to a Class A Replacement Purchaser, (i) such Class A Replacement Purchaser shall become a “**Class A Committed Note Purchaser**” or “**Class A Conduit Investor**”, as applicable, hereunder for all purposes of this Agreement and the other Issuer Related Documents, (ii) such Class A Replacement Purchaser shall have a Class A Commitment and a Class A Committed Note Purchaser Percentage in an amount not less than the Class A Terminated Purchaser’s Commitment and Class A Committed Note Purchaser Percentage assumed by it, (iii) the Class A Commitment of the Class A Terminated Purchaser shall be terminated in all respects and the Class A Committed Note Purchaser Percentage of such Class A Terminated Purchaser shall become zero and (iv) the Administrative Agent shall revise Schedule 2 hereto to reflect the foregoing paragraphs (i) through (iii).

(b) *Replacement of Class B Investor Group*

- (i)** Notwithstanding anything to the contrary contained herein or in any other Related Document, in the event that:
- (A)** any Class B Affected Person shall request reimbursement for amounts owing pursuant to any Specified Cost Section,
 - (B)** a Class B Committed Note Purchaser shall become a Class B Defaulting Committed Note Purchaser, and such Class B Defaulting Committed Note Purchaser shall fail to pay any amounts in accordance with Sub-Clause 2.2(a) (vii) (*Class A Funding Defaults*) within five (5) Business days after demand from the applicable Class B Funding Agent,
 - (C)** any Class B Committed Note Purchaser or Class B Conduit Investor shall (x) become a Non-Extending Purchaser or (y) deliver a Class B Delayed Funding Notice or a Class B Second Delayed Funding Notice,
 - (D)** as of any date of determination (A) the rolling average Class B CP Rate applicable to the Class B CP Tranche attributable to any Class B Conduit Investor for any three (3) month period is equal to or greater than the greater of (I) the Class B CP Rate applicable to such Class B CP Tranche attributable to such Class B Conduit Investor at the start of such period plus 0.50% and (II) the product of (x) the Class B CP Rate applicable to such Class B CP Tranche attributable to such Class B Conduit Investor at the start of such period and (y) 125%, (B) any portion of the Class B Investor Group Principal Amount with respect to such Class B Conduit Investor is being continued or maintained as a Class B CP Tranche as of such date and (C) the circumstance described in paragraph (A) does not apply to more than two Class B Conduit Investors as of such date, or
 - (E)** any Class B Committed Note Purchaser or Class B Conduit Investor fails to give its consent to any amendment, modification, termination or waiver of any Issuer Related Document (an “**Class B Action**”), by the

date specified by the Issuer, for which (A) at least half of the percentage of the Class B Committed Note Purchasers and the Class B Conduit Investors required for such Class B Action have consented to such Class B Action, and (B) the percentage of the Class B Committed Note Purchasers and the Class B Conduit Investors required for such Class B Action have not consented to such Class B Action or provided written notice that they intend to consent (each, a “**Class B Non-Consenting Purchaser**”, and each such Class B Committed Note Purchaser or Class B Conduit Investor described in Sub-Clauses (A) through (E) of this Clause 9.2, a “**Class B Potential Terminated Purchaser**”),

the Issuer shall be permitted, upon no less than seven (7) days’ notice to the Administrative Agent, a Class B Potential Terminated Purchaser and its related Class B Funding Agent, to (x)(1) elect to terminate the Class B Commitment, if any, of such Class B Potential Terminated Purchaser on the date specified in such termination notice, and (2) prepay on the date of such termination such Class B Potential Terminated Purchaser’s portion of the Class B Investor Group Principal Amount for such Class B Potential Terminated Purchaser’s Class B Investor Group and all accrued and unpaid interest thereon, if any, or (y) elect to cause such Class B Potential Terminated Purchaser to (and the Class B Potential Terminated Purchaser must) assign its Class B Commitment to a replacement purchaser who may be an existing Class B Conduit Investor, v Committed Note Purchaser, Class B Program Support Provider or other Class B Noteholder (each, a “**Class B Replacement Purchaser**” and, any such Class B Potential Terminated Purchaser with respect to which the Issuer has made any such election, a “**Class B Terminated Purchaser**”).

- (ii) The Issuer shall not make an election described in Sub-Clause 9.2(a) unless (i) no Amortization Event or Potential Amortization Event with respect to Class B Notes shall have occurred and be continuing at the time of such election (unless such Amortization Event or Potential Amortization Event would no longer be continuing after giving effect to such election), (ii) in respect of an election described in clause (y) of the final paragraph of Sub-Clause 9.2(a)(i) only, on or prior to the effectiveness of the applicable assignment, the Class B Terminated Purchaser shall have been paid its portion of the Class B Investor Group Principal Amount for such Class B Terminated Purchaser’s Class B Investor Group and all accrued and unpaid interest thereon, if any, by or on behalf of the Issuer or the related Class B Replacement Purchaser, (iii) in the event that the Class B Terminated Purchaser is a Non-Extending Purchaser, the Class B Replacement Purchaser, if any, shall have agreed to the applicable extension of the Commitment Termination Date and (iv) in the event that the Class B Terminated Purchaser is a Class B Non-Consenting Purchaser, the Class B Replacement Purchaser, if any, shall have consented to the applicable amendment, modification, termination or waiver. Each Class B Terminated Purchaser hereby agrees to take all actions reasonably necessary, at the expense of the Issuer, to permit a Class B Replacement Purchaser to succeed to its rights and obligations hereunder. Notwithstanding the foregoing, the consent of each then-current member of an existing Class B Investor Group (other than any Class B Terminated Purchaser in such Class B Investor Group) shall be required in order for a Class B Replacement Purchaser to join any such Class B Investor Group. Upon the effectiveness of any such assignment to a Class B Replacement Purchaser, (i) such Class B Replacement Purchaser shall become a “**Class B Committed Note Purchaser**” or “**Class B Conduit Investor**”, as applicable, hereunder for all purposes of this Agreement and the other Issuer Related Documents, (ii) such Class B Replacement Purchaser shall have a Class B Commitment and a Class B Committed Note Purchaser Percentage in an amount not less than the Class B Terminated Purchaser’s Commitment and Class B Committed Note Purchaser Percentage assumed by it, (iii) the Class B

Commitment of the Class B Terminated Purchaser shall be terminated in all respects and the Class B Committed Note Purchaser Percentage of such Class B Terminated Purchaser shall become zero and (iv) the Administrative Agent shall revise Schedule 2 hereto to reflect the foregoing paragraphs (i) through (iii).

9.3 Assignments

(a) Class A Assignments

- (i) Any Class A Committed Note Purchaser may at any time sell all or any part of its rights and obligations under this Agreement and the Class A Notes and/or the Class A Investor Group Maximum Principal Amount, to any person without the consent of the Issuer, (a “**Class A Acquiring Committed Note Purchaser**”) pursuant to an assignment and assumption agreement, substantially in the form of Exhibit G-1 (the “**Class A Assignment and Assumption Agreement**”), executed by such Class A Acquiring Committed Note Purchaser, such assigning Class A Committed Note Purchaser, the Class A Funding Agent with respect to such Class A Committed Note Purchaser and the Issuer and delivered to the Administrative Agent; *provided that* no such transfer or assignment may be made to any person that is a Restricted Lender without the prior written consent of the Issuer, such consent not to be unreasonably withheld. If the Issuer fails to respond to such consent request within 3 Business Days of receipt of such request, the Issuer shall be deemed to have consented to such transfer to such Restricted Lender. An assignment by a Class A Committed Note Purchaser that is part of a Class A Investor Group that includes a Class A Conduit Investor to a Class A Investor Group that does not include a Class A Conduit Investor may be made pursuant to this Sub-Clause 9.3(a); *provided that*, immediately prior to such assignment each Class A Conduit Investor that is part of the assigning Class A Investor Group shall be deemed to have assigned all of its rights and obligations in the Class A Notes (and its rights and obligations hereunder and under each other Issuer Related Document) in respect of such assigned interest to its related Class A Committed Note Purchaser pursuant to Sub-Clause 9.3(a)(vii). Notwithstanding anything to the contrary herein, any assignment by a Class A Committed Note Purchaser to a different Class A Investor Group that includes a Class A Conduit Investor shall be made pursuant to Sub-Clause 9.3(a)(iii), and not this Sub-Clause 9.3(a).
- (ii) Without limiting Sub-Clause 9.3(a), each Class A Conduit Investor may assign all or a portion of the Class A Investor Group Principal Amount with respect to such Class A Conduit Investor and its rights and obligations under this Agreement and each other Issuer Related Document to which it is a party (or otherwise to which it has rights) to a Class A Conduit Assignee with respect to such Class A Conduit Investor without the prior written consent of the Issuer. Upon such assignment by a Class A Conduit Investor to a Class A Conduit Assignee:
- (A) such Class A Conduit Assignee shall be the owner of the Class A Investor Group Principal Amount or such portion thereof with respect to such Class A Conduit Investor;
 - (B) the related administrative or managing agent for such Class A Conduit Assignee will act as the Class A Funding Agent for such Class A Conduit Assignee hereunder, with all corresponding rights and powers, express or implied, granted to the Class A Funding Agent hereunder or under each other Issuer Related Document;
 - (C) such Class A Conduit Assignee and its liquidity support provider(s) and credit support provider(s) and other related parties, in each case relating to the Class A Commercial Paper and/or the Class A Notes, shall have

the benefit of all the rights and protections provided to such Class A Conduit Investor herein and in each other Issuer Related Document (including any limitation on recourse against such Class A Conduit Assignee as provided in this paragraph);

- (D) such Class A Conduit Assignee shall assume all of such Class A Conduit Investor's obligations, if any, hereunder and under each other Issuer Related Document with respect to such portion of the Class A Investor Group Principal Amount and such Class A Conduit Investor shall be released from such obligations;
- (E) all distributions in respect of the Class A Investor Group Principal Amount or such portion thereof with respect to such Class A Conduit Investor shall be made to the applicable Class A Funding Agent on behalf of such Class A Conduit Assignee;
- (F) the definition of the term "Class A CP Rate" with respect to the portion of the Class A Investor Group Principal Amount with respect to such Class A Conduit Investor, as applicable funded with commercial paper issued by such Class A Conduit Assignee from time to time shall be determined in the manner set forth in the definition of "Class A CP Rate" applicable to such Class A Conduit Assignee on the basis of the interest rate or discount applicable to commercial paper issued by such Class A Conduit Assignee (rather than any other Class A Conduit Investor);
- (G) the defined terms and other terms and provisions of this Agreement and each other Issuer Related Documents shall be interpreted in accordance with the foregoing; and
- (H) if reasonably requested by the Class A Funding Agent with respect to such Class A Conduit Assignee, the parties will execute and deliver such further agreements and documents and take such other actions as the Class A Funding Agent may reasonably request to evidence and give effect to the foregoing.

No assignment by any Class A Conduit Investor to a Class A Conduit Assignee of all or any portion of the Class A Investor Group Principal Amount with respect to such Class A Conduit Investor shall in any way diminish the obligation of the Class A Committed Note Purchasers in the same Class A Investor Group as such Class A Conduit Investor under Clause 2.2 to fund any Class A Advance not funded by such Class A Conduit Investor or such Class A Conduit Assignee.

- (iii) Any Class A Conduit Investor and the Class A Committed Note Purchaser with respect to such Class A Conduit Investor (or, with respect to any Class A Investor Group without a Class A Conduit Investor, the related Class A Committed Note Purchaser) at any time may sell all or any part of their respective (or, with respect to a Class A Investor Group without a Class A Conduit Investor, its) rights and obligations under this Agreement and the Class A Notes and/or the Class A Investor Group Maximum Principal Amount, to any Class A Investor Group without the prior written consent of the Issuer, to a Class A Investor Group with respect to which each acquiring Class A Conduit Investor is a multi-seller commercial paper conduit, whose commercial paper has ratings of at least "A-2" from S&P and "P2" from Moody's and that includes one or more financial institutions providing support to such multi-seller commercial paper conduit (an "**Class A Acquiring Investor Group**") pursuant to a transfer supplement, substantially in the form of Exhibit H (the "**Class A Investor Group Supplement**"), executed by such Class A Acquiring Investor Group, the Class A Funding Agent with respect to such Class A Acquiring Investor Group (including

each Class A Conduit Investor (if any) and the Class A Committed Note Purchasers with respect to such Class A Investor Group), such assigning Class A Conduit Investor and the Class A Committed Note Purchasers with respect to such Class A Conduit Investor, the Class A Funding Agent with respect to such assigning Class A Conduit Investor and Class A Committed Note Purchasers and the Issuer and delivered to the Administrative Agent; *provided that* no such transfer or assignment may be made to any person that is a Restricted Lender without the prior written consent of the Issuer, such consent not to be unreasonably withheld. If the Issuer fails to respond to such consent request within 3 Business Days of receipt of such request, the Issuer shall be deemed to have consented to such transfer to such Restricted Lender.

- (iv) Any Class A Committed Note Purchaser may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more financial institutions or other entities (“**Class A Participants**”) participations in its Class A Committed Note Purchaser Percentage of the Class A Maximum Investor Group Principal Amount with respect to it and the other Class A Committed Note Purchasers included in the related Class A Investor Group, its Class A Note and its rights hereunder (or, in each case, a portion thereof) pursuant to documentation in form and substance satisfactory to such Class A Committed Note Purchaser and the Class A Participant; *provided, however*, that (i) in the event of any such sale by a Class A Committed Note Purchaser to a Class A Participant, (A) such Class A Committed Note Purchaser’s obligations under this Agreement shall remain unchanged, (B) such Class A Committed Note Purchaser shall remain solely responsible for the performance thereof and (C) the Issuer and the Administrative Agent shall continue to deal solely and directly with such Class A Committed Note Purchaser in connection with its rights and obligations under this Agreement, (ii) no Class A Committed Note Purchaser shall sell any participating interest under which the Class A Participant shall have any right to approve, veto, consent, waive or otherwise influence any approval, consent or waiver of such Class A Committed Note Purchaser with respect to any amendment, consent or waiver with respect to this Agreement or any other Issuer Related Document, except to the extent that the approval of such amendment, consent or waiver otherwise would require the unanimous consent of all Class A Committed Note Purchasers hereunder, and (iii) no Class A Committed Note Purchaser shall sell any participating interest to any Restricted Lender. A Class A Participant shall have the right to receive reimbursement for amounts due pursuant to each Specified Cost Section but only to the extent that the related selling Class A Committed Note Purchaser would have had such right absent the sale of the related participation and, with respect to amounts due pursuant to Sub-Clause 3.8, only to the extent such Class A Participant shall have complied with the provisions of Sub-Clause 3.8 as if such Class A Participant were a Class A Committed Note Purchaser. Each such Class A Participant shall be deemed to have agreed to the provisions set forth in Sub-Clause 3.10 as if such Class A Participant were a Class A Committed Note Purchaser.
- (v) The Issuer authorizes each Class A Committed Note Purchaser to disclose to any Class A Participant or Class A Acquiring Committed Note Purchaser (each, a “**Class A Transferee**”) and any prospective Class A Transferee any and all financial information in such Class A Committed Note Purchaser’s possession concerning the Issuer, the Issuer Collateral, the Issuer Administrator and the Issuer Related Documents that has been delivered to such Class A Committed Note Purchaser by the Issuer in connection with such Class A Committed Note Purchaser’s credit evaluation of the Issuer, the Issuer Collateral and the Issuer Administrator. For the avoidance of doubt, no Class A Committed Note Purchaser may disclose any of the foregoing information to any Class A Transferee who is a Restricted Lender without the prior written consent of the Issuer, such consent not to be unreasonably withheld. If the Issuer fails to respond

to such consent request within 3 Business Days of receipt of such request, the Issuer shall be deemed to have consented to such transfer to such Restricted Lender.

- (vi) Notwithstanding any other provision set forth in this Agreement, each Class A Conduit Investor or, if there is no Class A Conduit Investor with respect to any Class A Investor Group, the Class A Committed Note Purchaser with respect to such Class A Investor Group may at any time grant to one or more Class A Program Support Providers (or, in the case of a Class A Conduit Investor, to its related Class A Committed Note Purchaser) a participating interest in, security interest or lien on, or otherwise transfer and assign to one or more Class A Program Support Providers (or, in the case of a Class A Conduit Investor, to its related Class A Committed Note Purchaser), such Class A Conduit Investor's or, if there is no Class A Conduit Investor with respect to any Class A Investor Group, the related Class A Committed Note Purchaser's interests in the Class A Advances made hereunder and such Class A Program Support Provider (or such Class A Committed Note Purchaser, as the case may be), with respect to its participating or assigned interest, shall be entitled to the benefits granted to such Class A Conduit Investor or Class A Committed Note Purchaser, as applicable, under this Agreement.
- (vii) Notwithstanding any other provision set forth in this Agreement, each Class A Conduit Investor may at any time, without the consent of the Issuer, transfer and assign all or a portion of its rights and obligations in the Issuer Notes (and its rights and obligations hereunder and under other Issuer Related Documents) to its related Class A Committed Note Purchaser or Class A Funding Agent pursuant to an assignment and assumption agreement, substantially in the form of Exhibit G-1, executed by such Class A Conduit Investor, its related Class A Committed Note Purchaser (as applicable), the Class A Funding Agent with respect to such Class A Conduit Investor or Class A Committed Note Purchaser (as applicable) and the Issuer and delivered to the Administrative Agent.

(b) *Class B Assignments*

- (i) Any Class B Committed Note Purchaser may at any time sell all or any part of its rights and obligations under this Agreement and the Class B Notes, with the prior written consent of the Issuer, which consent shall not be unreasonably withheld, to one or more financial institutions (a "**Class B Acquiring Committed Note Purchaser**") pursuant to an assignment and assumption agreement, substantially in the form of Exhibit G-2 (the "**Class B Assignment and Assumption Agreement**"), executed by such Class B Acquiring Committed Note Purchaser, such assigning Class B Committed Note Purchaser, the Class B Funding Agent with respect to such Class B Committed Note Purchaser and the Issuer and delivered to the Administrative Agent; *provided that*, the consent of the Issuer to any such assignment shall not be required (i) after the occurrence and during the continuance of an Amortization Event with respect to the Class B Notes or (ii) if such Class B Acquiring Committed Note Purchaser is an Affiliate of such assigning Class B Committed Note Purchaser; *provided further*, that the Issuer may withhold its consent in its sole and absolute discretion (and such withholding shall be deemed reasonable) to an assignment to a potential Class B Acquiring Committed Note Purchaser that is a Disqualified Party. An assignment by a Class B Committed Note Purchaser that is part of a Class B Investor Group that includes a Class B Conduit Investor to a Class B Investor Group that does not include a Class B Conduit Investor may be made pursuant to this Sub-Clause 9.3(a); *provided that*, immediately prior to such assignment each Class B Conduit Investor that is part of the assigning Class B Investor Group shall be deemed to have assigned all of its rights and obligations in the Class B Notes (and its rights and obligations hereunder and under each other Issuer Related Document) in

respect of such assigned interest to its related Class B Committed Note Purchaser pursuant to Sub-Clause 9.3(a)(vii). Notwithstanding anything to the contrary herein, any assignment by a Class B Committed Note Purchaser to a different Class B Investor Group that includes a Class B Conduit Investor shall be made pursuant to Sub-Clause 9.3(a)(iii), and not this Sub-Clause 9.3(a).

- (ii)** Without limiting Sub-Clause 9.3(a), each Class B Conduit Investor may assign all or a portion of the Class B Investor Group Principal Amount with respect to such Class B Conduit Investor and its rights and obligations under this Agreement and each other Issuer Related Document to which it is a party (or otherwise to which it has rights) to a Class B Conduit Assignee with respect to such Class B Conduit Investor without the prior written consent of the Issuer. Upon such assignment by a Class B Conduit Investor to a Class B Conduit Assignee:
- (A)** such Class B Conduit Assignee shall be the owner of the Class B Investor Group Principal Amount or such portion thereof with respect to such Class B Conduit Investor;
 - (B)** the related administrative or managing agent for such Class B Conduit Assignee will act as the Class B Funding Agent for such Class B Conduit Assignee hereunder, with all corresponding rights and powers, express or implied, granted to the Class B Funding Agent hereunder or under each other Issuer Related Document;
 - (C)** such Class B Conduit Assignee and its liquidity support provider(s) and credit support provider(s) and other related parties, in each case relating to the Class B Commercial Paper and/or the Class B Notes, shall have the benefit of all the rights and protections provided to such Class B Conduit Investor herein and in each other Issuer Related Document (including any limitation on recourse against such Class B Conduit Assignee as provided in this paragraph);
 - (D)** such Class B Conduit Assignee shall assume all of such Class B Conduit Investor's obligations, if any, hereunder and under each other Issuer Related Document with respect to such portion of the Class B Investor Group Principal Amount and such Class B Conduit Investor shall be released from such obligations;
 - (E)** all distributions in respect of the Class B Investor Group Principal Amount or such portion thereof with respect to such Class A Conduit Investor shall be made to the applicable Class B Funding Agent on behalf of such Class B Conduit Assignee;
 - (F)** the definition of the term "Class B CP Rate" with respect to the portion of the Class B Investor Group Principal Amount with respect to such Class B Conduit Investor, as applicable funded with commercial paper issued by such Class B Conduit Assignee from time to time shall be determined in the manner set forth in the definition of "Class B CP Rate" applicable to such Class B Conduit Assignee on the basis of the interest rate or discount applicable to commercial paper issued by such Class B Conduit Assignee (rather than any other Class B Conduit Investor);
 - (G)** the defined terms and other terms and provisions of this Agreement and each other Issuer Related Documents shall be interpreted in accordance with the foregoing; and

- (H) if reasonably requested by the Class B Funding Agent with respect to such Class A Conduit Assignee, the parties will execute and deliver such further agreements and documents and take such other actions as the Class B Funding Agent may reasonably request to evidence and give effect to the foregoing.

No assignment by any Class B Conduit Investor to a Class B Conduit Assignee of all or any portion of the Class B Investor Group Principal Amount with respect to such Class B Conduit Investor shall in any way diminish the obligation of the Class B Committed Note Purchasers in the same Class B Investor Group as such Class B Conduit Investor under Clause 2.2 to fund any Class B Advance not funded by such Class B Conduit Investor or such Class B Conduit Assignee.

- (iii) Any Class B Conduit Investor and the Class B Committed Note Purchaser with respect to such Class B Conduit Investor (or, with respect to any Class A Investor Group without a Class B Conduit Investor, the related Class B Committed Note Purchaser) at any time may sell all or any part of their respective (or, with respect to a Class B Investor Group without a Class B Conduit Investor, its) rights and obligations under this Agreement and the Class B Notes, with the prior written consent of the Issuer, which consent shall not be unreasonably withheld, to a Class B Investor Group with respect to which each acquiring Class B Conduit Investor is a multi-seller commercial paper conduit, whose commercial paper has ratings of at least “A-2” from S&P and “P2” from Moody’s and that includes one or more financial institutions providing support to such multi-seller commercial paper conduit (an “**Class B Acquiring Investor Group**”) pursuant to a transfer supplement, substantially in the form of Exhibit H (the “**Class B Investor Group Supplement**”), executed by such Class B Acquiring Investor Group, the Class B Funding Agent with respect to such Class B Acquiring Investor Group (including each Class B Conduit Investor (if any) and the Class B Committed Note Purchasers with respect to such Class B Investor Group), such assigning Class B Conduit Investor and the Class B Committed Note Purchasers with respect to such Class B Conduit Investor, the Class B Funding Agent with respect to such assigning Class B Conduit Investor and Class B Committed Note Purchasers and the Issuer and delivered to the Administrative Agent; *provided that*, the consent of the Issuer to any such assignment shall not be required after the occurrence and during the continuance of an Amortization Event with respect to the Class B Notes; *provided further that* the Issuer may withhold its consent in its sole and absolute discretion (and such withholding shall be deemed reasonable) to an assignment to a potential Class B Acquiring Investor Group that (a) has ratings of at least “A-2” from S&P and “P2” by Moody’s, but does not have ratings of at least “A-1” from S&P or “P1” by Moody’s if such assignment will result in a material increase in the Issuer’s costs of financing with respect to the applicable Issuer Notes or (b) is a Disqualified Party.
- (iv) Any Class B Committed Note Purchaser may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more financial institutions or other entities (“**Class B Participants**”) participations in its Class B Committed Note Purchaser Percentage of the Class B Maximum Investor Group Principal Amount with respect to it and the other Class B Committed Note Purchasers included in the related Class B Investor Group, its Class B Note and its rights hereunder (or, in each case, a portion thereof) pursuant to documentation in form and substance satisfactory to such Class B Committed Note Purchaser and the Class B Participant; *provided, however*, that (i) in the event of any such sale by a Class B Committed Note Purchaser to a Class B Participant, (A) such Class B Committed Note Purchaser’s obligations under this Agreement shall remain unchanged, (B) such Class B Committed Note Purchaser shall remain solely responsible for the performance thereof and (C) the Issuer and the Administrative Agent shall continue to deal solely and directly with such

Class B Committed Note Purchaser in connection with its rights and obligations under this Agreement, (ii) no Class B Committed Note Purchaser shall sell any participating interest under which the Class B Participant shall have any right to approve, veto, consent, waive or otherwise influence any approval, consent or waiver of such Class B Committed Note Purchaser with respect to any amendment, consent or waiver with respect to this Agreement or any other Issuer Related Document, except to the extent that the approval of such amendment, consent or waiver otherwise would require the unanimous consent of all Class B Committed Note Purchasers hereunder, and (iii) no Class B Committed Note Purchaser shall sell any participating interest to any Disqualified Party. A Class B Participant shall have the right to receive reimbursement for amounts due pursuant to each Specified Cost Section but only to the extent that the related selling Class B Committed Note Purchaser would have had such right absent the sale of the related participation and, with respect to amounts due pursuant to Sub-Clause 3.8, only to the extent such Class B Participant shall have complied with the provisions of Sub-Clause 3.8 as if such Class B Participant were a Class B Committed Note Purchaser. Each such Class B Participant shall be deemed to have agreed to the provisions set forth in Sub-Clause 3.10 as if such Class B Participant were a Class B Committed Note Purchaser.

- (v) The Issuer authorizes each Class B Committed Note Purchaser to disclose to any Class B Participant or Class B Acquiring Committed Note Purchaser (each, a “**Class B Transferee**”) and any prospective Class B Transferee any and all financial information in such Class B Committed Note Purchaser’s possession concerning the Issuer, the Issuer Collateral, the Issuer Administrator and the Issuer Related Documents that has been delivered to such Class B Committed Note Purchaser by the Issuer in connection with such Class B Committed Note Purchaser’s credit evaluation of the Issuer, the Issuer Collateral and the Issuer Administrator. For the avoidance of doubt, no Class B Committed Note Purchaser may disclose any of the foregoing information to any Class B Transferee who is a Disqualified Party without the prior written consent of an Authorized Officer of the Issuer, which consent may be withheld for any reason in the Issuer’s sole and absolute discretion.
- (vi) Notwithstanding any other provision set forth in this Agreement, each Class B Conduit Investor or, if there is no Class B Conduit Investor with respect to any Class B Investor Group, the Class B Committed Note Purchaser with respect to such Class B Investor Group may at any time grant to one or more Class B Program Support Providers (or, in the case of a Class B Conduit Investor, to its related Class B Committed Note Purchaser) a participating interest in, security interest or lien on, or otherwise transfer and assign to one or more Class B Program Support Providers (or, in the case of a Class B Conduit Investor, to its related Class A Committed Note Purchaser), such Class B Conduit Investor’s or, if there is no Class B Conduit Investor with respect to any Class B Investor Group, the related Class B Committed Note Purchaser’s interests in the Class B Advances made hereunder and such Class B Program Support Provider (or such Class B Committed Note Purchaser, as the case may be), with respect to its participating or assigned interest, shall be entitled to the benefits granted to such Class B Conduit Investor or Class B Committed Note Purchaser, as applicable, under this Agreement.
- (vii) Notwithstanding any other provision set forth in this Agreement, each Class B Conduit Investor may at any time, without the consent of the Issuer, transfer and assign all or a portion of its rights in the Class B Notes (and its rights hereunder and under other Issuer Related Documents) to its related Class B Committed Note Purchaser. Furthermore, each Class B Conduit Investor may at any time grant a security interest in or security on, all or any portion of its interests under this Agreement, its Class B Note and each other Issuer Related Document to (i) its

related Class B Committed Note Purchaser, (ii) its Class B Funding Agent, (iii) any Class B Program Support Provider who, at any time now or in the future, provides program liquidity or credit enhancement, including an insurance policy for such Class B Conduit Investor relating to the Class B Commercial Paper or the Class B Notes, (iv) any other Person who, at any time now or in the future, provides liquidity or credit enhancement for the Class B Conduit Investors, including an insurance policy relating to the Class B Commercial Paper or the Class B Notes or (v) any security trustee or security agent for any of the foregoing; *provided, however*, any such security interest or lien shall be released upon assignment of its Class B Note to its related Class B Committed Note Purchaser. Each Class B Committed Note Purchaser may assign its Class B Commitment, or all or any portion of its interest under its Issuer Note, this Agreement and each other Issuer Related Document to any Person with the prior written consent of the Issuer, such consent not to be unreasonably withheld; *provided that*, the Issuer may withhold its consent in its sole and absolute discretion (and such withholding shall be deemed reasonable) to an assignment to any Person that is a Disqualified Party. Notwithstanding any other provisions set forth in this Agreement, each Class B Committed Note Purchaser may at any time create a security interest in all or any portion of its rights under this Agreement, its Class B Notes and the Issuer Related Document in favor of any other Governmental Authority.

10 THE ADMINISTRATIVE AGENT

10.1 Authorization and Action of the Administrative Agent

Each of the Class A Conduit Investors, the Class A Committed Note Purchasers and the Class A Funding Agents hereby designates and appoints Credit Agricole Corporate and Investment Bank as the Administrative Agent hereunder, and hereby authorizes the Administrative Agent to take such actions as agent on their behalf and to exercise such powers as are delegated to the Administrative Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. Following the issuance of Class B Notes, any Class B Conduit Investors, Class B Committed Note Purchasers and Class B Funding Agents shall designate and appoint Credit Agricole Corporate and Investment Bank as the Administrative Agent hereunder and the Administrative Agent shall be authorized to take such actions as agent on their behalf and to exercise such powers as are delegated to the Administrative Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Conduit Investor, any Committed Note Purchaser or any Funding Agent, and no implied covenants, functions, responsibilities, duties, obligations or Liabilities on the part of the Administrative Agent shall be read into this Agreement or otherwise exist for the Administrative Agent. In performing its functions and duties hereunder, the Administrative Agent shall act solely as agent for the Conduit Investors, the Committed Note Purchasers and the Funding Agents and does not assume nor shall it be deemed to have assumed any obligation or relationship of trust or agency with or for the Issuer or any of its successors or assigns. The Administrative Agent shall not be required to take any action that exposes the Administrative Agent to personal liability or that is contrary to this Agreement or applicable law. The appointment and authority of the Administrative Agent hereunder shall terminate upon the indefeasible payment in full of the Issuer Notes and all other amounts owed by the Issuer hereunder to the Class A Investor Groups and the Class B Investor Groups (the “**Aggregate Unpaid**s”).

10.2 Delegation of Duties

The Administrative Agent may execute any of its duties under this Agreement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

10.3 Exculpatory Provisions

Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be (a) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct), or (b) responsible in any manner to any Conduit Investor, any Committed Note Purchaser or any Funding Agent for any recitals, statements, representations or warranties made by the Issuer contained in this Agreement or in any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement for the due execution, legality, value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document furnished in connection herewith, or for any failure of the Issuer to perform its obligations hereunder, or for the satisfaction of any condition specified in Clause 2. The Administrative Agent shall not be under any obligation to any Conduit Investor, any Committed Note Purchaser or any Funding Agent to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Issuer. The Administrative Agent shall not be deemed to have knowledge of any Amortization Event, Potential Amortization Event or Liquidation Event unless the Administrative Agent has received notice from the Issuer, any Conduit Investor, any Committed Note Purchaser or any Funding Agent.

10.4 Reliance

The Administrative Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel, independent accountants and other experts selected by the Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other document furnished in connection herewith unless it shall first receive such advice or concurrence of any Conduit Investor, any Committed Note Purchaser or any Funding Agent as it deems appropriate or it shall first be indemnified to its satisfaction by any Conduit Investor, any Committed Note Purchaser or any Funding Agent, *provided that*, unless and until the Administrative Agent shall have received such advice, the Administrative Agent may take or refrain from taking any action, as the Administrative Agent shall deem advisable and in the best interests of the Conduit Investors, the Committed Note Purchasers and the Funding Agents. To the extent any Conduit Investor, any Committed Note Purchaser or any Funding Agent is required to indemnify the Administrative Agent, such Conduit Investor, Committed Note Purchaser or Funding Agent shall be entitled to be indemnified by the Issuer in an amount equal to the amount to be paid to the Administrative Agent. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of the Required Noteholders and such request and any action taken or failure to act pursuant thereto shall be binding upon the Conduit Investors, the Committed Note Purchasers and the Funding Agents.

10.5 Non-Reliance on the Administrative Agent and Other Purchasers

Each of the Conduit Investors, the Committed Note Purchasers and the Funding Agents expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Issuer, shall be deemed to constitute any representation or warranty by the Administrative Agent. Each of the Conduit Investors, the Committed Note Purchasers and the Funding Agents represent and warrant to the Administrative Agent that they have and will, independently and without reliance upon the Administrative Agent and based on such documents and information as they have deemed appropriate, made their own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Issuer and made its own decision to enter into this Agreement.

10.6 The Administrative Agent in its Individual Capacity

The Administrative Agent and any of its Affiliates may purchase, hold and transfer, as the case may be, Issuer Notes and may otherwise make loans to, accept deposits from, and generally engage in any kind of business with the Issuer or any Affiliate of the Issuer as though the Administrative Agent were not the Administrative Agent hereunder.

10.7 Successor Administrative Agent

The Administrative Agent may, upon thirty (30) days' notice to the Issuer and each of the Conduit Investors, the Committed Note Purchasers and the Funding Agents, and the Administrative Agent will, upon the direction of the Required Noteholders as of such date, resign as Administrative Agent. If the Administrative Agent shall resign, then the Investor Groups, during such 30 day period, shall appoint an Affiliate of a member of the Investor Groups as a successor agent. If for any reason no successor Administrative Agent is appointed by the Investor Groups during such 30 day period, then effective upon the expiration of such 30 day period, the Issuer for all purposes shall deal directly with the Funding Agents. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of Sub-Clause 11.4 and this Clause 10 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent under this Agreement.

10.8 Authorization and Action of Funding Agents

Each Conduit Investor and each Committed Note Purchaser is hereby deemed to have designated and appointed the Funding Agent set forth next to such Conduit Investor's name, or if there is no Conduit Investor with respect to any Investor Group, the Committed Note Purchaser's name with respect to such Investor Group, on Schedule 2 hereto as the agent of such Person hereunder, and hereby authorizes such Funding Agent to take such actions as agent on its behalf and to exercise such powers as are delegated to such Funding Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. Each Funding Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with the related Investor Group, and no implied covenants, functions, responsibilities, duties, obligations or Liabilities on the part of such Funding Agent shall be read into this Agreement or otherwise exist for such Funding Agent. In performing its functions and duties hereunder, each Funding Agent shall act solely as agent for the related Investor Group and does not assume nor shall it be deemed to have assumed any obligation or relationship of trust or agency with or for the Issuer or any of its successors or assigns. Each Funding Agent shall not be required to take any action that exposes such Funding Agent to personal liability or that is contrary to this Agreement or Applicable Law. The appointment and authority of the Funding Agent hereunder shall terminate upon the indefeasible payment in full of the Aggregate Unpaid.

10.9 Delegation of Duties

Each Funding Agent may execute any of its duties under this Agreement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Each Funding Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

10.10 Exculpatory Provisions

Neither any Funding Agent nor any of their directors, officers, agents or employees shall be (a) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct), or (b) responsible in any manner to the related Investor Group for any recitals, statements, representations or warranties made by the Issuer contained in this Agreement or in any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document furnished in connection

herewith, or for any failure of the Issuer to perform its obligations hereunder, or for the satisfaction of any condition specified in Clause 2. No Funding Agent shall be under any obligation to its related Investor Group to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Issuer. No Funding Agent shall be deemed to have knowledge of any Amortization Event, Potential Amortization Event or Liquidation Event, unless such Funding Agent has received notice from the Issuer (or any agent or designee thereof) or its related Investor Group.

10.11 Reliance

Each Funding Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of the Administrative Agent and legal counsel, independent accountants and other experts selected by such Funding Agent. Each Funding Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other document furnished in connection herewith unless it shall first receive such advice or concurrence of the related Investor Group as it deems appropriate or it shall first be indemnified to its satisfaction by the related Investor Group, *provided that*, unless and until such Funding Agent shall have received such advice, such Funding Agent may take or refrain from taking any action, as such Funding Agent shall deem advisable and in the best interests of the related Investor Group. Each Funding Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of the related Investor Group and such request and any action taken or failure to act pursuant thereto shall be binding upon its related Investor Group.

10.12 Non-Reliance on the Funding Agent and Other Purchasers

Each Investor Group expressly acknowledges that neither its related Funding Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by such Funding Agent hereafter taken, including any review of the affairs of the Issuer, shall be deemed to constitute any representation or warranty by such Funding Agent. Each Investor Group represents and warrants to its related Funding Agent that it has and will, independently and without reliance upon such Funding Agent and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Issuer and made its own decision to enter into this Agreement.

10.13 The Funding Agent in its Individual Capacity

Each Funding Agent and any of its Affiliates may purchase, hold and transfer, as the case may be, the Issuer Notes and may otherwise make loans to, accept deposits from, and generally engage in any kind of business with the Issuer or any Affiliate of the Issuer as though such Funding Agent were not a Funding Agent hereunder.

10.14 Successor Funding Agent

Each Funding Agent will, upon the direction of its related Investor Group, resign as such Funding Agent. If such Funding Agent shall resign, then the related Investor Group shall appoint an Affiliate of a member of its related Investor Group as a successor agent. If for any reason no successor Funding Agent is appointed by the related Investor Group, then effective upon the resignation of such Funding Agent, the Issuer for all purposes shall deal directly with such Investor Group. After any retiring Funding Agent's resignation hereunder as Funding Agent, subject to the limitations set forth herein, the provisions of Sub-Clause 11.4 and this Clause 10 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Funding Agent under this Agreement.

10.15 Resignation of the Administrative Agent

- (a) The Administrative Agent may resign and appoint one of its Affiliates as successor by giving notice to the Funding Agents and the Issuer.
- (b) Alternatively the Administrative Agent may resign by giving thirty (30) days' notice to the Funding Agents and the Issuer, in which case the Required Supermajority Noteholders (after consultation with the Issuer) may appoint a successor Administrative Agent.
- (c) If the Required Supermajority Noteholders have not appointed a successor Administrative Agent in accordance with paragraph (b) above within twenty (20) days after notice of resignation was given, the retiring Administrative Agent (after consultation with the Issuer) may appoint a successor Administrative Agent.
- (d) The retiring Administrative Agent shall, at its own cost, make available to the successor Administrative Agent such documents and records and provide such assistance as the successor Administrative Agent may reasonably request for the purposes of performing its functions as Administrative Agent under the Related Documents.
- (e) The Administrative Agent's resignation notice shall only take effect upon the appointment of a successor.

11 GENERAL

11.1 Optional Repurchase of the Issuer Notes

(a) *Optional Repurchase of the Class A Notes*

The Class A Notes shall be subject to repurchase (in whole) by the Issuer at its option, upon three (3) Business Days' prior written notice to the Issuer Security Trustee at any time. The repurchase price for any Class A Note (in each case, the "**Class A Note Repurchase Amount**") shall equal the sum of:

- (i) the Class A Principal Amount of such Class A Notes (determined after giving effect to any payments of principal and interest on the Payment Date immediately preceding the date of purchase pursuant to this Sub-Clause 11.1); *plus*
- (ii) all accrued and unpaid interest (including any deferred interest) on the Class A Notes through such date of repurchase under this Sub-Clause 11.1 (and, with respect to the portion of such principal balance that was funded with Class A Commercial Paper issued at a discount, all accrued and unpaid discount on such Class A Commercial Paper from the issuance date(s) thereof to the date of repurchase under this Sub-Clause 11.1 and the aggregate discount to accrue on such Class A Commercial Paper from the date of repurchase under this Sub-Clause 11.1 to the next succeeding Payment Date); *plus*
- (iii) all associated breakage costs payable as a result of such repurchase (calculated in accordance with Sub-Clause 3.5); *plus*
- (iv) any other amounts then due and payable to the holders of such Class A Notes pursuant hereto.

(b) *Optional Repurchase of the Class B Notes*

The Class B Notes shall be subject to repurchase (in whole) by the Issuer at its option, upon three (3) Business Days' prior written notice to the Issuer Security Trustee at any

time. The repurchase price for any Class B Note (in each case, the “**Class B Note Repurchase Amount**”) shall equal the sum of:

- (i) the Class B Principal Amount of such Class B Notes (determined after giving effect to any payments of principal and interest on the Payment Date immediately preceding the date of purchase pursuant to this Sub-Clause 11.1); *plus*
- (ii) all accrued and unpaid interest on the Class B Notes through such date of repurchase under this Sub-Clause 11.1) (and, with respect to the portion of such principal balance that was funded with Class B Commercial Paper issued at a discount, all accrued and unpaid discount on such Class B Commercial Paper from the issuance date(s) thereof to the date of repurchase under this Sub-Clause 11.1 and the aggregate discount to accrue on such Class B Commercial Paper from the date of repurchase under this Sub-Clause 11.1 to the next succeeding Payment Date); *plus*
- (iii) all associated breakage costs payable as a result of such repurchase (calculated in accordance with Sub-Clause 3.5); *plus*
- (iv) any other amounts then due and payable to the holders of such Class B Notes pursuant hereto.

11.2 Information

- (a) On or before the fourth Business Day prior to each Payment Date (unless otherwise agreed to by the Issuer Security Trustee), the Issuer shall furnish to the Administrative Agent and the Issuer Security Trustee a Monthly Noteholders’ Statement with respect to the Issuer Notes, in a Microsoft Excel electronic file (or similar electronic file) setting forth the following information (*provided that* the Issuer can provide, with the prior written consent of the Issuer Security Trustee, information in the Monthly Noteholders’ Statement additional to the following information; *provided further*, that the Issuer can, with the prior written consent of the Issuer Security Trustee, change the form of such Monthly Noteholders’ Statement (for the avoidance of doubt, the information therein should be substantively similar to the following information); *provided further*, that any such information related solely to the Class B Notes shall not be required to be provided in such Monthly Noteholders’ Statement unless and until the Class B Notes are issued pursuant to Sub-Clause 2.1(a)(ii)):

- Accrued Amounts
- Adjusted Asset Coverage Threshold Amount
- Adjusted Principal Amount
- Aggregate Asset Amount Deficiency
- Aggregate Leasing Company Principal Amount
- Alternative Payment Date
- Asset Coverage Threshold Amount
- Available Headroom Amount
- Available L/C Cash Collateral Account Amount
- Available Reserve Account Amount
- Capped Issuer Administrator Fee Amount
- Capped Issuer Operating Expense Amount
- Capped Issuer Security Trustee Fee Amount
- Class A Adjusted Principal Amount
- Class A Asset Coverage Threshold Amount
- Class A Concentration Adjusted Advance Rate
- Class A Concentration Excess Advance Rate Adjustment
- Class A Monthly Interest Amount

- Class A Principal Amount
- Class B Asset Coverage Threshold Amount
- Class B Concentration Adjusted Advance Rate
- Class B Concentration Excess Advance Rate Adjustment
- Class B Monthly Interest Amount
- Class B Principal Amount
- Concentration Excess Amount
- Determination Date
- Due and Unpaid Lease Payment Amount
- Dutch Class A Adjusted Advance Rate
- Dutch Class B Adjusted Advance Rate
- Eligible Investment Grade Non-Program Vehicle Amount
- Eligible Investment Grade Program Receivable Amount
- Eligible Investment Grade Program Vehicle Amount
- Eligible Non-Investment Grade (High) Program Receivable Amount
- Eligible Non-Investment Grade (Low) Program Receivable Amount
- Eligible Non-Investment Grade Non-Program Vehicle Amount
- Eligible Non-Investment Grade Program Vehicle Amount
- Excess Administrator Fee Allocation Amount
- Excess Issuer Operating Expense Amount
- Excess Trustee Fee Amount
- Failure Percentage
- FleetCo Aggregate Asset Amount
- FleetCo Class A Blended Advance Rate
- FleetCo Class B Blended Advance Rate
- FleetCo Carrying Charges
- FleetCo Collections
- FleetCo Due and Unpaid Lease Payment Amount
- FleetCo Interest Collections
- FleetCo Principal Collections
- French Class A Adjusted Advance Rate
- French Class B Adjusted Advance Rate
- German Class A Adjusted Advance Rate
- German Class B Adjusted Advance Rate
- Interest Period
- Issuer Administrator Fee Amount
- Issuer Aggregate Asset Amount
- Issuer Class A Blended Advance Rate
- Issuer Class B Blended Advance Rate
- Issuer Collections
- Issuer Interest Collections
- Issuer Principal Collections
- Issuer Security Trustee Fee Amount
- Letter of Credit Amount
- Letter of Credit Provider
- Letter of Credit Provider credit rating
- Letter of Credit/Cash Liquid Enhancement Amount
- Liquid Enhancement Amount
- Manufacturer Concentration Excess Amount
- Market Value Average
- Class A MTM/DT Advance Rate Adjustment
- Class B MTM/DT Advance Rate Adjustment
- Non-Investment Grade (High) Program Receivable Concentration Excess Amount

- Non-Program Fleet Market Value
- Non-Program Vehicle Concentration Excess Amount
- Non-Program Vehicle 3-month Lookback Concentration Failure Percentage as relevant
- Non-Program Vehicle Disposition Proceeds Percentage Average
- Payment Date
- Principal Amount
- Principal Collection Account Amount
- Rapid Amortization Period
- Remainder AAA Amount
- Required Letter of Credit/Cash Liquid Enhancement Amount
- Required Liquid Enhancement Amount
- Required Reserve Account Amount
- Reserve Account Deficiency Amount
- Spanish Class A Adjusted Advance Rate
- Spanish Class B Adjusted Advance Rate
- If, in accordance with the relevant Master Lease, there is any sublease of Vehicles to another jurisdiction, for each relevant Fleetco, the number of Vehicles subleased, the aggregate Net Book Value of the Vehicles subleased, the percentage of the Net Book Value of the Vehicles subleased divided by the Net Book Value of the Vehicles owned by such Fleetco, name of the each sublessee entity, each Manufacturer of such Lease Vehicle and if such Lease Vehicle is designated as Program Vehicle or Non-Program Vehicle. The aggregate Net Book Value of Vehicles subleased in aggregate of all Fleetcos and the percentage of the aggregate Net Book Value of Vehicles subleased in aggregate of all Fleetcos divided by the Net Book Value of all Vehicles owned by all Fleetcos.
- If, in accordance with the relevant Master Lease, there are Vehicles purchased under Vehicle Purchase Agreements which do not comply with the Required Contractual Criteria, the aggregate Net Book Value of such Non-RCC Compliant Eligible Vehicles and the number of Vehicle Purchase Agreements related to such Non-RCC Compliant Eligible Vehicles.
- If, in accordance with the relevant Master Lease, there are Vehicles purchased under Intra-Group Vehicle Purchasing Agreements, the aggregate Net Book Value of such Vehicles, number of vehicles purchased from a single Auction Seller which do not comply with the Required Contractual Criteria and the number of Intra-Group Vehicle Purchasing Agreements related to such Vehicles.

- (b) The Administrative Agent shall provide to the Noteholders, or their designated agent, copies of each Monthly Noteholders' Statement.

11.3 Confidentiality

Each Committed Note Purchaser, each Conduit Investor, each Funding Agent and the Administrative Agent agrees that it shall not disclose any Confidential Information to any Person without the prior written consent of the Issuer, which such consent must be evident in writing signed by an Authorized Officer of the Issuer, other than (a) to their Affiliates and their officers, directors, employees, agents, Oxane Partners (for the purposes of data aggregation and any portfolio analysis and monitoring) and advisors (including legal counsel and accountants) and to actual or prospective assignees and participants, and then only on a confidential basis and excluding any Affiliate, its officers, directors, employees, agents and advisors (including legal counsel and accountants), any prospective assignee and any participant, in each case that is a Restricted Lender, (b) as required by a court or administrative order or decree, or required by any governmental or regulatory authority or self-regulatory organization or required by any statute, law, rule or regulation or judicial process (including any subpoena or similar legal process), (c) to

any rating agency providing a rating for the promissory notes of each holder of notes issued by such holder in the commercial paper market and allocated to the funding of advances in respect of the Issuer Notes or any other nationally-recognized rating agency that required access to information to effect compliance with any disclosure obligations under the applicable laws or regulations, (d) in the course of litigation with the Issuer, the Issuer Administrator or Hertz, (e) any Noteholder, any Committed Note Purchaser, any Conduit Investor, any Funding Agent or the Administrative Agent, (f) any Person acting as a placement agent or dealer with respect to any commercial paper (*provided that* any Confidential Information provided to any such placement agent or dealer does not reveal the identity of the Issuer or any of its Affiliates), (g) on a confidential basis, to any provider of credit enhancement or liquidity to any Conduit Investor, or (h) to any Person to the extent such Committed Note Purchaser, Conduit Investor, Funding Agent or the Administrative Agent reasonably determines such disclosure is necessary in connection with the enforcement or for the defense of the rights and remedies under the Issuer Notes or the Issuer Related Documents.

11.4 Payment of Costs and Expenses; Indemnification

- (a) *Payment of Costs and Expenses.* Upon written demand from the Administrative Agent, any Funding Agent, any Conduit Investor or any Committed Note Purchaser, the Issuer agrees to pay on the Payment Date immediately following the Issuer's receipt of such written demand all reasonable expenses of the Administrative Agent, such Funding Agent, such Conduit Investor and/or such Committed Note Purchaser, as applicable (including the reasonable fees and out-of-pocket expenses of counsel to each Conduit Investor and each Committed Note Purchaser, if any, as well as the fees and expenses of the rating agencies providing a rating in respect of any Commercial Paper) in connection with:
- (i) the negotiation, preparation, execution, delivery and administration of this Agreement and of each other Issuer Related Document, including schedules and exhibits, and any liquidity, credit enhancement or insurance documents of a Program Support Provider with respect to a Conduit Investor relating to the Issuer Notes and any amendments, waivers, consents, supplements or other modifications to this Agreement and each other Issuer Related Document, as may from time to time hereafter be proposed, whether or not the transactions contemplated hereby or thereby are consummated; and
 - (ii) the consummation of the transactions contemplated by this Agreement and each other Issuer Related Document.

Upon written demand, the Issuer further agrees to promptly pay upon written demand, *provided that* following a Liquidation Event any fees, costs and expenses of the Issuer Security Trustee have been paid or provided for, and to save the Administrative Agent, each Funding Agent, each Conduit Investor and each Committed Note Purchaser harmless from all liability for (i) any breach by the Issuer of its obligations under this Agreement and (ii) all reasonable costs incurred by the Administrative Agent, such Funding Agent, such Conduit Investor or such Committed Note Purchaser (including, the reasonable fees and out-of-pocket expenses of counsel to the Administrative Agent, such Funding Agent, such Conduit Investor and such Committed Note Purchaser, if any) in enforcing this Agreement. The Issuer also agrees to reimburse the Administrative Agent, each Funding Agent, each Conduit Investor and each Committed Note Purchaser upon demand for all reasonable out-of-pocket expenses incurred by the Administrative Agent, such Funding Agent, such Conduit Investor or such Committed Note Purchaser (including, the reasonable fees and out-of-pocket expenses of counsel to the Administrative Agent, such Funding Agent, such Conduit Investor and such Committed Note Purchaser, if any and the reasonable fees and out-of-pocket expenses of any third-party servicers and disposition agents) in connection with (x) the negotiation of any restructuring or "**work-out**", whether or not consummated, of the Issuer Related Documents and (y) the enforcement of, or any waiver or amendment requested under or with respect to, the terms of this Agreement, any other of the Issuer Related Documents or any FleetCo Related Documents.

Any fees, costs, expenses or other amounts payable pursuant to the paragraph directly above shall constitute Issuer Operating Expenses and Carrying Charges for the purposes of the Issuer Related Documents.

Notwithstanding any of the foregoing, the Issuer shall have no obligation to reimburse any Committed Note Purchaser or Conduit Investor for any of the fees and/or expenses incurred by such Committed Note Purchaser and/or Conduit Investor with respect to its sale or assignment of all or any part of its respective rights and obligations under this Agreement and the Issuer Notes pursuant to Sub-Clause 9.2 or 9.3.

- (b) *Indemnification.* In consideration of the execution and delivery of this Agreement by the Conduit Investors and the Committed Note Purchasers, the Issuer hereby indemnifies and holds each Conduit Investor and each Committed Note Purchaser and each of their officers, directors, employees and agents (collectively, the “**Indemnified Parties**”) harmless from and against any and all actions, causes of action, suits, losses, costs, Liabilities and damages, and reasonable expenses incurred in connection therewith (irrespective of whether any such Indemnified Party is a party to the action for which indemnification hereunder is sought and including, any liability in connection with the offering and sale of the Issuer Notes), including reasonable attorneys’ fees and disbursements (collectively, the “**Indemnified Liabilities**”), incurred by the Indemnified Parties or any of them (whether in prosecuting or defending against such actions, suits or claims) to the extent resulting from, or arising out of, or relating to:
- (i) any transaction financed or to be financed in whole or in part, directly or indirectly, with the proceeds of any Advance; or
 - (ii) the entering into and performance of this Agreement and any other Issuer Related Document by any of the Indemnified Parties,

except for any such Indemnified Liabilities arising for the account of a particular Indemnified Party by reason of the relevant Indemnified Party’s gross negligence or willful misconduct. If and to the extent that the foregoing undertaking may be unenforceable for any reason, the Issuer hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. The indemnity set forth in this Sub-Clause 11.4(b) shall in no event include indemnification for any Taxes (which indemnification is provided in Sub-Clause 3.8).

- (c) *Indemnification of the Administrative Agent and each Funding Agent*
- (i) In consideration of the execution and delivery of this Agreement by the Administrative Agent and each Funding Agent, the Issuer hereby indemnifies and holds the Administrative Agent and each Funding Agent and each of their respective officers, directors, employees and agents (collectively, the “**Agent Indemnified Parties**”) harmless from and against any and all actions, causes of action, suits, losses, costs, Liabilities and damages, and reasonable expenses incurred in connection therewith (irrespective of whether any such Agent Indemnified Party is a party to the action for which indemnification hereunder is sought and including, any liability in connection with the offering and sale of the Issuer Notes), including reasonable attorneys’ fees and disbursements (collectively, the “**Agent Indemnified Liabilities**”), incurred by the Agent Indemnified Parties or any of them (whether in prosecuting or defending against such actions, suits or claims) to the extent resulting from, or arising out of, or relating to the entering into and performance of this Agreement and any other Issuer Related Document by any of the Agent Indemnified Parties, except for any such Agent Indemnified Liabilities arising for the account of a particular Agent Indemnified Party by reason of the relevant Agent Indemnified Party’s gross negligence or willful misconduct. If and to the extent that the foregoing

undertaking may be unenforceable for any reason, the Issuer hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Agent Indemnified Liabilities which is permissible under applicable law. The indemnity set forth in this Sub-Clause 11.4(c)(i) shall in no event include indemnification for any Taxes (which indemnification is provided in Sub-Clause 3.8).

(ii) In consideration of the execution and delivery of this Agreement by the Administrative Agent, each Committed Note Purchaser, ratably according to its respective Commitment, hereby indemnifies and holds the Administrative Agent and each of its officers, directors, employees and agents (collectively, the “**Administrative Agent Indemnified Parties**”) harmless from and against any and all actions, causes of action, suits, losses, costs, Liabilities and damages, and reasonable expenses incurred in connection therewith (solely to the extent not reimbursed by or on behalf of the Issuer) (irrespective of whether any such Administrative Agent Indemnified Party is a party to the action for which indemnification hereunder is sought and including, any liability in connection with the offering and sale of the Issuer Notes), including reasonable attorneys’ fees and disbursements (collectively, the “**Administrative Agent Indemnified Liabilities**”), incurred by the Administrative Agent Indemnified Parties or any of them (whether in prosecuting or defending against such actions, suits or claims) to the extent resulting from, or arising out of, or relating to the entering into and performance of this Agreement and any other Issuer Related Document by any of the Administrative Agent Indemnified Parties, except for any such Administrative Agent Indemnified Liabilities arising for the account of a particular Administrative Agent Indemnified Party by reason of the relevant Administrative Agent Indemnified Party’s gross negligence or willful misconduct. If and to the extent that the foregoing undertaking may be unenforceable for any reason, each Committed Note Purchaser hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Administrative Agent Indemnified Liabilities which is permissible under applicable law. The indemnity set forth in this Sub-Clause 11.4(c)(ii) shall in no event include indemnification for any Taxes (which indemnification is provided in Sub-Clause 3.8).

(d) *Priority.* All amounts payable by the Issuer pursuant to Sub-Clause 11.4 (a) (excluding paragraph 2 of (a)), (b) and (c) shall be paid in accordance with and subject to Sub-Clause 5.3 (*Application of Funds in the Issuer Interest Collection Account*) or, at the option of the Issuer, paid from any other source available to it.

11.5 [RESERVED]

11.6 [RESERVED]

11.7 **Third Party Beneficiary**

A Person who is not party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. This Sub-Clause 11.7 (*Third Party Beneficiary*) does not affect any right or remedy of any Person which exists or is available otherwise than pursuant to that Act.

11.8 **Counterparts**

This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

11.9 Governing Law; Jurisdiction; Service of Process

(a) *Governing Law*

The Issuer Notes, this Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

(b) *Jurisdiction*

The parties agree that the courts of England have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Agreement and therefore irrevocably submit to the jurisdiction of those courts.

(c) *Convenient Forum*

The parties agree that the courts of England are an appropriate and convenient forum to settle Disputes between them and, accordingly, the parties will not argue to the contrary.

(d) *Service of Process*

The Issuer agrees that the process by which any proceedings arising out of or in connection with this Agreement or any other Related Document may be served on it is by being delivered to Hertz Europe Limited of Hertz House, 11 Vine Street, Uxbridge, Middlesex UB8 1QE and if the appointment of a process agent by a party ceases to be effective, the Issuer shall immediately appoint another Person in England as its process agent in respect of this Agreement and notify the other parties of the appointment and, if such party to a Related Document fails to appoint such further person, the Issuer Security Trustee may appoint another agent for this purpose. The Issuer further agrees that failure by an agent for service of process to notify such party to a Related Document of such process will not invalidate the proceedings concerned.

11.10 Amendments

(a) The provisions of this Agreement may be amended, supplemented or modified only in accordance with Annex 2 paragraph 2 (*Amendments*).

(b) Other than Sub-Clause 7.1 (*Amortization Events*), the provisions of this Agreement may be waived only in accordance with Annex 2 paragraph 2 (*Amendments*).

(c) The provisions of Sub-Clause 7.1 (*Amortization Events*) may be waived only in accordance with Sub-Clause 7.2 (*Effects of Amortization Events*).

(d) Any amendment hereof can be effected without the Administrative Agent being party thereto; *provided however*, that no such amendment, modification or waiver of this Agreement that affects the rights or duties of the Administrative Agent shall be effective unless the Administrative Agent shall have given its prior written consent thereto.

(e) The Issuer Security Trustee shall sign any amendment to this Agreement or any Issuer Related Document authorized or permitted pursuant to this Sub-Clause 11.10 or Annex 2 paragraph 2 (*Amendments*) if the amendment does not adversely affect the rights, duties, powers, Liabilities or immunities of the Issuer Security Trustee. If it does, the Issuer Security Trustee may, but need not, sign it.

(f) For the avoidance of doubt, other than as set out in this Sub-Clause 11.10 (*Amendments*) and Annex 2 paragraph (2) (*Amendments*), no consent or approval from any other party is required for any amendments hereto.

11.11 Administrator to Act on Behalf of the Issuer

Pursuant to the Issuer Administration Agreement, the Issuer Administrator has agreed to provide certain services to the Issuer and to take certain actions on behalf of the Issuer, including performing or otherwise satisfying any action, determination, calculation, direction, instruction, notice, delivery or other performance obligation, in each case, permitted or required by the Issuer pursuant to this Agreement. Each Noteholder by its acceptance of an Issuer Note and each of the parties hereto by its execution hereof, hereby consents to the provision of such services and the taking of such action by the Issuer Administrator in lieu of the Issuer and hereby agrees that the Issuer's obligations hereunder with respect to any such services performed or action taken shall be deemed satisfied to the extent performed or taken by the Issuer Administrator and to the extent so performed or taken by the Issuer Administrator shall be deemed for all purposes hereunder to have been so performed or taken by the Issuer; *provided that*, for the avoidance of doubt, none of the foregoing shall create any payment obligation of the Issuer Administrator or relieve the Issuer of any payment obligation hereunder.

11.12 Successors

All agreements of the Issuer herein and the Issuer Notes shall bind its successor; *provided, however*, except as provided in Sub-Clause 11.10, the Issuer may not assign its obligations or rights under this Agreement or any Issuer Note. All agreements of the Issuer Security Trustee herein shall bind its successor.

11.13 Termination

- (a) This Agreement shall cease to be of further effect when (i) the Issuer has paid all sums payable on all Issuer Notes theretofore issued which are Outstanding and (ii) the Letter of Credit Amount is equal to zero.
- (b) The representations and warranties set forth in Sub-Clause 6.1 of this Agreement shall survive for so long as any Issuer Note is Outstanding.

11.14 [RESERVED]

11.15 Electronic Execution

This Agreement may be transmitted and/or signed by facsimile or other electronic means (i.e., a "pdf" or "tiff"). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each party hereto. The words "execution," "signed," "signature," and words of like import in this Agreement or in any amendment hereto or other modification hereof (including, without limitation, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

11.16 [RESERVED]

11.17 Notices

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of Clause [3] of the Master Definitions and Construction Agreement and Clause 22 of the Issuer Security Trust Deed.

11.18 Credit Risk Retention.

In no event shall the Issuer Security Trustee have any responsibility to monitor compliance with or enforce compliance with credit risk retention requirements for asset-backed securities or other rules or regulations relating to risk retention. The Issuer Security Trustee shall not be charged with knowledge of such rules, nor shall it be liable to any Noteholder or other party for violation of such rules now or hereafter in effect.

11.19 [RESERVED]

11.20 [RESERVED]

11.21 [RESERVED]

11.22 Non-Petition against the Issuer

Notwithstanding anything to the contrary herein or any Issuer Related Document, only the Issuer Security Trustee may pursue the remedies available under the general law or under the Issuer Security Trust Deed to enforce this Agreement, the Issuer Security or any Issuer Note and no other Person shall be entitled to proceed directly against the Issuer in respect hereof (unless the Issuer Security Trustee, having become bound to proceed in accordance with the terms of the Related Documents, fails or neglects to do so). Each party hereto hereby agrees with and acknowledges to each of the Issuer and the Issuer Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any Person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer (other than serving a written demand subject to the terms of the Issuer Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any Person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to the Issuer, provided that, the Issuer Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Issuer Related Documents and Issuer Security Documents.

11.23 No Proceedings against Conduit Investors

Notwithstanding anything to the contrary herein or any Issuer Related Document to which the relevant Conduit Investor is expressed to be a party, each party to this Agreement hereby agrees with and acknowledges to each of the Conduit Investors, that neither it nor any Person on its behalf shall initiate or join any Person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to such Conduit Investor until the date following two years and one day after all notes and commercial paper issued by such Conduit Investor have been redeemed in full and all of the relevant Conduit Investor's obligations and Liabilities (whether actual or contingent) arising or incurred under or in connection with its asset-backed commercial paper programme or any other notes programme established by it have been discharged in full.

11.24 No Recourse Against the Issuer

Each party hereto agrees with and acknowledges to each of the Issuer and the Issuer Security Trustee that, notwithstanding any other provision of any Issuer Related Document, all obligations of the Issuer to such entity are limited in recourse as set out below:

- (a) it will have a claim only in respect of the Issuer Collateral and will not have any claim, by operation of law or otherwise, against, or recourse to any of the other assets of the Issuer or its contributed capital;

- (b) sums payable to it in respect of any of the Issuer's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the Issuer Security Trustee in respect of the Issuer Security whether pursuant to enforcement of the Issuer Security or otherwise; and
- (c) upon the Issuer Security Trustee giving written notice that it has determined in its opinion that there is no reasonable likelihood of there being any further realisations in respect of the Issuer Security (whether arising from an enforcement of the Issuer Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Issuer Related Documents, it shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

11.25 Limited Recourse Against the Conduit Investors

Notwithstanding anything to the contrary herein or any Issuer Related Document to which a Conduit Investor is expressed to be a party, each party to this Agreement agrees with the Conduit Investor that all amounts payable or expressed to be payable by such Conduit Investor pursuant to this Agreement shall be recoverable solely out of its assets (and, in the case of Matchpoint, solely from the Issuer Collateral, as defined in the documents relating to Matchpoint's asset-backed commercial paper program) (except to the extent that the Conduit Investor is not entitled as a matter of law to retain amounts paid to it, or amounts that are received by any Person and any liquidator or creditor of the Conduit Investor where such Person is not entitled as a matter of law to retain such amounts paid), and each party to this Agreement hereby agrees with the Conduit Investor that the Conduit Investor shall be liable in respect of any claim which such party may have against it only to the extent that the Conduit Investor has funds available for such purpose in accordance with the relevant priority of payments applicable to the Conduit Investor (which in the case of Matchpoint is the Issuer Priority of Payments, as defined in the documents relating to Matchpoint's asset-backed commercial paper program) and that, to the extent that any such claims remain unpaid after the application of such funds in accordance with such priority of payments, such claims shall be extinguished, and to the extent that any Liabilities of any Conduit Investor remains unpaid after the application of such sums, assets and proceeds, such Liabilities shall be extinguished.

11.26 Non-Petition – Gresham Receivables (No. 32) UK Limited

Notwithstanding anything to the contrary herein or in any Issuer Related Document to which Gresham Receivables (No. 32) UK Limited (“**Gresham**”) is expressed to be a party, each party to this Agreement hereby agrees with and acknowledges to Gresham, that neither it nor any person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Gresham until the date following two years and one day after all notes and commercial paper issued by Gresham (or the Person(s) issuing notes and commercial paper as part of a conduit arrangement with Gresham) have been redeemed in full and all of Gresham's obligations and liabilities (whether actual or contingent) arising or incurred under or in connection with such asset-backed commercial paper programme or any other notes programme established by it have been discharged in full.

11.27 Limited Recourse – Gresham Receivables (No. 32) UK Limited

Notwithstanding any other provision of this Agreement, each party hereto agrees and acknowledges with Gresham that:

- (a) it will only have recourse in respect of any amount, claim or obligation due or owing to it by Gresham (the “**Claims**”) to the extent of available funds pursuant to the asset-backed commercial paper notes issuance programme (the “**Programme Documents**”) of which Gresham is a part subject to and in accordance with the terms thereof and after all other prior ranking claims in respect thereof have been satisfied and discharged in full;

- (b) following the application of funds following enforcement of the security interests created over Gresham's assets under the relevant Programme Documents, subject to and in accordance with the provisions relating to the application of funds specified therein, Gresham will have no assets available for payment of its obligations under such documents and this Agreement other than as provided for pursuant to the Programme Documents and any Claims will accordingly be extinguished to the extent of any shortfall; and
- (c) the obligations of Gresham under the Programme Documents and this Agreement will not be obligations or responsibilities of, or guaranteed by, any other person or entity.

11.28 Corporate Obligation – Gresham Receivables (No. 32) UK Limited

Notwithstanding any other provision of this Agreement, no recourse under any obligation, covenant or agreement of Gresham contained in this Agreement shall be had against any shareholder, member, officer, director, employee or agent of Gresham, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is a corporate obligation of Gresham, and that no personal liability shall attach to or be incurred by the shareholders, members, officers, directors, employees or agency of Gresham, as such, or any of them under or by reason of any of the obligations, covenants or agreements of Gresham contained in this Agreement or implied therefrom and that any and all personal liability for breaches by Gresham of any of such obligations, covenants or agreements, either at law or by statute or constitution of every such shareholder, member, officer, director, employee or agent is hereby expressly waived as a condition of an in consideration for the execution of this Agreement

11.29 Non-Petition – Matchpoint Finance Plc

Each party agrees that it shall not institute against, or join any Person in instituting against, Matchpoint Finance plc (“**Matchpoint**”) any bankruptcy, examinership, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any bankruptcy or similar law of any jurisdiction, for two (2) years and one day after (i) the latest maturing commercial paper note of any series (as set out in the Programme Documents (as defined below) of Matchpoint) or (ii) the latest maturing medium term note of Matchpoint, if any, is paid in full. This Clause shall survive termination of this Agreement and the termination of each Transaction Document to which Matchpoint is a party to.

11.30 Limited Recourse – Matchpoint Finance Plc

The obligations of Matchpoint under this Agreement are solely the corporate obligations of Matchpoint and are payable solely to the extent of available funds pursuant to the Programme Documents. No recourse shall be had for the payment of any amount owing by Matchpoint under this Agreement or for the payment by Matchpoint of any fee in respect hereof or any other obligation or claim of or against Matchpoint arising out of or based upon this Agreement, against any employee, director, officer, member, manager or affiliate of Matchpoint; provided, however, that the foregoing shall not relieve any such person or entity of any liability they might have as a result of fraudulent acts or omissions committed by them. Each party agrees that Matchpoint shall be liable for any claims that it may have against Matchpoint only to the extent that Matchpoint has funds available for such purpose in accordance with the programme documents in respect of its Euro 20,000,000,000 asset-backed commercial paper notes issuance programme (“Programme Documents”) and that, to the extent that any such claims remain unpaid after the application of such funds in accordance with the Programme Documents such claims shall be extinguished. The

provisions of this Clause 11.30 will survive the termination of this Agreement and the termination of each Transaction Document to which Matchpoint is a party to.

11.31 Non-Petition – Irish Ring Receivables Purchaser Designated Activity Company

Notwithstanding anything to the contrary herein or in any Issuer Related Document to which Irish Ring Receivables Purchaser Designated Activity Company (“**Irish Ring**”) is expressed to be a party, each party to this Agreement hereby agrees with and acknowledges to Irish Ring, that neither it nor any person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Irish Ring until the date following two years and one day after all notes and commercial paper issued by Irish Ring (or the Person(s) issuing notes and commercial paper as part of a conduit arrangement with Irish Ring) have been redeemed in full and all of Irish Ring’s obligations and liabilities (whether actual or contingent) arising or incurred under or in connection with such asset-backed commercial paper programme or any other notes programme established by it have been discharged in full.

11.32 Limited Recourse – Irish Ring Receivables Purchaser Designated Activity Company

Notwithstanding any other provision of this Agreement, each party hereto agrees and acknowledges with Irish Ring that:

- (a) it will only have recourse in respect of any amount, claim or obligation due or owing to it by Irish Ring (the “**Claims**”) to the extent of available funds pursuant to the asset-backed commercial paper notes issuance programme (the “**Programme Documents**”) of which Irish Ring is a part subject to and in accordance with the terms thereof and after all other prior ranking claims in respect thereof have been satisfied and discharged in full;
- (b) following the application of funds following enforcement of the security interests created over Irish Ring’s assets under the relevant Programme Documents, subject to and in accordance with the provisions relating to the application of funds specified therein, Irish Ring will have no assets available for payment of its obligations under such documents and this Agreement other than as provided for pursuant to the Programme Documents and any Claims will accordingly be extinguished to the extent of any shortfall; and
- (c) the obligations of Irish Ring under the Programme Documents and this Agreement will not be obligations or responsibilities of, or guaranteed by, any other person or entity.

11.33 Corporate Obligation – Irish Ring Receivables Purchaser Designated Activity Company

Notwithstanding any other provision of this Agreement, no recourse under any obligation, covenant or agreement of Irish Ring contained in this Agreement shall be had against any shareholder, member, officer, director, employee or agent of Irish Ring, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is a corporate obligation of Irish Ring, and that no personal liability shall attach to or be incurred by the shareholders, members, officers, directors, employees or agency of Irish Ring, as such, or any of them under or by reason of any of the obligations, covenants or agreements of Irish Ring contained in this Agreement or implied therefrom and that any and all personal liability for breaches by Irish Ring of any of such obligations, covenants or agreements, either at law or by statute or constitution of every such shareholder, member, officer, director, employee or agent is hereby expressly waived as a condition of an in consideration for the execution of this Agreement.

11.34 Non-Petition and Limited Recourse in respect of Managed and Enhanced Tap (Magenta) Funding S.T.

Each of the parties hereto acting for itself hereby agrees with and acknowledges to Managed and Enhanced Tap (Magenta) Funding S.T. (“**Magenta**”) that:

- (a) all sums due or owing to any party from or by Magenta hereunder shall be payable by Magenta in accordance with the Compartment Order of Priority, and provided that all liabilities of Magenta are required to be paid in priority thereto and a pro rata amount of all amounts to be paid *pari passu* therewith pursuant to the Compartment Order of Priority, have been paid, discharged and/or otherwise provided for in full;
- (b) it shall not be entitled to take any steps or proceedings which would result in the Compartment Order of Priority not being observed;
- (c) it shall not to take any action or proceedings against Magenta to recover any amounts payable by Magenta to it hereunder;
- (d) pursuant to article L. 214–175–III of the French Code monétaire et financier, any claim it may have against Magenta will be limited, and it shall have only recourse, to the assets of Magenta subject to the Compartment Order of Priority and any statutory priority of payment; and
- (e) pursuant to article L. 214–175–III of the French Code monétaire et financier, neither the Compartment nor Magenta is subject to the provisions of Book VI of the French Code de commerce relating to insolvency proceedings.

Where:

“**Compartment Order of Priority**” means the following order of priority, with no sum being applied to an item with a lower ranking in the order of priority until all items with a higher ranking have been paid in full:

- (i) *Firstly*: on a *pro rata* and *pari passu* basis, (i) to transfer to the ABCP Programme Account (as defined in the Common Terms Agreement) such amounts as are required to pay or to provide for the *pro rata* share of ABCP Programme Expenses (as defined in the Common Terms Agreement) allocated to Magenta, as determined by the Calculation Agent (as defined in the Common Terms Agreement), and (ii) to pay or to provide for any commitment fees under any Transaction Specific Liquidity Facility Agreement entered into by Magenta;
- (ii) *Secondly*: to the payment or the provisioning on a *pro rata* and *pari passu* basis of the following:
 1. to transfer to the ABCP Programme Account such amounts as are required to finance the amounts due (whether in respect of interest capital or discount) under the CP Notes (as defined in the Common Terms Agreement) issued by Magenta to re-finance Magenta as determined by the Calculation Agent;
 2. the payment of the subscription price of the applicable Class A Note by Magenta;
 3. the payment of the principal and interest amounts of any advances made available to the Magenta under Transaction Specific Liquidity Facilities (as defined in the Common Terms Agreement) which are due to be paid on such day and were drawn under the circumstances set out in Clauses 6.2.1 or 6.2.2 of the ABCP Programme Master Framework Agreement (as defined in the Common Terms Agreement); and
 4. to the Repo Counterparty (as defined in the Common Terms Agreement), the amounts (if any) due under a Repo Agreement (as defined in the Common Terms Agreement) in respect of the Repurchase Price of Eligible Assets (as such terms are defined in the Common Terms Agreement).

- (iii) *Thirdly*: to pay or to provide for any increased costs under any Transaction Specific Liquidity Facility Agreement entered into by the Magenta;
- (iv) *Fourthly*: on any date other than the date Magenta is liquidated, any surplus funds shall be paid to the ABCP Programme Account; and
- (v) *Fifthly*: on the date the Magenta is liquidated, any surplus funds shall be distributed to the shareholders.

“**Common Terms Agreement**” means the agreement entitled “Definitions, Interpretation and Common Terms Agreement” entered into on 12 March 2010 between Managed and Enhanced Tap (MAGENTA) Funding S.T., Eurotitrisation and Natixis, as amended from time to time.

“**Transaction Specific Liquidity Facility Agreement**” means the facility agreement entered into by Magenta with Natixis as liquidity bank for an amount of EUR 117,300,000.

11.35 Survival

The provisions of Sub-Clauses 11.22 through 11.36 shall survive the termination of this Agreement.

11.36 Power of Attorney

If an entity incorporated in the Netherlands is represented by an attorney or attorneys in connection with the signing, execution or delivery of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of the Netherlands and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney’s or attorneys’ authority and the effects of the exercise thereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective officers hereunto duly authorized as of the day and year first above written.

INTERNATIONAL FLEET FINANCING NO.2
B.V., as Issuer

By: _____
Name:
Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

BNP PARIBAS TRUST CORPORATION UK LIMITED, as Issuer Security Trustee

By: _____
Name:
Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

HERTZ EUROPE LIMITED, as Issuer Administrator

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as Class A Committed
Note Purchaser, Class A Funding Agent and Class A Administrative Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

SIGNED for and on behalf of **MATCHPOINT FINANCE PUBLIC LIMITED COMPANY**, as Class A Conduit Investor and Class A Committed Note Purchaser, by its lawfully appointed attorney

in the presence of:-

*(Matchpoint Finance Public Limited Company
by its attorney _____)*

(Witness' Signature)

(Witness' Address)

(Witness' Occupation)

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

BNP PARIBAS S.A.
as Class A Funding Agent

By: _____
Name:

Title:

By: _____
Name:

Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

DEUTSCHE BANK AG, LONDON BRANCH, as Class A Committed Note Purchaser

By: _____
Name:
Title:

By: _____
Name:
Title:

DEUTSCHE BANK AG, LONDON BRANCH, as Class A Funding Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

BARCLAYS BANK PLC, as Class A Committed Note Purchaser and Class A Funding Agent

By: _____
Name:
Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

HSBC CONTINENTAL EUROPE, as Class A Funding Agent

By: _____
Name:
Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as Class A Conduit
Investor and as Class A Committed Note Purchaser

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

NATIXIS S.A., as Class A Funding Agent

By: _____
Name:
Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

**IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as
Class A Conduit Investor**

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

ROYAL BANK OF CANADA, as Class A Committed Note Purchaser and Class A Funding Agent

By: _____
Name:
Title:

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as Class A Conduit Investor and Class A Committed Note Purchaser

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

LLOYDS BANK PLC, as Class A Funding Agent

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

WEIL: *[ISSUER FACILITY AGREEMENT – SIGNATURE PAGE]*

SCHEDULE 1
DEFINITIONS LIST

[RESERVED]

SCHEDULE 2

PART 1 – CLOSING DATE

CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Class A Committed Note Purchaser

Class A Initial Investor Group Principal Amount: €120,000,000

Class A Committed Note Purchaser Percentage: 16%

Class A Maximum Investor Group Principal Amount: €160,000,000

Class A Initial Advance Amount: €120,000,000

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Class A Funding Agent and a Class A Committed Note Purchaser

MATCHPOINT FINANCE PLC, as a Class A Committed Note Purchaser and Class A Conduit Investor

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

BNP PARIBAS S.A., as a Class A Funding Agent for MATCHPOINT FINANCE PLC, as a Class A Committed Note Purchaser and Class A Conduit Investor

DEUTSCHE BANK AG, LONDON BRANCH, as a Class A Committed Note Purchaser

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

DEUTSCHE BANK AG, LONDON BRANCH, as a Class A Funding Agent and a Class A Committed Note Purchaser

HSBC CONTINENTAL EUROPE, as a Class A Committed Note Purchaser

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

HSBC CONTINENTAL EUROPE, as a Class A Funding Agent and a Class A Committed Note Purchaser

BARCLAYS BANK PLC, as a Class A Committed Note Purchaser

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

BARCLAYS BANK PLC, as a Class A Funding Agent and a Class A Committed Note Purchaser

MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as a Class A Committed Note Purchaser and Class A Conduit Investor

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

NATIXIS S.A., as a Class A Funding Agent, for MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as a Class A Committed Note Purchaser and Class A Conduit Investor

IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as a Class A Conduit Investor

ROYAL BANK OF CANADA, Class A Committed Note Purchaser

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

ROYAL BANK OF CANADA, as a Class A Funding Agent and Class A Committed Note Purchaser for IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as a Class A Conduit Investor

GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as a Class A Committed Note Purchaser and a Class A Conduit Investor

Class A Initial Investor Group Principal Amount: €90,000,000

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €120,000,000

Class A Initial Advance Amount: €90,000,000

LLOYDS BANK PLC, as a Class A Funding Agent for GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as a Class A Committed Note Purchaser and a Class A Conduit Investor

PART 2 – SECOND AMENDMENT DATE

CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS

Subject to the Refinancing Deed of Covenant:

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 16.00%

Class A Maximum Investor Group Principal Amount: €72,000,000

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Class A Funding Agent and a Class A Committed Note Purchaser

MATCHPOINT FINANCE PLC, as a Class A Committed Note Purchaser and Class A Conduit Investor

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €54,000,000

BNP PARIBAS S.A., as a Class A Funding Agent for MATCHPOINT FINANCE PLC, as a Class A Committed Note Purchaser and Class A Conduit Investor

DEUTSCHE BANK AG, LONDON BRANCH, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €54,000,000

DEUTSCHE BANK AG, LONDON BRANCH, as a Class A Funding Agent and a Class A Committed Note Purchaser

HSBC CONTINENTAL EUROPE, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €54,000,000

HSBC CONTINENTAL EUROPE, as a Class A Funding Agent and a Class A Committed Note Purchaser

BARCLAYS BANK PLC, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €54,000,000

BARCLAYS BANK PLC, as a Class A Funding Agent and a Class A Committed Note Purchaser

MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as a Class A Committed Note Purchaser and Class A Conduit Investor

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €54,000,000

NATIXIS S.A., as a Class A Funding Agent, for MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as a Class A Committed Note Purchaser and Class A Conduit Investor

IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as a Class A Conduit Investor

ROYAL BANK OF CANADA, Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €54,000,000

ROYAL BANK OF CANADA, as a Class A Funding Agent and Class A Committed Note Purchaser for IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as a Class A Conduit Investor

GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as a Class A Committed Note Purchaser and a Class A Conduit Investor

Class A Committed Note Purchaser Percentage: 12.00%

Class A Maximum Investor Group Principal Amount: €54,000,000

LLOYDS BANK PLC, as a Class A Funding Agent for GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as a Class A Committed Note Purchaser and a Class A Conduit Investor

PART 3 – THIRD AMENDMENT DATE

CONDUIT INVESTORS AND COMMITTED NOTE PURCHASERS

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 16.00%

Class A Maximum Investor Group Principal Amount: €120,000,000

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Class A Funding Agent and a Class A Committed Note Purchaser

MATCHPOINT FINANCE PLC, as a Class A Committed Note Purchaser and Class A Conduit Investor

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

BNP PARIBAS S.A., as a Class A Funding Agent for MATCHPOINT FINANCE PLC, as a Class A Committed Note Purchaser and Class A Conduit Investor

DEUTSCHE BANK AG, LONDON BRANCH, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

DEUTSCHE BANK AG, LONDON BRANCH, as a Class A Funding Agent and a Class A Committed Note Purchaser

HSBC CONTINENTAL EUROPE, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

HSBC CONTINENTAL EUROPE, as a Class A Funding Agent and a Class A Committed Note Purchaser

BARCLAYS BANK PLC, as a Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

BARCLAYS BANK PLC, as a Class A Funding Agent and a Class A Committed Note Purchaser

MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as a Class A Committed Note Purchaser and Class A Conduit Investor

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

NATIXIS S.A., as a Class A Funding Agent, for MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T., as a Class A Committed Note Purchaser and Class A Conduit Investor

IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as a Class A Conduit Investor

ROYAL BANK OF CANADA, Class A Committed Note Purchaser

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

ROYAL BANK OF CANADA, as a Class A Funding Agent and Class A Committed Note Purchaser for IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY, as a Class A Conduit Investor

GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as a Class A Committed Note Purchaser and a Class A Conduit Investor

Class A Committed Note Purchaser Percentage: 12%

Class A Maximum Investor Group Principal Amount: €90,000,000

LLOYDS BANK PLC, as a Class A Funding Agent for GRESHAM RECEIVABLES (NO. 32) UK LIMITED, as a Class A Committed Note Purchaser and a Class A Conduit Investor

SCHEDULE 3

INTEREST RATE CAP AMORTIZATION SCHEDULE

Date of Determination Occurring During Period Set Forth Below	Notional Amount of Interest Rate Caps as Percentage of Maximum Principal Amount
On or prior to Expected Final Payment Date plus five Payment Dates	100.00%
After (x) Expected Final Payment Date plus five Payment Dates but on or prior to (y) Expected Final Payment Date plus six Payment Dates	87.50%
After (x) Expected Final Payment Date plus six Payment Dates but on or prior to (y) Expected Final Payment Date plus seven Payment Dates	75.00%
After (x) Expected Final Payment Date plus seven Payment Dates but on or prior to (y) Expected Final Payment Date plus eight Payment Dates	62.50%
After (x) Expected Final Payment Date plus eight Payment Dates but on or prior to (y) Expected Final Payment Date plus nine Payment Dates	50.00%
After (x) Expected Final Payment Date plus nine Payment Dates but on or prior to (y) Expected Final Payment Date plus ten Payment Dates	37.50%
After (x) Expected Final Payment Date plus ten Payment Dates but on or prior to (y) Expected Final Payment Date plus eleven Payment Dates	25.00%
After (x) Expected Final Payment Date plus eleven Payment Dates but on or prior to (y) Legal Final Payment Date	12.50%
After Legal Final Payment Date	0%

ANNEX 1
REPRESENTATIONS AND WARRANTIES

- 1 *The Issuer.* The Issuer represents and warrants to each Conduit Investor, each Committed Note Purchaser and each Funding Agent that each of its representations and warranties set out in the Issuer Related Documents is true and correct (i) as of the Closing Date, (ii) in respect of (a), on each Payment Date and (iii) during the Rapid Amortization Period, as of each Payment Date (in each case, unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date) and further represents and warrants to such parties that:
- (a) no Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes, is continuing;
 - (b) assuming each Conduit Investor or other purchaser of the Issuer Notes hereunder is not purchasing with a view toward further distribution and there has been no general solicitation or general advertising within the meaning of the Securities Act, and further assuming that the representations and warranties of each Conduit Investor set forth in Clause 6 are true and correct, the offer and sale of the Issuer Notes in the manner contemplated by this Agreement is a transaction exempt from the registration requirements of the Securities Act, and neither the Issuer Note Framework Agreement or this Agreement is required to be qualified under the Trust Indenture Act);
 - (c) on the Closing Date, the Issuer has furnished to the Administrative Agent true, accurate and complete copies of all Issuer Related Documents to which it is a party as of the Closing Date, all of which are in full force and effect as of the Closing Date;
 - (d) as of the Closing Date, none of the written information furnished by the Issuer, Hertz or any of its Affiliates, agents or representatives to the Conduit Investors, the Committed Note Purchasers, the Administrative Agent or the Funding Agents for purposes of or in connection with this Agreement, including any information relating to the Collateral, taken as a whole, is inaccurate in any material respect, or contains any material misstatement of fact, or omits to state a material fact or any fact necessary to make the statements contained therein not misleading, in each case as of the date such information was stated or certified unless such information has been superseded by subsequently delivered information;
 - (e) the Issuer is not, and is not controlled by, an "**investment company**" within the meaning of, and is not required to register as an "**investment company**" under, the Investment Company Act. In reaching this conclusion, although other statutory or regulatory exemptions under the Investment Company Act may be available, the Issuer has relied on the exemption from registration set forth in Section 3(c)(7) under the Investment Company Act;
 - (f) to the extent applicable, except as would not reasonably be expected to have a Material Adverse Effect, the Issuer Administrator and the Issuer are, and to the knowledge of the Issuer Administrator and the Issuer, its respective directors are, in compliance with (i) the Uniting and Strengthening of America by Providing the Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, (ii) the Trading with the Enemy Act, as amended, (iii) any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**") and any other enabling legislation or executive order relating thereto as well as sanctions laws and regulations of the United Nations Security Council, the European Union or any member state thereof and the United Kingdom (collectively, "**Sanctions**") and (iv) the Foreign Corrupt Practices Act of 1977, as amended,

and all laws, rules and regulations of the European Union and United Kingdom applicable to the Issuer and the Issuer Administrator from time to time concerning or relating to bribery or corruption (“**Anti-Corruption Laws**”);

- (g) none of the Issuer or the Issuer Administrator or, to the knowledge of the Issuer, any director or officer of the Issuer Administrator or the Issuer, is the target of any Sanctions (a “**Sanctioned Party**”). Except as would not reasonably be expected to have a Material Adverse Effect, none of the Issuer Administrator or the Issuer is organized or resident in a country or territory that is the target of a comprehensive embargo under Sanctions (including as of the date of this Agreement, without limitation, Cuba, Iran, North Korea, Sudan, Syria and the Crimea Region of the Ukraine each a “**Sanctioned Country**”). None of the Issuer or the Issuer Administrator will knowingly (directly or indirectly) use the proceeds of any Advance (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in material violation of Anti-Corruption Laws or (ii) for the purpose of funding or financing any activities or business of or with any Person that at the time of such funding or financing is a Sanctioned Party or organized or resident in a Sanctioned Country, to the extent that such Anti-Corruption Laws or Sanctions are legally applicable to such Advance or use of proceeds;
- (h) except as would not reasonably be expected to have a Material Adverse Effect, the Issuer Administrator, the Issuer and their officers are, and to the knowledge of the Issuer Administrator and the Issuer, their respective directors, employees, agents or other persons acting on behalf of the Issuer Administrator or the Issuer are, (i) in compliance with and not under investigation or threat of investigation, and (ii) and have not engaged in any activity or conduct, in each case which would violate any applicable Sanctions, Anti-Corruption Laws or anti-money laundering laws or regulations (“**Anti-Money Laundering Laws**”). None of the Issuer or the Issuer Administrator will knowingly (directly or indirectly) use the proceeds of any Advance for any purpose that would breach Anti-Money Laundering Laws;
- (i) the Issuer Administrator and the Issuer have instituted and will maintain in effect policies and procedures designed to ensure compliance with Sanctions, Anti-Money Laundering Laws and Anti-Corruption Laws;
- (j) notwithstanding anything to the contrary in this Agreement or any other Related Document, these paragraphs 1(f) to (j) shall not apply in relevant part to the Issuer Administrator or the Issuer if they are organized under the laws of any member state of the European Union solely to the extent this paragraph 1(j) would violate the provisions of the Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom” or any other applicable anti-boycott statute;
- (k) the Issuer is resident for tax purposes in Ireland and does not have a permanent establishment or other presence rendering it liable to taxation elsewhere.

2 *Administrator*. The Issuer Administrator represents and warrants to, the Issuer, each Conduit Investor, each Committed Note Purchaser and each Funding Agent that:

- (a) each representation and warranty made by it in each Issuer Related Document, is true and correct in all material respects as of the date hereof (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date);

- (b) except as would not be reasonably be expected to have a Material Adverse Effect, the Issuer Administrator and the Issuer are, and to the knowledge of the Issuer Administrator and the Issuer, its respective directors are, in compliance with (i) the Uniting and Strengthening of America by Providing the Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, (ii) the Trading with the Enemy Act, as amended, (iii) any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“**OFAC**”) and any other enabling legislation or executive order relating thereto as well as sanctions laws and regulations of the United Nations Security Council, the European Union or any member state thereof and the United Kingdom (collectively, “**Sanctions**”) and (iv) the Foreign Corrupt Practices Act of 1977, as amended, and all laws, rules and regulations of the European Union and United Kingdom applicable to the Issuer and the Issuer Administrator from time to time concerning or relating to bribery or corruption (“**Anti- Corruption Laws**”);
- (c) none of FleetCo or the Issuer Administrator or, to the knowledge of the Issuer Administrator, any director or officer of the Issuer Administrator or the Issuer, is the target of any Sanctions (a “**Sanctioned Party**”). Except as would not reasonably be expected to have a Material Adverse Effect, none of the Issuer Administrator or the Issuer is organized or resident in a country or territory that is the target of a comprehensive embargo under Sanctions (including as of the date of this Agreement, without limitation, Cuba, Iran, North Korea, Sudan, Syria and the Crimea Region of the Ukraine-each a “**Sanctioned Country**”). None of the Issuer or the Issuer Administrator will knowingly (directly or indirectly) use the proceeds of any Advance (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in material violation of Anti-Corruption Laws or (ii) for the purpose of funding or financing any activities or business of or with any Person that at the time of such funding or financing is a Sanctioned Party or organized or resident in a Sanctioned Country, to the extent that such Anti-Corruption Laws or Sanctions are legally applicable to such Advance or use of proceeds;
- (d) as of the Closing Date, none of the written information furnished by Hertz or any of its Affiliates, agents or representatives to the Conduit Investors, the Committed Note Purchasers, the Administrative Agent or the Funding Agents for purposes of or in connection with this Agreement, including any information relating to the Collateral, taken as a whole, is inaccurate in any material respect, or contains any material misstatement of fact, or omits to state a material fact or any fact necessary to make the statements contained therein not misleading, in each case as of the date such information was stated or certified unless such information has been superseded by subsequently delivered information;
- (e) except as would not reasonably be expected to have a Material Adverse Effect, the Issuer Administrator and its officers are, and to the knowledge of the Issuer Administrator, its directors, employees, agents or other persons acting on behalf of the Issuer Administrator are, (i) in compliance with and not under investigation or threat of investigation, and (ii) and have not engaged in any activity or conduct, in each case which would violate any applicable Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws. The Issuer Administrator will not knowingly (directly or indirectly) use the proceeds of any Advance for any purpose that would breach Anti-Money Laundering Laws;
- (f) the Issuer Administrator has instituted and will maintain in effect policies and procedures designed to ensure compliance with Sanctions, Anti-Money Laundering Laws and Anti-Corruption Laws; and
- (g) notwithstanding anything to the contrary in this Agreement or any other Related Document, these paragraphs 2(b), (c) and (e) to (g) shall not apply in relevant part to the Issuer Administrator or Issuer if they are organized under the laws of any member state of the European Union solely to the extent this paragraph 2(d) would violate the provisions of the

"Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom" or any other applicable anti-boycott statute;

- 3 *Conduit Investors and Committed Note Purchasers.* Each of the Conduit Investors and each of the Committed Note Purchasers represents and warrants to the Issuer and the Issuer Administrator, as of the Closing Date (or, with respect to each Conduit Investor and each Committed Note Purchaser that becomes a party hereto after the Closing Date, as of the date such Person becomes a party hereto), that:
- (a) it has had an opportunity to discuss the Issuer's and the Issuer Administrator's business, management and financial affairs, and the terms and conditions of the proposed purchase, with the Issuer and the Issuer Administrator and their respective representatives;
 - (b) it understands that the Issuer Notes will be subject to the restrictions on transfer described in Annex 4 (*Selling Restrictions*);
 - (c) it will comply with all applicable securities laws in connection with any subsequent resale of the Issuer Notes;
 - (d) it is a Qualifying Noteholder;
 - (e) it is a "**qualified purchaser**" within the meaning of the Investment Company Act; and
 - (f) it is either (i) not a "**U.S. Person**" (as defined in Regulation S) or (ii) a "**U.S. Person**" (as defined in Regulation S) or a U.S. resident (as determined for purposes of the Investment Company Act) and in respect of (ii), (A) it is an "**accredited investor**" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investing in, and is able and prepared to bear the economic risk of investing in, the Issuer Notes, or (B) it is purchasing the Issuer Notes for its own account, or for the account of one or more "accredited investors" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act that meet the criteria described in subsection (f)(ii)(A) and for which it is acting with complete investment discretion, for investment purposes only and not with a view to distribution, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control.

ANNEX 2 COVENANTS

The Issuer and the Issuer Administrator each severally covenants and agrees that, until the Issuer Notes have been paid in full and the Term has expired, it will:

1 *Performance of Obligations.* Duly and timely perform all of its covenants (both affirmative and negative) and obligations under each Issuer Related Document to which it is a party.

2 *Amendments*

(a) Not amend, supplement, waive or otherwise modify, or consent to any amendment, supplement, modification or waiver of:

(i) Subject to clauses (ii)-(viii) below, any provision of the Issuer Related Documents (other than any waiver of Sub-Clause 7.1 of this Agreement, which waiver shall be governed by Sub-Clause 7.2 of this Agreement) or FleetCo Related Documents without the written consent or sanction

of the Required Noteholders, unless, in the opinion of the Issuer Security Trustee such amendment, supplement, waiver, modification or consent is not prejudicial and does not adversely affect the Noteholders; *provided that*, for the avoidance of doubt, no consent of any Noteholder shall be required and the Issuer Security Trustee may, without the consent or sanction of the Required Noteholders concur with the Issuer and Issuer Administrator and any other persons that are parties thereto in making any amendment, supplement, waiver, modification or consent, if in the opinion of the Issuer Security Trustee, such amendment, supplement, waiver, modification or consent is of a formal, minor or technical nature, or is made to correct a manifest error;

provided further that, (I) any waiver of a Leasing Company Amortization Event with respect to any FleetCo Note, shall require the written consent of the Required Supermajority Noteholders;

(II) no consent of any Funding Agent, Noteholder, Committed Note Purchaser or Conduit Investor shall be required for:

(A) any amendment, supplement, modification or consent with respect to any Interest Rate Cap (A) the sole effect of which amendment, supplement, modification or consent is to (w) increase the notional amount thereunder, (x) modify the notional amortization schedule thereunder applicable during the period between the Expected Final Payment Date and the Legal Final Payment Date (y) decrease the strike rate of or (z) extend the term thereunder (B) if the Issuer is permitted under the Issuer Related Documents to enter into such Interest Rate Cap without the consent of the Noteholders, or

(B) [Reserved]

(C) any amendment, supplement, modification or consent with respect to the definitions of “Dutch Commitment Termination Date”, “FCT Commitment Termination Date”, “French Commitment Termination Date”, “German Commitment Termination Date”, “Spanish Commitment Termination Date”,

“Dutch Maximum Principal Amount”, “French Maximum Principal Amount”, “German Maximum Principal Amount” or “Spanish Maximum Principal Amount”;

- (ii) any Letter of Credit so that it is not substantially in the form of Exhibit I to this Agreement without the written consent of the Required Noteholders;
- (iii) THC Guarantee and Indemnity without the written consent of each Committed Note Purchaser, each Conduit Investor and each Funding Agent;
- (iv) any of the following defined terms or any defined terms included in any of the following defined terms (the “**Embedded Defined Terms**”) (unless, in the opinion of the Issuer Security Trustee, such amendment, supplement, modification, waiver or consent of or with respect to any of the Embedded Defined Terms is not prejudicial and does not materially adversely affect the interests of the Noteholders), without the written consent of each Committed Note Purchaser, each Conduit Investor and each Funding Agent:

[“Aggregate Asset Amount Deficiency”, “Liquidation Event”, “Issuer Aggregate Asset Amount”, “Dutch Aggregate Asset Amount”, “French Aggregate Asset Amount”, “German Aggregate Asset Amount”, “Spanish Aggregate Asset Amount”, “Manufacturer Program”, “Required Contractual Criteria”, “Asset Coverage Threshold Amount”, “Reference Rate”, “Adjusted Asset Coverage Threshold Amount”, “Class A Up-Front Fee”, “Restructuring Fee”, “Class B Up-Front Fee”, “Interest Period”, “Dutch AAA Component”, “French AAA Component”, “German AAA Component”, “Spanish AAA Component”, “Commitment Termination Date”, “Eligible Manufacturer Receivable”, “Manufacturer Concentration Excess Amount”, “Manufacturer Percentage”, “Maximum Manufacturer Amount”, “Maximum Non-Investment Grade (High) Program Receivable Amount”, “Non-Investment Grade (High) Program Receivable Concentration Excess Amount”, “Non-Program Vehicle 3-month Lookback Concentration Failure Percentage”, “FleetCo AAA Select Component”, “Light-Duty Truck Concentration Excess Amount”, “Maximum Light-Duty Truck Amount”, “Non-Program Vehicle Concentration Excess Amount”, “Spain Concentration Excess Amount”, “Spain Concentration Limit”, “CEA Assets”, “Concentration Excess Amount Calculation Convention”, “Individual Concentration Excess Amounts”, “Failure Percentage”, “Market Value Procedures”, “Dutch FleetCo”, “French FleetCo”, “German FleetCo”, “Spanish FleetCo”, “Dutch OpCo”, “French OpCo”, “German OpCo” or “Spanish OpCo”];

provided that, the definition of “Reference Rate” may be amended with the consent of the Administrative Agent (acting on the instructions of all of the Noteholders (or, if a unanimous decision has not been made within a calendar month of the proposed amendment to the Reference Rate, Class A Noteholders holding at least two-thirds of the Class A Principal Amount)) and the Issuer Administrator to provide for the use of a Replacement Benchmark following the occurrence of a Reference Rate Replacement Event. any of the following defined terms, or any defined terms included in any of the following defined terms (the “**Class A Embedded Defined Terms**”) without the written consent of each Class A Committed Note Purchaser, each Class A Conduit Investor and each Class A Funding Agent:

“Class A Commitment”, “Class A Commitment Percentage”, “Class A Conduit Assignee”, “Class A CP Rate”, “Class A Funding Conditions”, “Class A Investor Group Principal Amount”, “Class A Maximum Investor Group Principal Amount”, “Class A Program Fee”, “Class A Maximum Principal Amount”, “Dutch Class A

Adjusted Advance Rate”, “French Class A Adjusted Advance Rate”, “German Class A Adjusted Advance Rate”, “Spanish Class A Adjusted Advance Rate”, Dutch Class A Baseline Advance Rate”, “French Class A Baseline Advance Rate”, “German Class A Baseline Advance Rate”, “Spanish Class A Baseline Advance Rate”, “Issuer Blended Advance Rate”, “FleetCo Class A Blended Advance Rate”, “Class A Undrawn Fee”, “Class A Concentration Excess Advance Rate Adjustment” or “Class A MTM/DT Advance Rate Adjustment”;

- (v) the required amount of Enhancement with respect to the Class A Noteholders without the written consent of each Class A Committed Note Purchaser, each Class A Conduit Investor and each Class A Funding Agent, including:

“Required Letter of Credit/Cash Liquid Enhancement Amount”, “Required Liquid Enhancement Amount” or “Required Reserve Account Amount”;

- (vi) any of the following defined terms, or any defined terms included in any of the following defined terms (the “**Class B Embedded Defined Terms**”) without the written consent of each Class B Committed Note Purchaser and each Class B Conduit Investor:

“Class B Commitment”, “Class B Commitment Percentage”, “Class B Conduit Assignee”, “Class B CP Rate”, “Class B Funding Conditions”, “Class B Investor Group Principal Amount”, “Class B Maximum Investor Group Principal Amount”, “Class B Program Fee”, “Dutch Class B Adjusted Advance Rate”, “French Class B Adjusted Advance Rate”, “German Class B Adjusted Advance Rate”, “Spanish Class B Adjusted Advance Rate”, “Dutch Class B Baseline Advance Rate”, “French Class B Baseline Advance Rate”, “German Class B Baseline Advance Rate”, “Spanish Class B Baseline Advance Rate”, “Class B Undrawn Fee”, “Issuer Class B Blended Advance Rate”, “FleetCo Class B Blended Advance Rate”, “Class B Concentration Excess Advance Rate Adjustment” or “Class B MTM/DT Advance Rate Adjustment; or

- (vii) the required amount of Enhancement with respect to the Class B Noteholders without the written consent of each Class B Committed Note Purchaser and each Class B Conduit Investor.

- (b) Not, without the consent of each Committed Note Purchaser, each Funding Agent and each Conduit Investor:

- (i) amend or modify the definition of “Required Noteholders” or “Required Supermajority Noteholders” or otherwise reduce the percentage of Noteholders whose consent is required to take any particular action hereunder;
- (ii) change the entity acting as entities as a FleetCo or as an OpCo or add any new entities as a new FleetCo or OpCo;
- (iii) extend the due date for, or reduce the amount of any scheduled repayment or prepayment of principal of or interest on any Issuer Note (or reduce the principal amount of or rate of interest on any Issuer Note or otherwise change the manner in which interest is calculated);
- (iv) extend the due date for, or reduce the amount of any Undrawn Fee payable hereunder;

- (v) amend or modify Sub-Clause 5.2, Sub-Clause 5.3, Sub-Clause 2.1(a), (e) or (f), Sub-Clause 2.2, Sub-Clause 2.3, Sub-Clause 2.5, Sub-Clause 3.1, Sub-Clause 5.4, Sub-Clause 7.1, Clause 9, Sub-Clause 11.10, or this paragraph (2) of Annex 2 of this Agreement or otherwise amend or modify any provision relating to the amendment or modification of this Agreement or that pursuant to the Issuer Related Documents which would require the consent of 100% of the Noteholders or each Noteholder affected by such amendment or modification;
- (vi) approve the assignment or transfer by the Issuer of any of its rights or obligations hereunder;
- (vii) release the Issuer from any obligation hereunder;
- (viii) reduce, modify or amend any indemnities in favor of any Conduit Investors, Committed Note Purchasers or Funding Agents;
- (ix) affect adversely the interests, rights or obligations of any Conduit Investor or Committed Note Purchaser individually in comparison to any other Conduit Investor or Committed Note Purchaser; or
- (x) alter the *pro rata* treatment of payments to and Advances by the Noteholders, the Conduit Investors and the Committed Note Purchasers (including, for the avoidance of doubt, alterations that provide for any non-*pro rata* payments to or Advances by any Noteholders, Conduit Investors or Committed Note Purchasers that are not expressly provided for as of the Closing Date),

provided that, following a Reference Rate Replacement Event, any amendment may be made with the consent of the Administrative Agent (acting on the instruction of the Required Noteholders) and the Issuer Administrator which relates to:

- (A) aligning any provision of any Related Document to the use of a Replacement Benchmark;
- (B) enabling that Replacement Benchmark to be used for the calculation of any interest under the Related Documents (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of the Related Documents);
- (C) implementing market conventions applicable to that Replacement Benchmark;
- (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
- (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation).

- 3 *Delivery of Information.* (i) At the same time any report, notice, certificate, statement, Opinion of Counsel or other document is provided or caused to be provided to the Issuer Security Trustee by the Issuer or the Issuer Administrator under the Issuer Related Documents, provide the Administrative Agent (who shall provide a copy thereof to the Committed Note Purchasers, the Conduit Investors and the Funding Agents) with a copy of such report, notice, certificate, Opinion of Counsel or other document, (ii) at the same time any report is provided or caused to be provided by a FleetCo to the FleetCo Security Trustee pursuant to Sub-Clause 5.1(g) of the relevant FleetCo Facility Agreement, provide or cause to be provided to the Administrative Agent a copy of such report and (iii) provide the Administrative Agent and each Funding Agent such other information with respect to the Issuer or the Issuer Administrator as the Administrative Agent or any Funding Agent may from time to time reasonably request; provided however, that neither the Issuer nor the Issuer Administrator shall have any obligation under this paragraph 2(a) to deliver to the Administrative Agent copies of any legal opinions or routine communications, including determinations relating to payments, payment requests, payment directions or other similar calculations. For the avoidance of doubt, nothing in this paragraph 2(a) shall require any Opinion of Counsel provided to any Person pursuant to this paragraph 2(a) to be addressed to such Person or to permit such Person any basis on which to rely on such Opinion of Counsel.
- 4 *Access to Collateral Information.* At any time and from time to time, following reasonable prior notice from the Administrative Agent or any Funding Agent, and during regular business hours, permit, and, if applicable, cause a FleetCo to permit, the Administrative Agent or any Funding Agent, or their respective agents or representatives (including any independent public accounting firm, independent consulting firm or other third party auditors) or permitted assigns, access to the offices of, the Issuer Administrator and the Issuer, as applicable,
- (i) to examine and make copies of and abstracts from all documentation relating to the Collateral on the same terms as are provided to the Issuer Security Trustee under Sub-Clause 6.12 of the Issuer Note Framework Agreement (but excluding making copies of or abstracts from any information that the Issuer Administrator or the Issuer reasonably determines to be proprietary or confidential; *provided that*, for the avoidance of doubt, all data and information used to calculate any MTM/DT Advance Rate Adjustment or lack thereof shall be deemed to be proprietary and confidential), and
 - (ii) upon reasonable notice, to visit the offices and properties of, the Issuer Administrator and the Issuer for the purpose of examining such materials described in sub-paragraph (i) above, and to discuss matters relating to the Collateral, or the administration and performance of this Agreement, the Issuer Note Framework Agreement and the other Issuer Related Documents with any of the Authorized Officers or other nominees as such officers specify, of the Issuer Administrator and/or the Issuer, as applicable, having knowledge of such matters, in each case as may reasonably be requested; *provided that*, (i) prior to the occurrence of an Amortization Event or Potential Amortization Event, in each case, with respect to the Issuer Notes, one such visit per annum, if requested, coordinated by the Administrative Agent and in which each Funding Agent may participate shall be at the Issuer's sole cost and expense and (ii) during the continuance of an Amortization Event or Potential Amortization Event, in each case, with respect to the Issuer Notes, each such visit shall be at the Issuer's sole cost and expense.

Each party making a request pursuant to this paragraph 4 shall simultaneously send a copy of such request to each of the Administrative Agent and each Funding Agent, as applicable, so as to allow such other parties to participate in the requested visit.

- 5 *Cash AUP.* At any time and from time to time from the Payment Date occurring in March 2019 until May 2022 and thereafter, on the Payment Date in July of each year, commencing in July 2022, following reasonable prior notice from the Administrative Agent, cooperate with the Administrative Agent or its agents or representatives (including any independent public accounting firm, independent consulting firm or other third party auditors) or permitted assigns in conducting a review of any ten (10) Business Days selected by the Administrative Agent (or its representatives or agents), confirming (i) the information contained in the Issuer Daily Collection Report for each such day, (ii) that the Issuer Collections described in each such Issuer Daily Collection Report for each such day were applied correctly in accordance with Clause 5 (*Priority of Payments*) of the Issuer Facility Agreement, (iii) the information contained in each FleetCo Daily Collection Report for each such day and (iv) that the FleetCo Collections described in each such FleetCo Daily Collection Report for each such day were applied correctly in accordance with Clause 6 (*Allocation and Application of Collections*) of the relevant FleetCo Facility Agreement (a “**Cash AUP**”); provided that, such Cash AUPs shall be at the Issuer’s sole cost and expense (i) for no more than one such Cash AUP per annum prior to the occurrence of an Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes, and (ii) for each such Cash AUP after the occurrence and during the continuance of an Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes.
- 6 *Noteholder Statement AUP.* On or prior to the Payment Date occurring in March 2019 and on or prior to the Payment Date occurring in July of each year, commencing in 2020, the Issuer Administrator shall cause a firm of independent certified public accountants or independent consultants (reasonably acceptable to both the Administrative Agent and the Issuer Administrator, which may be the Issuer Administrator’s accountants) to deliver to the Administrative Agent and each Funding Agent, a report in a form reasonably acceptable to the Issuer and the Administrative Agent (a “**Noteholder Statement AUP**”) which shall include customary tests in respect of certificates of title; provided that, such Noteholder Statement AUPs shall be at the Issuer’s sole cost and expense (i) for no more than one such Noteholder Statement AUP per annum prior to the occurrence of an Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes and (ii) for each such Noteholder Statement AUP after the occurrence and during the continuance of an Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes.
- 7 [RESERVED]
- 8 [RESERVED]
- 9 *Financial Statements.* Commencing on the Closing Date, deliver to each Funding Agent within 270 calendar days after the end of each fiscal year of the Issuer, the financial statements prepared pursuant to Sub-Clause 6.24(g) of the Issuer Note Framework Agreement.
- 10 *Servicer Reports.* In the case of the Issuer Administrator, for so long as a Liquidation Event is continuing, furnish or cause each Servicer to furnish to the Administrative Agent and each Noteholder, the Servicer Reports prepared in accordance with Sub-Clause 6.7 (*Servicer Records and Servicer Reports*) of each Master Lease; *provided that* any Servicer may furnish or cause to be furnished to the Administrative Agent any such Servicer Report, by posting, or causing to be posted, the relevant Servicer Report to a password-protected website made available to the Administrative Agent or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).
- 11 *Further Assurances.* At any time and from time to time, upon the written request of the Administrative Agent, and at its sole expense, promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Administrative Agent may reasonably deem desirable in obtaining the full benefits of this Agreement and of the rights and powers herein granted, including any filing necessary with respect to the security interests granted pursuant to the Issuer Security Documents.

- 12 *Issuer Administrator Replacement.* Not appoint or agree to the appointment of any successor Issuer Administrator (other than the Issuer Back-Up Administrator) without the prior written consent of the Required Noteholders.
- 13 *FleetCo Administrator Replacement.* Not appoint or agree to the appointment of any successor FleetCo Administrator (other than each FleetCo Back-Up Administrator) without the prior written consent of the Required Noteholders.
- 14 *Liquidation Co-ordination Agreement Amendments.* Not amend any Liquidation Co-ordination Agreement in a manner that materially adversely affects the Noteholders, as determined by the Administrative Agent in its sole discretion, without the prior written consent of the Required Noteholders.
- 15 *Independent Directors.* (x) Not remove any Independent Director of the Issuer or any FleetCo, without (i) delivering an Officer's Certificate to the Administrative Agent certifying that the replacement Independent Director of the applicable entity satisfies the definition of Independent Director and (ii) obtaining the prior written consent of the Administrative Agent (not to be unreasonably withheld or delayed), in each case, no later than ten (10) Business Days prior to the effectiveness of such removal (or such shorter period as may be agreed to by the Administrative Agent) and (y) not replace any Independent Director of the Issuer or any FleetCo unless (i) it has obtained the prior written consent of the Administrative Agent (not to be unreasonably withheld or delayed) or (ii) such replacement Independent Director is an officer, director or employee of an entity that provides, in the ordinary course of its business, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities and otherwise meets the applicable definition of Independent Director; *provided that*, for the avoidance of doubt, in the event that an Independent Director of the Issuer or any FleetCo is removed in connection with any such replacement, the Issuer or such FleetCo, as applicable, and the Issuer Administrator shall be required to effect such removal in accordance with paragraph (x) above.
- 16 *Notice of Certain Amendments.* Within five (5) Business Days of the execution of any amendment or modification of any Issuer Related Document or any FleetCo Related Document, the Issuer Administrator shall provide written notification of such amendment or modification to Standard & Poor's, Fitch Ratings or Moody's respectively for so long as Standard & Poor's, Fitch Ratings or Moody's, as applicable, is rating any Commercial Paper; provided that the Funding Agent with respect to the Investor Group that issues any such Commercial Paper shall notify the Issuer Administrator in writing whether such Commercial Paper is rated by Standard & Poor's, Fitch Ratings or Moody's.
- 17 *Rating Agency Limitation on Permitted Investments.* For so long as any Commercial Paper is being rated by Standard & Poor's, Fitch Ratings or Moody's respectively and the Funding Agent with respect to the Investor Group that issues such Commercial Paper has notified the Issuer in writing that such Commercial Paper has not been issued on a "fully-wrapped" basis (and, if so notified, until such notice has been revoked by such Funding Agent), neither the Issuer Administrator nor the Issuer shall invest, or direct the investment of, any funds on deposit in any Accounts, in a Permitted Investment that is a Permitted Investment pursuant to paragraph (viii) of the definition thereof (an "Additional Permitted Investment"), unless the Issuer Administrator shall have received confirmation in writing from Standard & Poor's, Fitch Ratings or Moody's respectively that the investment of such funds in an Additional Permitted Investment will not cause the rating on such Commercial Paper being rated by Standard & Poor's, Fitch Ratings or Moody's, as applicable, to be reduced or withdrawn.
- 18 [Reserved]

- 19** *Merger.*
- (i)** Solely with respect to the Issuer, not be a party to any merger or consolidation without the prior written consent of each Committed Note Purchaser, each Conduit Investor and each Funding Agent.
 - (ii)** Solely with respect to the Issuer Administrator, not permit or suffer any FleetCo to be a party to any merger or consolidation without the prior written consent of each Committed Note Purchaser, each Conduit Investor and each Funding Agent.
- 20** *Market Value Procedures.*
- Comply with the Market Value Procedures in all material respects.
- 21** *Enhancement Provider Ratings.* Solely with respect to the Issuer Administrator, at least once every calendar month, determine (a) whether any Letter of Credit Provider has been subject to a Downgrade Event, (b) whether each Interest Rate Cap Provider is an Eligible Interest Rate Cap Provider and (c) whether each Account Bank is an Acceptable Bank.
- 22** [RESERVED]
- 23** *Additional Leasing Companies.* Solely with respect to the Issuer, not designate any Additional Leasing Company or acquire any Additional Leasing Company Notes, in each case, without the prior written consent of each Committed Note Purchaser and each Conduit Investor.
- 24** [RESERVED]
- 25** *Financial Statements and Other Reporting.* Solely with respect to the Issuer Administrator, furnish or cause to be furnished to each Funding Agent:
- (i)** commencing on the Closing Date, within 270 calendar days after the end of each of the Issuer Administrator's financial years, copies of the Issuer Administrator's annual accounts, strategic report and directors' report prepared pursuant to Part 15 of the Companies Act 2006;
 - (ii)** simultaneously with the delivery of the annual accounts referred to in (i) above, an Officer's Certificate of each Lessee stating whether, to the knowledge of such officer, there exists on the date of the certificate any condition or event that then constitutes, or that after notice or lapse of time or both would constitute, a Potential Lease Event of Default or Lease Event of Default, and, if any such condition or event exists, specifying the nature and period of existence thereof and the action such Lessee is taking and proposes to take with respect thereto;
 - (iii)** promptly after obtaining actual knowledge thereof, notice of any Manufacturer Event of Default or termination of a Manufacturer Program; and
- The financial data that shall be delivered to the Funding Agents pursuant to the foregoing paragraph (i) shall be prepared in conformity with GAAP.
- 26** *Confirmation of Security.* With respect to the Issuer and Issuer Administrator furnish to the Administrative Agent and the Issuer Security Trustee on a quarterly basis commencing on the Payment Date falling in May 2021:

- (a) an Officer's Certificate certifying that as at that date, the Issuer is in compliance with its ongoing obligations (if any) in relation the validity of the Issuer Security under the Issuer Security Documents; and
- (b) simultaneously with the delivery of the Officer's Certificate referred to in (i) above, the Issuer and Issuer Administrator will procure an Officer's Certificate of each FleetCo certifying that as at that date, the relevant FleetCo is in compliance with its ongoing obligations (if any) in relation the validity of the FleetCo Security under the FleetCo Security Documents.

As from the Third Amendment Date, the Issuer and Issuer Administrator shall furnish to the Administrative Agent and the Issuer Security Trustee the certificates referred above on a quarterly basis on each Payment Date falling in March, June, September and December.

27 *Certification of No Default.* With respect to the Issuer and Issuer Administrator, furnish to the Administrative Agent, to each Funding Agent and the Issuer Security Trustee on each Payment Date and upon a reasonable request by the Administrative Agent or the Issuer Security Trustee:

- (i) an Officer's Certificate certifying that no Potential Amortization Event, Amortization Event or Liquidation Event is continuing (or if a Potential Amortization Event, Amortization Event or Liquidation Event is occurring, specifying the Potential Amortization Event, Amortization Event or Liquidation Event, the period of existence thereof and the action being taken in consultation with the Issuer Security Trustee to remedy the same);
- (ii) simultaneously with the delivery of the Officer's Certificate referred to in (i) above, an Officer's Certificate of each FleetCo and FleetCo Administrator certifying that no Potential Leasing Company Amortization Event, Leasing Company Amortization Event or Liquidation Event is continuing (or if a Potential Leasing Company Amortization Event, Leasing Company Amortization Event or Liquidation Event is occurring, specifying the Potential Leasing Company Amortization Event, Leasing Company Amortization Event or Liquidation Event, the period of existence thereof and the action being taken in consultation with the Issuer Security Trustee or FleetCo Security Trustee (as applicable) to remedy the same);
- (iii) simultaneously with the delivery of the Officer's Certificates referred to in (i) and (ii) above, an Officer's Certificate of each OpCo certifying that no Potential Lease Event of Default or Lease Event of Default is continuing (or if a Potential Lease Event of Default or Lease Event of Default is occurring, specifying the no Potential Lease Event of Default or Lease Event of Default, the period of existence thereof and the action being taken in consultation with the Issuer Security Trustee or FleetCo Security Trustee (as applicable) to remedy the same).

In the case of the Issuer and Issuer Administrator, once a notification of a Potential Amortization Event, Amortization Event or Liquidation Event is made, the Issuer and Issuer Administrator shall consult in good faith with the Issuer Security Trustee as to the action that the Issuer or Issuer Administrator must take to remedy such default, circumstance or condition which is capable of giving rise to such potential default or default.

28 [RESERVED]

29 *Non-Program Vehicle Report.* On the Payment Date in March 2019 and on the Payment Date in May of each year, commencing in May 2020 until May 2022 and thereafter, on the Payment Date in July of each year, commencing in July 2022, the Issuer shall cause an internationally recognized firm of independent certified public accountants to furnish a report to the Issuer Security Trustee to the effect that they have performed certain agreed upon procedures with respect to the calculations of (i) the Disposition Proceeds received by each FleetCo from the sale or other disposition of all Non-Program

Vehicles (other than Casualties) sold or otherwise disposed of during the Related Month, (ii) the respective Net Book Values of such Non-Program Vehicles and (iii) the Market Values of such Non-Program Vehicles on the date of such sale or other disposition.

30 *Calculation of interest rates.* For each Interest Period, the Issuer will calculate the Dutch Note Rate, the French Facility Advance Rate, the German Note Rate and the Spanish Note Rate in such a manner as to ensure that the aggregate amount payable by the Fleetcos under the Fleetco Notes and the French Facility for such Interest Period is at least equal to the aggregate amount owed by the Issuer for interest and Carrying Charges payable by the Issuer pursuant to Sub-Clause 5.3 (*Application of Funds in the Issuer Interest Collection Account*) of the Issuer Facility Agreement.

31 *Substitution Right.*

- (i) If there is a change in Tax law which will, in the reasonable opinion of the Issuer Security Trustee (having obtained, at the cost of the Issuer, an opinion addressed to the Issuer and the Issuer Security Trustee from tax counsel to this effect), result in the Issuer, until the Legal Final Payment Date, ceasing to be solely resident in Ireland for tax purposes then the Issuer shall use reasonable endeavours to arrange, at its option, for either:
 - (A) the re-domiciliation of the Issuer to another jurisdiction approved by the Issuer Security Trustee (acting on the instructions of each Class A Conduit Investor, each Class A Committed Note Purchaser and each Class A Funding Agent); or
 - (B) subject to the conditions set out in the following paragraph (ii), the substitution of a company incorporated in another jurisdiction approved by the Issuer Security Trustee (acting on the instructions of each Class A Conduit Investor, each Class A Committed Note Purchaser and each Class A Funding Agent (the “**New Company**”) as the principal obligor under the Issuer Notes.
- (ii) The conditions mentioned in the foregoing paragraph (i) are as follows:
 - (A) the New Company agrees, in a form and manner satisfactory to the Issuer Security Trustee (acting on the instructions of each Class A Conduit Investor, each Class A Committed Note Purchaser and each Class A Funding Agent), to be bound by the Issuer Related Documents;
 - (B) the Issuer and the New Company shall comply with such other reasonable requirements as the Issuer Security Trustee (acting on the instructions of each Class A Conduit Investor, each Class A Committed Note Purchaser and each Class A Funding Agent) may direct; and
 - (C) the Issuer Security Trustee (acting on the instructions of each Class A Conduit Investor, each Class A Committed Note Purchaser and each Class A Funding Agent) shall be satisfied that:
 - (1) all governmental and regulatory approvals and consents necessary for or in connection with the assumption by the New Company of liability as principal debtor in respect of, and of its obligations under, the Issuer Notes have been obtained; and
 - (2) such approvals and consents are at the time of substitution in full force and effect.

32 *EU Securitisation Regulation*

- (i) The Issuer confirms it has been designated as the entity to fulfil the information requirements contemplated by Article 7(2) of the EU Securitisation Regulation as an "SSPE" (as defined in the EU Securitisation Regulation).
- (ii) The Issuer (as the SSPE for the purposes of the EU Securitisation Regulation) represents and undertakes that it shall cause the Issuer Administrator on its behalf to provide such information which is required to be made available by the Issuer pursuant to Article 7(1) of the EU Securitisation Regulation (subject to Article 43(8) of the EU Securitisation Regulation and any published guidance of the relevant regulatory or competent authorities), as further set out in Clause 10.6 of the Issuer Note Framework Agreement.

33 *UK Securitisation Regulation*

- (i) The Issuer confirms it has been designated as the entity to fulfil the information requirements contemplated by Article 7(2) of the UK Securitisation Regulation as an "SSPE" (as defined in the UK Securitisation Regulation).
- (ii) The Issuer (as the SSPE for the purposes of the UK Securitisation Regulation) represents and undertakes that it shall cause the Issuer Administrator on its behalf to provide such information which is required to be made available by the Issuer pursuant to Article 7(1) of the UK Securitisation Regulation (subject to Article 43(8) of the UK Securitisation Regulation and any published guidance of the relevant regulatory or competent authorities), as further set out in Clause 10.7 (*UK Securitisation Regulation Reporting*) of the Issuer Note Framework Agreement.

ANNEX 3
CONDITIONS PRECEDENT

The effectiveness of this Agreement is subject to the following, (x) in the case of (6), as of the date specified therein and (y) in each other case, as of the Closing Date:

Corporate Documents

- 1 A copy of the constitutional documents of the Issuer, the Issuer Administrator, each FleetCo and each OpCo (certified as a true copy by an authorised signatory of the relevant entity) (it being acknowledged that, in lieu of constitutional documentation, Spanish FleetCo will provide documentation evidencing the establishment of the Spanish branch of Stuurgroep Fleet (Netherlands) B.V.).
- 2 A copy of (a) a board resolution of each of the Issuer, the Issuer Administrator, each FleetCo (other than French FleetCo) and each OpCo (other than French OpCo) and (b) a shareholder resolution of each of French FleetCo and French OpCo, in each case, approving the execution, delivery and performance of each Related Document to which it is a party and the terms and conditions thereof and authorising a named person or persons to sign the Related Documents and any documents, notices or requests to be delivered by the relevant entity pursuant to any such document (certified as a true copy by an authorized signatory of the relevant entity).
- 3 A specimen of the signature of each person authorised by the board resolutions referred to in paragraph 2 above in relation to the Related Documents and any documents, notices or requests to be delivered by the relevant entity pursuant to any such document.
- 4 A solvency certificate of the Issuer, each FleetCo and each OpCo (it being acknowledged that a single solvency certificate will be provided in respect of Dutch FleetCo and Spanish FleetCo jointly).

Transaction documents

- 5 The Related Documents duly executed by each of the parties thereto (other than the Dutch Notarised Documents, as such term is defined under the Escrow Deed).
- 6 On or prior to the tenth day following the Closing Date, the Interest Rate Cap Documents duly executed by each of the parties thereto including any related confirmation.
- 7 Supplemental indenture releasing German FleetCo as a guarantor under the senior notes due 2021 issued by Hertz Holdings Netherlands B.V., duly executed by each of the parties thereto.
- 8 Supplemental indenture releasing German FleetCo as a guarantor under the senior notes due 2023 issued by Hertz Holdings Netherlands B.V., duly executed by each of the parties thereto.
- 9 The global deed of release relating to the revolving credit facility of Hertz Holdings Netherlands B.V., duly executed by each of the parties thereto.

Legal opinions / analysis

- 10 Capacity Opinions
 - (a) Capacity opinion from Linklaters France in respect of French FleetCo and French OpCo.
 - (b) Capacity opinion from Linklaters Netherlands in respect of the Issuer, Hertz Holdings Netherlands B.V., Dutch FleetCo, Dutch OpCo and Spanish FleetCo.

- (c) Capacity opinion from Linklaters Spain in respect of Spanish OpCo.
- (d) Capacity opinion from Linklaters Germany in respect of German OpCo.
- (e) Capacity opinion from A&L Goodbody in respect of Hertz International Treasury Limited and German FleetCo.
- (f) Capacity opinion from Weil, Gotshal & Manges (London) LLP in respect of the Issuer Administrator.
- (g) Capacity opinion from Mourant Ozannes in respect of the Trustee of the Hertz Funding France Trust.
- (h) In-house capacity opinion from KPMG LLP.
- (i) In-house capacity opinion from The Hertz Corporation.
- (j) In-house no conflict opinion from The Hertz Corporation with respect to the high yield bond documentation relating to Hertz Holdings Netherlands B.V.

11 Enforceability Opinions

- (a) Enforceability opinion from Weil, Gotshal & Manges (London) LLP in respect of certain English law governed documents.
- (b) Enforceability opinion from A&L Goodbody in respect of certain Irish law governed documents.
- (c) Enforceability opinion from Linklaters France in respect of certain French law governed documents.
- (d) Enforceability opinion from Linklaters Netherlands in respect of certain Dutch law governed documents.
- (e) Enforceability opinion from Linklaters Spain in respect of certain Spanish law governed documents.
- (f) Enforceability opinion from Linklaters Germany in respect of certain German law governed documents.
- (g) Enforceability opinion from Mourant Ozannes in respect of the Instrument of Trust governing the Hertz Funding France Trust.

12 Tax and VAT Opinions

- (a) Tax and VAT opinion from Fidal in respect of French Tax and VAT.
- (b) Tax and VAT opinion from Linklaters Netherlands in respect of Dutch Tax and VAT.
- (c) Tax and VAT opinion from Linklaters Spain in respect of Spanish Tax and VAT.
- (d) Tax and VAT opinion from Linklaters Germany in respect of German Tax and VAT.

(e) Tax and VAT opinion from A&L Goodbody in respect of Irish Tax and VAT.

13 Legal Analysis and Memos

- (a) Bankruptcy remoteness memos from Arthur Cox in respect of the Issuer and German FleetCo.
- (b) Bankruptcy remoteness memos from Clifford Chance in respect of Dutch FleetCo, French FleetCo and Spanish FleetCo.
- (c) Insolvency and vehicle repossession analysis from Clifford Chance in respect of the Netherlands, France, Germany and Spain.
- (d) Set-off analysis from Clifford Chance in respect of each FleetCo.
- (e) Effectiveness of retention of title analysis from Clifford Chance in respect of Dutch FleetCo, French FleetCo and Spanish FleetCo.
- (f) Effectiveness of retention of title analysis from Arthur Cox in respect of German FleetCo.
- (g) Third party rights analysis from Clifford Chance in respect of French FleetCo, German FleetCo and Spanish FleetCo.
- (h) Tax liquidation memos from Linklaters in respect of the Netherlands, Spain and Germany.
- (i) Tax liquidation memo from Fidal in respect of France.
- (j) Tax liquidation memo from KPMG in respect of certain tax matters in the Netherlands.
- (k) VAT memo from Linklaters in respect of Spain.
- (l) VAT memo from FIDAL in respect of France.
- (m) VAT memo from KPMG in respect of the Netherlands and Ireland.
- (n) Analysis on whether leasing activities are licensable from Clifford Chance in respect of Germany.
- (o) Labour law memo from Clifford Chance in respect of Spain.
- (p) Risk Retention memo from Clifford Chance.
- (q) Volcker memo from Clifford Chance.
- (r) Insurance memo from Linklaters in respect of the Netherlands.
- (s) Insurance memo from Linklaters in respect of France.
- (t) Insurance memo from Linklaters in respect of Germany.
- (u) Insurance memo from Linklaters in respect of Spain.

Miscellaneous

- 14 Process agent letter between the Issuer and Hertz Europe Limited evidencing that Hertz Europe Limited has accepted its appointment as process agent under Clause 11.9(d) (*Service of Process*).
- 15 Evidence satisfactory to the Administrative Agent acting reasonably that each Noteholder has carried out and is reasonably satisfied (acting within the framework of its "know your customer" policies) with the results of all necessary "know your customer" requirements and anti-money laundering approvals or other similar checks under all applicable laws and regulations pursuant to the transaction.
- 16 Evidence required by the Administrative Agent for the purpose of any reasonable "know your customer" requirements.
- 17 Evidence that any fees, costs and expenses then due from the Issuer pursuant to Clause 3 (*Interest, Fees and Costs*) have been paid or will be paid by or on the Closing Date.
- 18 Receipt of evidence that each Class A Committed Note Purchaser will receive the Class A Up-Front Fee owing to it on the Closing Date.
- 19 The latest annual financial statements of the Issuer.
- 20 Confirmation that each Issuer Account and each FleetCo Collection Account has been opened with the relevant Account Bank.
- 21 Credit assessment letter from DBRS.

**ANNEX 4
SELLING RESTRICTIONS**

1 GENERAL

1.1 No Action to Permit Public Offering

Each Noteholder acknowledges that no action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Issuer Notes or Advances or possession or distribution of any offering material in relation to the Issuer Notes or Advances, in any country or jurisdiction where action for that purpose is required.

1.2 Compliance with Applicable Laws by Noteholders

Each Noteholder undertakes to the Issuer that it will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Issuer Notes or Advances or has in its possession, distributes or publishes such offering material, in all cases at its own expense.

2 UNITED STATES

2.1 No registration under the United States Securities Act of 1933, as amended (the “Securities Act”)

- (a)** the Issuer Notes and Advances have not been and will not be registered or qualified under the Securities Act or the securities laws of any state of the United States or the securities laws of any other jurisdiction and, except pursuant to an exception from or in a transaction not subject to the registration requirements of the Securities Act, may not be offered and sold within the United States or to or for the benefit of US persons, as defined under Regulation S (“**Regulation S**”) under the Securities Act, that the Issuer Notes may not be resold or otherwise transferred unless so registered or qualified or unless an exemption from registration or qualification is available or in a transaction not subject to the registration requirements of the Securities Act, that the Issuer is not required to register the Issuer Notes, and that any transfer must comply with the provisions of the Issuer Note Framework Agreement and clause 9 of the Issuer Facility Agreement.
- (b)** Each Noteholder that is a “**U.S. Person**” (as defined in Regulation S) or a U.S. resident (as determined for purposes of the Investment Company Act), by acquiring an Issuer Note or Advances, or an interest therein, will be deemed to have acknowledged, represented and agreed that:

 - (i)** it is a “**qualified institutional buyer**” (as defined in Rule 144A under the Securities Act) and (in the case of any sale or transfer after the initial sale by the Issuer) is aware that such sale or transfer to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuer and the Issuer Notes as it has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor of an Issuer Note or Advances is relying upon the foregoing representations in order to claim the exemption from registration provided by Rule 144A, or it is an “**accredited investor**” as defined in paragraphs (1), (2), (3) or (7) of Rule 501, promulgated by the United States Securities and Exchange Commission under the Securities Act;
 - (ii)** it is a “**qualified purchaser**” within the meaning of the Investment Company Act;

- (iii) it is acquiring an Issuer Note or Advances, or interest therein, for its own account, or for one or more accounts each of which is a qualified institutional buyer, and as to which it exercises sole investment discretion;
 - (iv) neither it, nor any of its affiliates nor any person acting on its behalf, has engaged or will engage in any form of general solicitation or general advertising (as such terms are used in Rule 502(c) under the Securities Act) in connection with any offer or sale of an Issuer Note or Advances, or interest therein; and
 - (v) it has made its investment in the Issuer Notes or Advances, or interest therein, for its own account for investment and not with a view to the offer, sale or distribution thereof, in whole or in part, and it will not assign or transfer any of its rights or obligations thereunder except in compliance with Clause 9 of the Issuer Facility Agreement.
- (c) Each Noteholder that is not a **“U.S. Person”** (as defined in Regulation S), by acquiring the Note or Advances, or an interest therein, will be deemed to have acknowledged, represented and agreed that:
- (i) it is not a U.S. Person and is not and will not be acting for the account or benefit of a U.S. person;
 - (ii) it is a **“qualified purchaser”** within the meaning of the Investment Company Act;
 - (iii) neither it nor any of its affiliates nor any person acting on its behalf has engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Issuer Notes or Advances, or interest therein; and
 - (iv) it has made its investment in the Issuer Notes or Advances, or interest therein, for its own account for investment and not with a view to the offer, sale or distribution thereof, in whole or in part, and it will not assign or transfer any of its rights or obligations thereunder except in compliance with Clause 9 of the Issuer Facility Agreement.

2.2 Compliance by Issuer with United States securities laws

- (a) The Issuer represents, warrants and agrees that:
- (i) neither it nor any of its affiliates (including any person acting on behalf of the Issuer or any of its affiliates) has offered or sold, or will offer or sell, any Issuer Note or Advances in any circumstances which would require the registration of any of the Issuer Notes under the Securities Act;
 - (ii) neither the Issuer nor any of its affiliates nor any person acting on its or their behalf has engaged or will engage in any "directed selling efforts" (as defined in Regulation S) with respect to the Issuer Notes or Advances;
 - (iii) neither the Issuer nor any of its affiliates nor any person acting on its or their behalf has engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Rule 502(c) under the Securities Act) in connection with any offer or sale of the Issuer Notes or Advances in the United States; and

- (iv) it is a “foreign issuer” (as such term is defined in Regulation S) which reasonably believes that there is no “substantial US market interest” (as such term is defined in Regulation S) in its debt securities (as defined in Regulation S).

3 QUALIFYING NOTEHOLDERS

Each Conduit Investor and each Committed Note Purchaser, or the Funding Agent on behalf of each Conduit Investor and each Committed Note Purchaser, covenants to the Issuer and the Issuer Administrator that for as long as the Conduit Investor or Committed Note Purchaser holds any Issuer Notes, it will promptly inform the Issuer and the Issuer Administrator if the Conduit Investor or Committed Note Purchaser ceases to be a Qualifying Noteholder.

**EXHIBIT C
TO
ISSUER FACILITY AGREEMENT**

**FORM OF REDUCTION NOTICE REQUEST
LETTER OF CREDIT**

Credit Agricole Corporate and Investment Bank, as Administrative Agent
12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France
Attention: [●]

[Insert date]

Request for reduction of the stated amount of the Letter of Credit under the letter of credit agreement, dated as of [●] (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof as of the date hereof, the “Letter of Credit Agreement”), between [●] and [●] as the Issuing Bank.

The undersigned, a duly authorized officer of Hertz Europe Limited, in its capacity as Issuer Administrator, hereby certifies to Credit Agricole Corporate and Investment Bank, in its capacity as the Administrative Agent (the “**Administrative Agent**”) under the Issuer Facility Agreement referred to in the Letter of Credit Agreement (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the “**Issuer Facility Agreement**”) as follows:

1. The Letter of Credit Amount as of the date of this request prior to giving effect to the reduction of the stated amount of the Letter of Credit requested in paragraph 2 of this request is €[●].
2. The Administrative Agent is hereby requested pursuant to Clause 5.7(c) (*Reductions in Stated Amounts of the Letters of Credit*) of the Issuer Facility Agreement to execute and deliver to the Letter of Credit Provider a notice of reduction substantially in the form of Annex E (*Notice of Reduction of Letter of Credit Amount*) to the Letter of Credit (the “**Notice of Reduction**”) for a reduction (the “**Reduction**”) in the stated amount of the Letter of Credit by an amount equal to €[●]. The Administrative Agent is requested to execute and deliver the Notice of Reduction promptly following its receipt of this request, and in no event more than two (2) Business Days following the date of its receipt of this request (as required pursuant to Clause 5.7(c) (*Reductions in Stated Amounts of the Letters of Credit*) of the Issuer Facility Agreement), and to provide for the reduction pursuant to the Notice of Reduction to be as of [insert date]. The undersigned understands that the Administrative Agent will be relying on the contents hereof. The undersigned further understands that the Administrative Agent shall not be liable to the undersigned for any failure to transmit (or any delay in transmitting) the Notice of Reduction (including any fees and expenses attributable to the stated amount of the Letter of Credit not being reduced in accordance with this paragraph) to the extent such failure (or delay) does not result from the gross negligence or willful misconduct of the Administrative Agent.
3. To the best of the knowledge of the undersigned, the Letter of Credit Amount will be €[●] as of the date of the reduction (immediately after giving effect to such reduction) requested in paragraph 2 of this request.
4. The undersigned acknowledges and agrees that each of (a) the execution and delivery of this request by the undersigned, (b) the execution and delivery by the Administrative Agent of a Notice of Reduction of the stated amount of the Letter of Credit, substantially in the form of Annex E (*Notice of Reduction of Letter of Credit Amount*) to the Letter of Credit, and (c) the Letter of Credit Provider’s acknowledgment of such notice constitutes a representation and warranty to the Letter of Credit Provider and the Administrative

Agent (i) by the undersigned, in its capacity as Issuer Administrator, that each of the statements set forth in the Letter of Credit Agreement is true and correct and (ii) by the undersigned, in its capacity as Issuer Administrator under the Issuer Facility Agreement, that (A) the Adjusted Liquid Enhancement Amount will equal or exceed the Required Liquid Enhancement Amount and (B) no Issuer Aggregate Asset Amount Deficiency will exist immediately after giving effect to such reduction.

5. The undersigned agrees that if on or prior to the date as of which the stated amount of the Letter of Credit is reduced by the amount set forth in paragraph 2 of this request the undersigned obtains knowledge that any of the statements set forth in this request is not true and correct or will not be true and correct after giving effect to such reduction, the undersigned shall immediately so notify the Letter of Credit Provider and the Administrative Agent by telephone and in writing by telefacsimile in the manner provided in the Letter of Credit Agreement and the request set forth herein to reduce the stated amount of the Letter of Credit shall be deemed canceled upon receipt by the Letter of Credit Provider of such notice in writing.
6. Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date, as amended, modified or supplemented from time to time.
7. The parties hereto acknowledge and agree that the rights and obligations under this Letter of Credit shall become effective at the Effective Date.

IN WITNESS WHEREOF, Hertz Europe Limited, as Issuer Administrator, has executed and delivered this request on [*insert date*].

Hertz Europe Limited

as Issuer Administrator

By: _____
Name:
Title:

WEIL:

**EXHIBIT C-1
TO
ISSUER FACILITY AGREEMENT**

**FORM OF INCREASE NOTICE REQUEST
LETTER OF CREDIT**

[Insert name and address of Issuing Bank]
Attention: [●]

[Insert date]

Request for an increase of the stated amount of the Letter of Credit under the letter of credit agreement, dated as of [●] (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof as of the date hereof, the “Letter of Credit Agreement”), between [●] and [●] as the Issuing Bank.

Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement (as defined in the Letter of Credit), dated [], 2018, as amended, modified or supplemented from time to time.

The undersigned, a duly authorized officer of the Issuer Administrator, hereby certifies to the Issuing Bank as follows:

1. The Letter of Credit Amount as of the date of this request prior to giving effect to the increase of the stated amount of the Letter of Credit requested in paragraph 2 of this request is €[●].
2. The Issuing Bank is hereby requested in accordance with the Letter of Credit Agreement to execute and deliver to the Letter of Credit Provider a notice of increase substantially in the form of Annex F (*Notice of Increase of Letter of Credit Amount*) to the Letter of Credit (the “**Notice of Increase**”) for an increase (the “**Increase**”) in the stated amount of the Letter of Credit by an amount equal to €[●].
3. To the best of the knowledge of the undersigned, the Letter of Credit Amount will be €[●] as of the date of the increase (immediately after giving effect to such increase) requested in paragraph 2 of this request.
4. The undersigned acknowledges and agrees that each of (a) the execution and delivery of this request by the undersigned, (b) the execution and delivery by the Issuing Bank of a Notice of Increase of the stated amount of the Letter of Credit, substantially in the form of Annex F (*Notice of Increase of Letter of Credit Amount*) to the Letter of Credit constitutes a representation and warranty to the Letter of Credit Provider and the Administrative Agent (i) by the undersigned, in its capacity as Issuer Administrator, that each of the statements set forth in the Letter of Credit Agreement is true and correct and (ii) by the undersigned, in its capacity as Issuer Administrator under the Issuer Facility Agreement, that the increase is required to ensure that (A) the Adjusted Liquid Enhancement Amount will equal or exceed the Required Liquid Enhancement Amount and/or (B) no Issuer Aggregate Asset Amount Deficiency will exist immediately after giving effect to such increase.
5. Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date, as amended, modified or supplemented from time to time.

IN WITNESS WHEREOF, Hertz Europe Limited, as Issuer Administrator, has executed and delivered this request on [*insert date*].

Hertz Europe Limited

as Issuer Administrator

By: _____
Name:
Title:

WEIL:

**EXHIBIT D
TO
ISSUER FACILITY AGREEMENT**

**FORM OF LEASE PAYMENT
DEFICIT NOTICE**

BNP Paribas Trust Corporation UK Limited, as Issuer Security Trustee

10 Harewood Avenue

London, NW1 6AA

Attention: The Directors

Credit Agricole Corporate and Investment Bank, as Administrative Agent

12 Place des Etats-Unis

CS 70052

92547 Montrouge Cedex

France

Attention: [●]

[Insert date]

This Lease Payment Deficit Notice is delivered to you pursuant to Clause 5.9(b) (*Certain Instructions to the Issuer Security Trustee*) of the issuer facility agreement, dated as of 25 September 2018 (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the “**Issuer Facility Agreement**”), by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator (the “**Issuer Administrator**”), Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents.

Capitalized terms used herein have the meanings provided in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date, as amended, modified or supplemented from time to time.

The parties hereto acknowledge and agree that the rights and obligations under this Lease Payment Deficit Notice shall become effective at the Effective Date.

Pursuant to paragraphs (a) and (b) of Clause 5.9 (*Certain Instructions to the Issuer Security Trustee*) of the Issuer Facility Agreement, Hertz Europe Limited, in its capacity as Issuer Administrator under the Issuer Related Documents, hereby provides notice of a Lease Payment Deficit in the amount of €[●] (consisting of a Lease Interest Payment Deficit in the amount of €[●] and a Lease Principal Payment Deficit in the amount of €[●]).

WEIL:

HERTZ EUROPE LIMITED

as Issuer Administrator

By: _____

Name: _____

Title: _____

WEIL:

**EXHIBIT E-1
TO
ISSUER FACILITY AGREEMENT**

FORM OF CLASS A NOTE PURCHASER'S LETTER

BNP Paribas Securities Services, Luxembourg Branch, as Registrar
60 avenue J.F. Kennedy
L-1855 Luxembourg
(Postal address: L-2085 Luxembourg)
Attention: Corporate Trust Operations

International Fleet Financing No.2 B.V.
Fourth Floor
3 George's Dock
IFSC
Dublin 1, Ireland
Attention: The Directors

[Insert date]

Re: International Fleet Financing No.2 B.V. (the "**Issuer**")

Variable class A funding notes issued by the Issuer pursuant to the Issuer Facility Agreement (as defined below)

Reference is made to the issuer facility agreement, dated as of 25 September 2018 (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the "**Issuer Facility Agreement**"), by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator (the "**Issuer Administrator**"), Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents.

Capitalized terms used herein have the meanings provided in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date, as amended, modified or supplemented from time to time.

The parties hereto acknowledge and agree that the rights and obligations under this Class A Note Purchaser's Letter shall become effective at the Effective Date.

In connection with a proposed purchase of certain Class A Notes from [●] by the undersigned, the undersigned hereby represents and warrants that:

1. it has had an opportunity to discuss the Issuer's and the Issuer Administrator's business, management and financial affairs, and the terms and conditions of the proposed purchase, with the Issuer and the Issuer Administrator and their respective representatives;
2. it is either (a) not a "**U.S. Person**" (as defined in Regulation S or (b) a "**U.S. Person**" (as defined in Regulation S) or a U.S. resident (as determined for purposes of the Investment Company Act) and (i) it is a

“**qualified institutional buyer**” (as defined in Rule 144A under the Securities Act) and (in the case of any sale or transfer after the initial sale by the Issuer) is aware that such sale or transfer to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuer and the Issuer Notes as it has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor of an Issuer Note or Advances is relying upon the foregoing representations in order to claim the exemption from registration provided by Rule 144A, (ii) it is an “**accredited investor**” as defined in paragraphs (1), (2), (3) or (7) of Rule 501, promulgated by the United States Securities and Exchange Commission under the Securities Act and has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investing in, and is able and prepared to bear the economic risk of investing in, the Class A Notes, or (iii) it is purchasing the Class A Notes for its own account, or for the account of one or more “accredited investors” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act that meet the criteria described in subsection 2(b)(ii) and for which it is acting with complete investment discretion, for investment purposes only and not with a view to distribution, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control;

3. it is a “qualified purchaser” within the meaning of the Investment Company Act;
4. it understands that the Class A Notes have not been and will not be registered or qualified under the Securities Act or any applicable state securities laws or the securities laws of any other jurisdiction and is being offered only in a transaction not involving any public offering within the meaning of the Securities Act and may not be resold or otherwise transferred unless so registered or qualified or unless an exemption from registration or qualification is available, that the Issuer is not required to register the Class A Notes, and that any transfer must comply with the provisions of Clause 9 (*Transfers, Replacements and Assignments*) of the Issuer Facility Agreement;
5. it understands that the Class A Notes will be subject to the restrictions on transfer described in Annex 4 (*Selling Restrictions*) of the Issuer Facility Agreement;
6. it will comply with all applicable securities laws in connection with any subsequent resale of the Class A Notes;
7. it understands that the Class A Notes may be offered, resold, pledged or otherwise transferred only in accordance with Clause 9.3(a) (*Class A Assignments*) of the Issuer Facility Agreement, and only:
 - a. to the Issuer;
 - b. in a transaction meeting the requirements of Rule 144A under the Securities Act;
 - c. outside the United States to a foreign person in a transaction meeting the requirements of Regulation S under the Securities Act; or
 - d. in a transaction complying with or exempt from the registration requirements of the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; notwithstanding the foregoing, it is hereby understood and agreed by the Issuer that (i) in the case of each Class A Investor Group with respect to which there is a Class A Conduit Investor, the Class A Notes will be pledged by each Class A Conduit Investor pursuant to its related commercial paper program documents, and the Class A Notes, or interests therein, may be sold, transferred or pledged to the related Class A Committed Note Purchaser or any Class A Program Support Provider or any affiliate of its related Class A Committed Note Purchaser or any Class A Program Support Provider or; any commercial paper conduit administered by its related Class A Committed Note Purchaser or any Class A Program Support Provider or any affiliate of its related Class A Committed Note Purchaser or any Class A Program Support Provider and (ii)

in the case of each Class A Investor Group, the Class A Notes (as applicable), or interests therein, may be sold, transferred or pledged to the related Class A Committed Note Purchaser or any Class A Program Support Provider or any affiliate of its related Class A Committed Note Purchaser or any Class A Program Support Provider or any commercial paper conduit administered by its related Class A Committed Note Purchaser or any Class A Program Support Provider or any affiliate of its related Class A Committed Note Purchaser or any Class A Program Support Provider,

provided that, for the avoidance of doubt, the Issuer may, in its sole and absolute discretion, withhold its consent with respect to any offer, sale, pledge or other transfer of any Class A Note to any Person and any such withholding shall be deemed reasonable;

8. if it desires to offer, sell or otherwise transfer, pledge or hypothecate the Class A Notes as described in clause (ii) or (iv) of Section 3(i) of Annex 1 to the Issuer Facility Agreement, and such sale, transfer or pledge does not fall within the “notwithstanding the foregoing” provision of Section 3(i)(iv) of Annex 1 to the Issuer Facility Agreement, the transferee of the Class A Notes will be required to deliver a certificate, as described in Section 3(j) of Annex 1 to the Issuer Facility Agreement, that an exemption from the registration requirements of the Securities Act applies to such offer, sale, transfer or hypothecation or that such transaction is not subject to the registration requirements of the Securities Act, and that the registrar and transfer agent for the Class A Notes will not be required to accept for registration of transfer the Class A Notes acquired by it, except upon presentation of an executed letter in the form required by the Issuer Facility Agreement; and
9. it will obtain from any purchaser of the Class A Notes substantially the same representations and warranties contained in the foregoing paragraphs.

This certificate and the statements contained herein are made for your benefit and for the benefit of the Issuer.

[]

By: _____
Name:
Title:

Dated:___

cc: International Fleet Financing No.2 B.V.

**EXHIBIT E-2
TO
ISSUER FACILITY AGREEMENT**

FORM OF CLASS B NOTE PURCHASER'S LETTER

BNP Paribas Securities Services, Luxembourg Branch, as Registrar
60 avenue J.F. Kennedy
L-1855 Luxembourg
(Postal address: L-2085 Luxembourg)
Attention: Corporate Trust Operations
International Fleet Financing No.2 B.V.
Fourth Floor
3 George's Dock
IFSC
Dublin 1, Ireland
Attention: The Directors

[Insert date]

Re: International Fleet Financing No.2 B.V. (the "**Issuer**")

Variable Class B funding notes issued by the Issuer pursuant to the Issuer Facility Agreement (as defined below)

Reference is made to the issuer facility agreement, dated as of 25 September 2018 (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the "**Issuer Facility Agreement**"), by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator (the "**Issuer Administrator**"), Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents.

Capitalized terms used herein have the meanings provided in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date, as amended, modified or supplemented from time to time.

The parties hereto acknowledge and agree that the rights and obligations under this Class B Note Purchaser's Letter shall become effective at the Effective Date.

In connection with a proposed purchase of certain Class B Notes from [●] by the undersigned, the undersigned hereby represents and warrants that:

1. it has had an opportunity to discuss the Issuer's and the Issuer Administrator's business, management and financial affairs, and the terms and conditions of the proposed purchase, with the Issuer and the Issuer Administrator and their respective representatives;
2. it is either (a) not a "**U.S. Person**" (as defined in Regulation S or (b) a "**U.S. Person**" (as defined in Regulation S) or a U.S. resident (as determined for purposes of the Investment Company Act) and (i) it is a

“**qualified institutional buyer**” (as defined in Rule 144A under the Securities Act) and (in the case of any sale or transfer after the initial sale by the Issuer) is aware that such sale or transfer to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuer and the Issuer Notes as it has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor of an Issuer Note or Advances is relying upon the foregoing representations in order to claim the exemption from registration provided by Rule 144A, (ii) it is an “**accredited investor**” as defined in paragraphs (1), (2), (3) or (7) of Rule 501, promulgated by the United States Securities and Exchange Commission under the Securities Act and has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investing in, and is able and prepared to bear the economic risk of investing in, the Class B Notes, or (iii) it is purchasing the Class B Notes for its own account, or for the account of one or more “accredited investors” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act that meet the criteria described in subsection 2(b)(ii) and for which it is acting with complete investment discretion, for investment purposes only and not with a view to distribution, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control;

3. it is a “qualified purchaser” within the meaning of the Investment Company Act;
4. it understands that the Class B Notes have not been and will not be registered or qualified under the Securities Act or any applicable state securities laws or the securities laws of any other jurisdiction and is being offered only in a transaction not involving any public offering within the meaning of the Securities Act and may not be resold or otherwise transferred unless so registered or qualified or unless an exemption from registration or qualification is available, that the Issuer is not required to register the Class B Notes, and that any transfer must comply with the provisions of Clause 9 (*Transfers, Replacements and Assignments*) of the Issuer Facility Agreement;
5. it understands that the Class B Notes will be subject to the restrictions on transfer described in Annex 4 (*Selling Restrictions*) of the Issuer Facility Agreement;
6. it will comply with all applicable securities laws in connection with any subsequent resale of the Class B Notes;
7. it understands that the Class B Notes may be offered, resold, pledged or otherwise transferred only in accordance with Clause 9.3(b) (*Class B Assignments*) of the Issuer Facility Agreement, and only:
 - a. to the Issuer;
 - b. in a transaction meeting the requirements of Rule 144A under the Securities Act;
 - c. outside the United States to a foreign person in a transaction meeting the requirements of Regulation S under the Securities Act; or
 - d. in a transaction complying with or exempt from the registration requirements of the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; notwithstanding the foregoing, it is hereby understood and agreed by the Issuer that (i) in the case of each Class B Investor Group with respect to which there is a Class B Conduit Investor, the Class B Notes will be pledged by each Class B Conduit Investor pursuant to its related commercial paper program documents, and the Class B Notes, or interests therein, may be sold, transferred or pledged to the related Class B Committed Note Purchaser or any Class B Program Support Provider or any affiliate of its related Class B Committed Note Purchaser or any Class B Program Support Provider or, any commercial paper conduit administered by its related Class B Committed Note Purchaser or any Class B Program Support Provider or any affiliate of its related Class B Committed Note Purchaser or any Class B Program Support Provider and (ii)

in the case of each Class B Investor Group, the Class B Notes, or interests therein, may be sold, transferred or pledged to the related Class B Committed Note Purchaser or any Class B Program Support Provider or any affiliate of its related Class B Committed Note Purchaser or any Class B Program Support Provider or any commercial paper conduit administered by its related Class B Committed Note Purchaser or any Class B Program Support Provider or any affiliate of its related Class B Committed Note Purchaser or any Class B Program Support Provider,

provided that, for the avoidance of doubt, the Issuer may, in its sole and absolute discretion, withhold its consent with respect to any offer, sale, pledge or other transfer of any Class B Note to any Person and any such withholding shall be deemed reasonable;

8. if it desires to offer, sell or otherwise transfer, pledge or hypothecate the Class B Notes as described in clause (ii) or (iv) of Section 3(i) of Annex 1 to the Issuer Facility Agreement, and such sale, transfer or pledge does not fall within the “notwithstanding the foregoing” provision of Section 3(i)(iv) of Annex 1 to the Issuer Facility Agreement, the transferee of the Class B Notes will be required to deliver a certificate, as described in Section 3(j) of Annex 1 to the Issuer Facility Agreement, that an exemption from the registration requirements of the Securities Act applies to such offer, sale, transfer or hypothecation or that such transaction is not subject to the registration requirements of the Securities Act, and that the registrar and transfer agent for the Class B Notes will not be required to accept for registration of transfer the Class B Notes acquired by it, except upon presentation of an executed letter in the form required by the Issuer Facility Agreement; and
9. it will obtain from any purchaser of the Class B Notes substantially the same representations and warranties contained in the foregoing paragraphs.

This certificate and the statements contained herein are made for your benefit and for the benefit of the Issuer.

[]

By: _____
Name:
Title:

Dated: __

cc: International Fleet Financing No.2 B.V.

**EXHIBIT G-1
TO
ISSUER FACILITY AGREEMENT**

FORM OF CLASS A ASSIGNMENT AND ASSUMPTION AGREEMENT

CLASS A ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of [], among [] (the “**Class A Transferor**”), each purchaser listed as a Class A Acquiring Committed Note Purchaser on the signature pages hereof (each, a “**Class A Acquiring Committed Note Purchaser**”), the Class A Funding Agent with respect to the assigning Class A Committed Note Purchaser listed in the signature pages hereof (the “**Class A Funding Agent**”), and International Fleet Financing No.2 B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated in The Netherlands (the “**Company**”).

WHEREAS:

- (A) this Class A Assignment and Assumption Agreement is being executed and delivered in accordance with Clause 9.3(a) (*Class A Assignments*) of the issuer facility agreement, dated as of 25 September 2018 (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the “**Issuer Facility Agreement**”) by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator, Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents;
- (B) each Class A Acquiring Committed Note Purchaser (if it is not already an existing Class A Committed Note Purchaser) wishes to become a Class A Committed Note Purchaser (as defined in the Master Definitions and Constructions Agreement, as defined below) party to the Issuer Facility Agreement; and
- (C) the Class A Transferor is selling and assigning to each Class A Acquiring Committed Note Purchaser, the portion of its rights, obligations and commitments under the Issuer Facility Agreement and the Class A Notes (as defined in the Master Definitions and Constructions Agreement, as defined below) as set forth herein.

IT IS AGREED by the parties hereto as follows:

1. Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement, dated on the Signing Date, as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”).
2. The parties hereto acknowledge and agree that the rights and obligations under this Class A Assignment and Assumption Agreement shall become effective at the Effective Date.

3. Upon the execution and delivery of this Class A Assignment and Assumption Agreement by each Class A Acquiring Committed Note Purchaser, the Class A Funding Agent, the Class A Transferor and the Company (the date of such execution and delivery, the “**Transfer Issuance Date**”), each Class A Acquiring Committed Note Purchaser shall become a Class A Committed Note Purchaser party to the Issuer Facility Agreement for all purposes thereof.
4. The Class A Transferor acknowledges receipt from each Class A Acquiring Committed Note Purchaser of an amount equal to the purchase price, as agreed between the Class A Transferor and such Class A Acquiring Committed Note Purchaser (the “**Purchase Price**”), of the portion being purchased by such Class A Acquiring Committed Note Purchaser (such Class A Acquiring Committed Note Purchaser’s “**Purchased Percentage**”) of the Class A Transferor’s Class A Commitment under the Issuer Facility Agreement and the Class A Transferor’s Class A Investor Group Principal Amount. The Class A Transferor hereby irrevocably sells, assigns and transfers to each Class A Acquiring Committed Note Purchaser, without recourse, representation or warranty, and each Class A Acquiring Committed Note Purchaser hereby irrevocably purchases, takes and assumes from the Class A Transferor, such Class A Acquiring Committed Note Purchaser’s Purchased Percentage of the Class A Transferor’s Class A Commitment under the Issuer Facility Agreement and the Class A Transferor’s Class A Investor Group Principal Amount.
5. The Class A Transferor has made arrangements with each Class A Acquiring Committed Note Purchaser with respect to [(i)] the portion, if any, to be paid, and the date or dates for payment, by the Class A Transferor to such Class A Acquiring Committed Note Purchaser of any program fees, undrawn facility fee, structuring and commitment fees or other fees (collectively, the “**Fees**”) [heretofore received] by the Class A Transferor pursuant to Clause 3 (*Interest, Fees and Costs*) of the Issuer Facility Agreement prior to the Transfer Issuance Date [and (ii) the portion, if any, to be paid, and the date or dates for payment, by such Class A Acquiring Committed Note Purchaser to the Class A Transferor of Fees received by such Class A Acquiring Committed Note Purchaser pursuant to the Issuer Facility Agreement from and after the Transfer Issuance Date].
6. From and after the Transfer Issuance Date, amounts that would otherwise be payable to or for the account of the Class A Transferor pursuant to the Issuer Facility Agreement shall, instead, be payable to or for the account of the Class A Transferor and the Class A Acquiring Committed Note Purchasers, as the case may be, in accordance with their respective interests as reflected in this Class A Assignment and Assumption Agreement, whether such amounts have accrued prior to the Transfer Issuance Date or accrue subsequent to the Transfer Issuance Date.
7. Each of the parties to this Class A Assignment and Assumption Agreement agrees that at any time and from time to time upon the written request of any other party, it will execute and deliver such further documents and do such further acts and things as such other party may reasonably request in order to effect the purposes of this Class A Assignment and Assumption Agreement.
8. By executing and delivering this Class A Assignment and Assumption Agreement, the Class A Transferor and each Class A Acquiring Committed Note Purchaser confirm to and agree with each other and the Class A Committed Note Purchasers as follows: (i) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned hereby free and clear of any adverse claim, the Class A Transferor makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Issuer Facility Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Class A Notes, the Issuer Related Documents or any instrument or document furnished pursuant thereto; (ii) the Class A Transferor makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or the performance or observance by the Company of any of the Company’s obligations under the Issuer Related Documents or any other instrument or document furnished pursuant hereto; (iii) each Class A Acquiring Committed Note Purchaser confirms that it has received a copy of the Issuer Related Documents and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Class A Assignment and Assumption Agreement; (iv) each Class A

Acquiring Committed Note Purchaser will, independently and without reliance upon the Administrative Agent, the Class A Transferor or any other Class A Investor Group and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Issuer Facility Agreement; (v) each Class A Acquiring Committed Note Purchaser appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative Agent*) of the Issuer Facility Agreement; (vi) each Class A Acquiring Committed Note Purchaser appoints and authorizes the Class A Funding Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to such Class A Funding Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative Agent*) of the Issuer Facility Agreement; (vii) each Class A Acquiring Committed Note Purchaser agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Issuer Facility Agreement are required to be performed by it as a Class A Acquiring Committed Note Purchaser and (viii) the Class A Acquiring Committed Note Purchaser hereby represents and warrants to the Company and the Issuer Administrator that the representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement are true and correct with respect to the Class A Acquiring Committed Note Purchaser on and as of the date hereof and the Class A Acquiring Committed Note Purchaser shall be deemed to have made such representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement on and as of the date hereof.

9. Schedule I hereto sets forth the revised Class A Commitment Percentages of the Class A Transferor and each Class A Acquiring Committed Note Purchaser as well as administrative information with respect to each Class A Acquiring Committed Note Purchaser and its Class A Funding Agent.
10. This Class A Assignment and Assumption Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be executed by their respective duly authorized officers as of the date first set forth above.

[●], as Class A Transferor

By: _____
Title:

By: _____
Title:

[●], as Class A Acquiring Committed Note Purchaser

By: _____
Title:

[●], as Class A Funding Agent

By: _____
Title:

CONSENTED AND ACKNOWLEDGED:

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as the Company

By: _____
Title:

WEIL:

LIST OF ADDRESSES FOR NOTICES
AND OF CLASS A COMMITMENT PERCENTAGES

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Administrative Agent

Address: 12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

Attention: MO SECURITIZATION CACIB/CAROLE D’HAEYERE
Telephone: [*] (Carole D’HAEYERE) or [*] (Eleonore N’DONGUI) or [*] (Stéphane BOITEUX)
Facsimile: [*]

[TRANSFEROR]

Address: [●]
Attention: [●]
Telephone: [●]
Facsimile: [●]

Prior Class A Committed Note Purchaser Percentage: [●]

Revised Class A Committed Note Purchaser Percentage: [●]

Prior Class A Investor Group Principal Amount: [●]

Revised Class A Investor Group Principal Amount: [●]

Prior Class A Maximum Investor Group Principal Amount: [●]

Revised Class A Maximum Investor Group Principal Amount: [●]

[TRANSFEROR CLASS A FUNDING AGENT]

Address: [●]
Attention: [●]
Telephone: [●]
Facsimile: [●]

[CLASS A ACQUIRING COMMITTED NOTE PURCHASER]

Address: [●]
Attention: [●]
Telephone: [●]
Facsimile: [●]

Prior Class A Commitment Percentage: [●]

Revised Class A Commitment Percentage: [●]

Prior Class A Investor Group Principal Amount: [●]

Revised Class A Investor Group Principal Amount: [●]

[CLASS A ACQUIRING COMMITTED NOTE PURCHASER FUNDING AGENT]

Address: [●]
Attention: [●]
Telephone: [●]
Facsimile: [●]

EXHIBIT G-2
TO
ISSUER FACILITY AGREEMENT

FORM OF CLASS B ASSIGNMENT AND ASSUMPTION AGREEMENT

CLASS B ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of [●], among [●] (the “**Class B Transferor**”), each purchaser listed as a Class B Acquiring Committed Note Purchaser on the signature pages hereof (each, a “**Class B Acquiring Committed Note Purchaser**”), the Class B Funding Agent with respect to the assigning Class B Committed Note Purchaser listed in the signature pages hereof (the “**Class B Funding Agent**”), and International Fleet Financing No.2 B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated in The Netherlands (the “**Company**”).

WHEREAS:

- (A) this Class B Assignment and Assumption Agreement is being executed and delivered in accordance with Clause 9.3(b) (*Class B Assignments*) of the issuer facility agreement, dated as of 25 September 2018 (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the “**Issuer Facility Agreement**”) by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator, Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents;
- (B) each Class B Acquiring Committed Note Purchaser (if it is not already an existing Class B Committed Note Purchaser) wishes to become a Class B Committed Note Purchaser (as defined in the Master Definitions and Constructions Agreement, as defined below) party to the Issuer Facility Agreement; and
- (C) the Class B Transferor is selling and assigning to each Class B Acquiring Committed Note Purchaser, the portion of its rights, obligations and commitments under the Issuer Facility Agreement and the Class B Notes (as defined in the Master Definitions and Constructions Agreement, as defined below) as set forth herein.

IT IS AGREED by the parties hereto as follows:

1. Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement, dated on the Signing Date, as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”).
2. The parties hereto acknowledge and agree that the rights and obligations under this Class B Assignment and Assumption Agreement shall become effective at the Effective Date.
3. Upon the execution and delivery of this Class B Assignment and Assumption Agreement by each Class B Acquiring Committed Note Purchaser, the Class B Funding Agent, the Class B Transferor and the Company (the date of such execution and delivery, the “**Transfer Issuance Date**”), each Class B Acquiring

Committed Note Purchaser shall become a Class B Committed Note Purchaser party to the Issuer Facility Agreement for all purposes thereof.

4. The Class B Transferor acknowledges receipt from each Class B Acquiring Committed Note Purchaser of an amount equal to the purchase price, as agreed between the Class B Transferor and such Class B Acquiring Committed Note Purchaser (the “**Purchase Price**”), of the portion being purchased by such Class B Acquiring Committed Note Purchaser (such Class B Acquiring Committed Note Purchaser’s “**Purchased Percentage**”) of the Class B Transferor’s Class B Commitment under the Issuer Facility Agreement and the Class B Transferor’s Class B Investor Group Principal Amount. The Class B Transferor hereby irrevocably sells, assigns and transfers to each Class B Acquiring Committed Note Purchaser, without recourse, representation or warranty, and each Class B Acquiring Committed Note Purchaser hereby irrevocably purchases, takes and assumes from the Class B Transferor, such Class B Acquiring Committed Note Purchaser’s Purchased Percentage of the Class B Transferor’s Class B Commitment under the Issuer Facility Agreement and the Class B Transferor’s Class B Investor Group Principal Amount.
5. The Class B Transferor has made arrangements with each Class B Acquiring Committed Note Purchaser with respect to [(i)] the portion, if any, to be paid, and the date or dates for payment, by the Class B Transferor to such Class B Acquiring Committed Note Purchaser of any program fees, undrawn facility fee, structuring and commitment fees or other fees (collectively, the “**Fees**”) [heretofore received] by the Class B Transferor pursuant to Clause 3 (*Interest, Fees and Costs*) of the Issuer Facility Agreement prior to the Transfer Issuance Date [and (ii) the portion, if any, to be paid, and the date or dates for payment, by such Class B Acquiring Committed Note Purchaser to the Class B Transferor of Fees received by such Class B Acquiring Committed Note Purchaser pursuant to the Issuer Facility Agreement from and after the Transfer Issuance Date].
6. From and after the Transfer Issuance Date, amounts that would otherwise be payable to or for the account of the Class B Transferor pursuant to the Issuer Facility Agreement shall, instead, be payable to or for the account of the Class B Transferor and the Class B Acquiring Committed Note Purchasers, as the case may be, in accordance with their respective interests as reflected in this Class B Assignment and Assumption Agreement, whether such amounts have accrued prior to the Transfer Issuance Date or accrue subsequent to the Transfer Issuance Date.
7. Each of the parties to this Class B Assignment and Assumption Agreement agrees that at any time and from time to time upon the written request of any other party, it will execute and deliver such further documents and do such further acts and things as such other party may reasonably request in order to effect the purposes of this Class B Assignment and Assumption Agreement.
8. By executing and delivering this Class B Assignment and Assumption Agreement, the Class B Transferor and each Class B Acquiring Committed Note Purchaser confirm to and agree with each other and the Class B Committed Note Purchasers as follows: (i) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned hereby free and clear of any adverse claim, the Class B Transferor makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Issuer Facility Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Class B Notes, the Issuer Related Documents or any instrument or document furnished pursuant thereto; (ii) the Class B Transferor makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or the performance or observance by the Company of any of the Company’s obligations under the Issuer Related Documents or any other instrument or document furnished pursuant hereto; (iii) each Class B Acquiring Committed Note Purchaser confirms that it has received a copy of the Issuer Related Documents and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Class B Assignment and Assumption Agreement; (iv) each Class B Acquiring Committed Note Purchaser will, independently and without reliance upon the Administrative Agent, the Class B Transferor or any other Class B Investor Group and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or

not taking action under the Issuer Facility Agreement; (v) each Class B Acquiring Committed Note Purchaser appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative Agent*) of the Issuer Facility Agreement; (vi) each Class B Acquiring Committed Note Purchaser appoints and authorizes the Class B Funding Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to such Class B Funding Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative Agent*) of the Issuer Facility Agreement; (vii) each Class B Acquiring Committed Note Purchaser agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Issuer Facility Agreement are required to be performed by it as a Class B Acquiring Committed Note Purchaser and (viii) the Class B Acquiring Committed Note Purchaser hereby represents and warrants to the Company and the Issuer Administrator that the representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement are true and correct with respect to the Class B Acquiring Committed Note Purchaser on and as of the date hereof and the Class B Acquiring Committed Note Purchaser shall be deemed to have made such representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement on and as of the date hereof.

9. Schedule I hereto sets forth the revised Class B Commitment Percentages of the Class B Transferor and each Class B Acquiring Committed Note Purchaser as well as administrative information with respect to each Class B Acquiring Committed Note Purchaser and its Class B Funding Agent.
10. This Class B Assignment and Assumption Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be executed by their respective duly authorized officers as of the date first set forth above.

[●], as Class B Transferor

By: _____
Title:

By: _____
Title:

[●], as Class B Acquiring Committed Note Purchaser

By: _____
Title:

[●], as Class B Funding Agent

By: _____
Title:

CONSENTED AND ACKNOWLEDGED:

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as the Company

By: _____
Title:

WEIL:

LIST OF ADDRESSES FOR NOTICES
AND OF CLASS B COMMITMENT PERCENTAGES**CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK**

as Administrative Agent

Address: 12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

Attention: MO SECURITIZATION CACIB/CAROLE D'HAERYERE

Telephone: [*] (Carole D'HAERYERE) or [*] (Eleonore N'DONGUI) or [*] (Stéphane BOITEUX)

Facsimile: [*]

[TRANSFEROR]

Address: [●]

Attention: [●]

Telephone: [●]

Facsimile: [●]

Prior Class B Commitment Percentage: [●]

Revised Class B Commitment Percentage: [●]

Prior Class B Investor Group Principal Amount: [●]

Revised Class B Investor Group Principal Amount: [●]

[TRANSFEROR CLASS B FUNDING AGENT]

Address: [●]

Attention: [●]

Telephone: [●]

Facsimile: [●]

[CLASS B ACQUIRING COMMITTED NOTE PURCHASER]

Address: [●]
Attention: [●]
Telephone: [●]
Facsimile: [●]

Prior Class B Commitment Percentage: [●]

Revised Class B Commitment Percentage: [●]

Prior Class B Investor Group Principal Amount: [●]

Revised Class B Investor Group Principal Amount: [●]

[CLASS B ACQUIRING COMMITTED NOTE PURCHASER FUNDING AGENT]

Address: [●]
Attention: [●]
Telephone: [●]
Facsimile: [●]

**EXHIBIT H-1
TO
ISSUER FACILITY AGREEMENT**

FORM OF CLASS A INVESTOR GROUP SUPPLEMENT

CLASS A INVESTOR GROUP SUPPLEMENT, dated as of [date], among (i) [●] (the “**Class A Transferor Investor Group**”), (ii) the Class A Funding Agent with respect to the Class A Transferor Investor Group in the signature pages hereof (the “**Class A Transferor Funding Agent**”) (iii) [●] (the “**Class A Acquiring Investor Group**”), (iv) the Class A Funding Agent with respect to the Class A Acquiring Investor Group listed in the signature pages hereof (the “**Class A Acquiring Funding Agent**”), and (v) International Fleet Financing No.2 B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated in The Netherlands (the “**Company**”).

WHEREAS:

- (A) this Class A Investor Group Supplement is being executed and delivered in accordance with Clause 9.3(a) (*Class A Assignments*) of the issuer facility agreement, dated as of 25 September 2018 (as from time to time may be amended, supplemented, amended and restated or otherwise modified in accordance with the terms thereof, the “**Issuer Facility Agreement**”) by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator, Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents;
- (B) the Class A Acquiring Investor Group wishes to become a Class A Conduit Investor and a Class A Committed Note Purchaser (each such term as defined in the Master Definitions and Constructions Agreement, as defined below) with respect to such Class A Conduit Investor under the Issuer Facility Agreement; and
- (C) the Class A Transferor Investor Group is selling and assigning to the Class A Acquiring Investor Group its respective rights, obligations and commitments under the Issuer Facility Agreement and the Class A Notes with respect to the percentage of its total commitment specified in Schedule I attached hereto.

IT IS AGREED by the parties hereto as follows:

1. Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement, dated on the Signing Date, as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”).
2. The parties hereto acknowledge and agree that the rights and obligations under this Class A Investor Group Supplement shall become effective at the Effective Date.

3. Upon the execution and delivery of this Class A Investor Group Supplement by the Class A Acquiring Investor Group, the Class A Acquiring Funding Agent with respect thereto, the Class A Transferor Investor Group, the Class A Transferor Funding Agent and the Company (the date of such execution and delivery, the “**Class A Transfer Issuance Date**”), the Class A Conduit Investor(s) and the Class A Committed Note Purchasers with respect to the Class A Acquiring Investor Group shall become parties to the Issuer Facility Agreement for all purposes thereof.
4. The Class A Transferor Investor Group acknowledges receipt from the Class A Acquiring Investor Group of an amount equal to the purchase price, as agreed between the Class A Transferor Investor Group and the Class A Acquiring Investor Group (the “**Purchase Price**”), of the portion being purchased by the Class A Acquiring Investor Group (the Class A Acquiring Investor Group’s “**Purchased Percentage**”) of the Class A Commitment with respect to the Class A Committed Note Purchasers included in the Class A Transferor Investor Group under the Issuer Facility Agreement and the Class A Transferor Investor Group’s Class A Investor Group Principal Amount. The Class A Transferor Investor Group hereby irrevocably sells, assigns and transfers to the Class A Acquiring Investor Group, without recourse, representation or warranty, and the Class A Acquiring Investor Group hereby irrevocably purchases, takes and assumes from the Class A Transferor Investor Group, the Class A Acquiring Investor Group’s Purchased Percentage of the Class A Commitment with respect to the Class A Committed Note Purchasers included in the Class A Transferor Investor Group under the Issuer Facility Agreement and the Class A Transferor Investor Group’s Class A Investor Group Principal Amount.
5. From and after the Class A Transfer Issuance Date, amounts that would otherwise be payable to or for the account of the Class A Transferor Investor Group pursuant to the Issuer Facility Agreement shall, instead, be payable to or for the account of the Class A Transferor Investor Group and the Class A Acquiring Investor Group, as the case may be, in accordance with their respective interests as reflected in this Issuer Facility Agreement, whether such amounts have accrued prior to the Class A Transfer Issuance Date or accrue subsequent to the Class A Transfer Issuance Date.
6. Each of the parties to this Class A Investor Group Supplement agrees that at any time and from time to time upon the written request of any other party, it will execute and deliver such further documents and do such further acts and things as such other party may reasonably request in order to effect the purposes of this Class A Investor Group Supplement.
7. By executing and delivering this Class A Investor Group Supplement, the Class A Transferor Investor Group and the Class A Acquiring Investor Group confirm to and agree with each other as follows: (i) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned hereby free and clear of any adverse claim, the Class A Transferor Investor Group makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Issuer Facility Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Class A Notes, the Issuer Related Documents or any instrument or document furnished pursuant thereto; (ii) the Class A Transferor Investor Group makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or the performance or observance by the Company of any of the Company’s obligations under the Issuer Related Documents or any other instrument or document furnished pursuant hereto; (iii) the Class A Acquiring Investor Group confirms that it has received a copy of the Issuer Related Documents and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Class A Investor Group Supplement; (iv) the Class A Acquiring Investor Group will, independently and without reliance upon the Administrative Agent, the Class A Transferor Investor Group or any other Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Issuer Facility Agreement; (v) the Class A Acquiring Investor Group appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative*

Agent) of the Issuer Facility Agreement; (vi) each member of the Class A Acquiring Investor Group appoints and authorizes its respective Class A Acquiring Funding Agent, listed in Schedule I hereto, to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to such Class A Acquiring Funding Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative Agent*) of the Issuer Facility Agreement; (vii) each member of the Class A Acquiring Investor Group agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Issuer Facility Agreement are required to be performed by it as a member of the Class A Acquiring Investor Group and (viii) each member of the Class A Acquiring Investor Group hereby represents and warrants to the Company and the Issuer Administrator that the representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement are true and correct with respect to the Class A Acquiring Investor Group on and as of the date hereof and the Class A Acquiring Investor Group shall be deemed to have made such representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement on and as of the date hereof.

8. Schedule I hereto sets forth the revised Class A Commitment Percentages of the Class A Transferor Investor Group and the Class A Acquiring Investor Group, as well as administrative information with respect to the Class A Acquiring Investor Group and its Class A Acquiring Funding Agent.
9. This Class A Investor Group Supplement and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

IN WITNESS WHEREOF, the parties hereto have caused this Class A Investor Group Supplement to be executed by their respective duly authorized officers as of the date first set forth above.

[●], as Class A Transferor Investor Group

By: _____
Title:

[●], as Class A Transferor Investor Group

By: _____
Title:

[●], as Class A Transferor Funding Agent

By: _____
Title:

[●], as Class A Acquiring Investor Group

By: _____
Title:

[●], as Class A Acquiring Investor Group

By: _____
Title:

[●], as Class A Funding Agent

By: _____
Title:

CONSENTED AND ACKNOWLEDGED:

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as the Company

By: _____
Title:

WEIL:

LIST OF ADDRESSES FOR NOTICES
AND OF CLASS A COMMITMENT PERCENTAGES

WEIL:

EXHIBIT H-2
TO
ISSUER FACILITY AGREEMENT

FORM OF CLASS B INVESTOR GROUP SUPPLEMENT

CLASS B INVESTOR GROUP SUPPLEMENT, dated as of [date], among (i) [●] (the “**Class B Transferor Investor Group**”), (ii) the Class B Funding Agent with respect to the Class B Transferor Investor Group in the signature pages hereof (the “**Class B Transferor Funding Agent**”) (iii) [●] (the “**Class B Acquiring Investor Group**”), (iv) the Class B Funding Agent with respect to the Class B Acquiring Investor Group listed in the signature pages hereof (the “**Class B Acquiring Funding Agent**”), and (v) International Fleet Financing No.2 B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated in The Netherlands (the “**Company**”).

WHEREAS:

- (A) this Class B Investor Group Supplement is being executed and delivered in accordance with Clause 9.3(b) (*Class B Assignments*) of the issuer facility agreement, dated as of 25 September 2018 (as from time to time may be amended, supplemented, amended and restated or otherwise modified in accordance with the terms thereof, the “**Issuer Facility Agreement**”) by and among International Fleet Financing No.2 B.V. as Issuer, BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator, Credit Agricole Corporate and Investment Bank as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents;
- (B) the Class B Acquiring Investor Group wishes to become a Class B Conduit Investor and a Class B Committed Note Purchaser (each such term as defined in the Master Definitions and Constructions Agreement, as defined below) with respect to such Class B Conduit Investor under the Issuer Facility Agreement; and
- (C) the Class B Transferor Investor Group is selling and assigning to the Class B Acquiring Investor Group its respective rights, obligations and commitments under the Issuer Facility Agreement and the Class B Notes with respect to the percentage of its total commitment specified in Schedule I attached hereto.

IT IS AGREED by the parties hereto as follows:

1. Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement, dated on the Signing Date, as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”).
2. The parties hereto acknowledge and agree that the rights and obligations under this Class B Investor Group Supplement shall become effective at the Effective Date.

3. Upon the execution and delivery of this Class B Investor Group Supplement by the Class B Acquiring Investor Group, the Class B Acquiring Funding Agent with respect thereto, the Class B Transferor Investor Group, the Class B Transferor Funding Agent and the Company (the date of such execution and delivery, the “**Class B Transfer Issuance Date**”), the Class B Conduit Investor(s) and the Class B Committed Note Purchasers with respect to the Class B Acquiring Investor Group shall become parties to the Issuer Facility Agreement for all purposes thereof.
4. The Class B Transferor Investor Group acknowledges receipt from the Class B Acquiring Investor Group of an amount equal to the purchase price, as agreed between the Class B Transferor Investor Group and the Class B Acquiring Investor Group (the “**Purchase Price**”), of the portion being purchased by the Class B Acquiring Investor Group (the Class B Acquiring Investor Group’s “**Purchased Percentage**”) of the Class B Commitment with respect to the Class B Committed Note Purchasers included in the Class B Transferor Investor Group under the Issuer Facility Agreement and the Class B Transferor Investor Group’s Class B Investor Group Principal Amount. The Class B Transferor Investor Group hereby irrevocably sells, assigns and transfers to the Class B Acquiring Investor Group, without recourse, representation or warranty, and the Class B Acquiring Investor Group hereby irrevocably purchases, takes and assumes from the Class B Transferor Investor Group, the Class B Acquiring Investor Group’s Purchased Percentage of the Class B Commitment with respect to the Class B Committed Note Purchasers included in the Class B Transferor Investor Group under the Issuer Facility Agreement and the Class B Transferor Investor Group’s Class B Investor Group Principal Amount.
5. From and after the Class B Transfer Issuance Date, amounts that would otherwise be payable to or for the account of the Class B Transferor Investor Group pursuant to the Issuer Facility Agreement shall, instead, be payable to or for the account of the Class B Transferor Investor Group and the Class B Acquiring Investor Group, as the case may be, in accordance with their respective interests as reflected in this Issuer Facility Agreement, whether such amounts have accrued prior to the Class B Transfer Issuance Date or accrue subsequent to the Class B Transfer Issuance Date.
6. Each of the parties to this Class B Investor Group Supplement agrees that at any time and from time to time upon the written request of any other party, it will execute and deliver such further documents and do such further acts and things as such other party may reasonably request in order to effect the purposes of this Class B Investor Group Supplement.
7. By executing and delivering this Class B Investor Group Supplement, the Class B Transferor Investor Group and the Class B Acquiring Investor Group confirm to and agree with each other as follows: (i) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned hereby free and clear of any adverse claim, the Class B Transferor Investor Group makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Issuer Facility Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Class B Notes, the Issuer Related Documents or any instrument or document furnished pursuant thereto; (ii) the Class B Transferor Investor Group makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or the performance or observance by the Company of any of the Company’s obligations under the Issuer Related Documents or any other instrument or document furnished pursuant hereto; (iii) the Class B Acquiring Investor Group confirms that it has received a copy of the Issuer Related Documents and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Class B Investor Group Supplement; (iv) the Class B Acquiring Investor Group will, independently and without reliance upon the Administrative Agent, the Class B Transferor Investor Group or any other Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Issuer Facility Agreement; (v) the Class B Acquiring Investor Group appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative*

Agent) of the Issuer Facility Agreement; (vi) each member of the Class B Acquiring Investor Group appoints and authorizes its respective Class B Acquiring Funding Agent, listed in Schedule I hereto, to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to such Class B Acquiring Funding Agent by the terms thereof, together with such powers as are reasonably incidental thereto, all in accordance with Clause 10 (*The Administrative Agent*) of the Issuer Facility Agreement; (vii) each member of the Class B Acquiring Investor Group agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Issuer Facility Agreement are required to be performed by it as a member of the Class B Acquiring Investor Group and (viii) each member of the Class B Acquiring Investor Group hereby represents and warrants to the Company and the Issuer Administrator that the representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement are true and correct with respect to the Class B Acquiring Investor Group on and as of the date hereof and the Class B Acquiring Investor Group shall be deemed to have made such representations and warranties contained in Section 3 (*Conduit Investors and Committed Note Purchasers*) of Annex 1 (*Representations and Warranties*) to the Issuer Facility Agreement on and as of the date hereof.

8. Schedule I hereto sets forth the revised Class B Commitment Percentages of the Class B Transferor Investor Group and the Class B Acquiring Investor Group, as well as administrative information with respect to the Class B Acquiring Investor Group and its Class B Acquiring Funding Agent.
9. This Class B Investor Group Supplement and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

IN WITNESS WHEREOF, the parties hereto have caused this Class B Investor Group Supplement to be executed by their respective duly authorized officers as of the date first set forth above.

[●], as Class B Transferor Investor Group

By: _____
Title:

[●], as Class B Transferor Investor Group

By: _____
Title:

[●], as Class B Transferor Funding Agent

By: _____
Title:

[●], as Class B Acquiring Investor Group

By: _____
Title:

[●], as Class B Acquiring Investor Group

By: _____
Title:

[●], as Class B Funding Agent

By: _____
Title:

CONSENTED AND ACKNOWLEDGED:

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as the Company

By: _____
Title:

WEIL:

LIST OF ADDRESSES FOR NOTICES
AND OF CLASS B COMMITMENT PERCENTAGES

WEIL:

171

**EXHIBIT I
TO
ISSUER FACILITY AGREEMENT**

FORM OF LETTER OF CREDIT

OUR IRREVOCABLE LETTER OF CREDIT NO. ____

[Insert date]

Beneficiaries:

International Fleet Financing No.2 B.V. (the “**Issuer**”)

BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”)

as trustee on behalf of the Issuer

10 Harewood Avenue

London, NW1 6AA

Dear Sir or Madam:

The undersigned (“[]” or the “**Issuing Bank**”) hereby irrevocably establishes, at the request and for the account of The Hertz Corporation, a Delaware Corporation (“**Hertz**”), pursuant to the senior secured revolving credit facility, provided under a Credit Agreement, dated as of June 30, 2016, among Hertz, the Issuing Bank, certain affiliates of Hertz, Barclays Bank PLC, as administrative agent and collateral agent, and the several banks and financial institutions party thereto from time to time in accordance with the terms thereof, the “**Credit Agreement**”), in the Beneficiaries’ favor and on the Beneficiaries’ behalf as Issuer and Issuer Security Trustee, respectively, under the issuer facility agreement, originally dated as of September 25, 2018 (as may be amended, supplemented, amended and restated or otherwise modified from time to time, the “**Issuer Facility Agreement**”), by and among the Issuer, the Issuer Security Trustee, Hertz Europe Limited as Issuer Administrator, Credit Agricole Corporate and Investment Bank, as Administrative Agent, certain committed note purchasers, certain conduit investors and certain funding agents, in respect of Credit Demands (as defined below) and Termination Demands (as defined below) this Irrevocable Letter of Credit No. [●] in the amount of [●] (€ [●]) (such amount, as the same may be reduced, increased (to an amount not exceeding [●] (€[●])) or reinstated as provided herein, being the “**Letter of Credit Amount**”), effective immediately and expiring at [4:00 p.m. (New York time)] at our office located at [insert address of Issuing Bank] (such office or any other office which may be designated by the Issuing Bank by written notice delivered to the Beneficiaries, being the “**Issuing Bank’s Office**”) on 23 July 2022, as such date may have been extended from time to time as provided herein (or, if such date is not a Business Day (as defined below), the immediately succeeding Business Day) (the “**Letter of Credit Expiration Date**”).

The Issuing Bank hereby agrees that the Letter of Credit Expiration Date shall be automatically extended, without amendment, to the earlier of (1) one year from the then current Letter of Credit Expiration Date and (2) the 15th day prior to the Initial Revolving Maturity Date (as defined in the Credit Agreement), unless, no fewer than sixty (60) days before the then current Letter of Credit

WEIL:

Expiration Date, we notify you in writing by registered mail (return receipt), registered courier or email that this letter of credit will not be extended beyond the then current Letter of Credit Expiration Date.

The terms “**Beneficiary**” or “**Beneficiaries**” refers herein (and in each Annex hereto) to the Issuer and the Issuer Security Trustee as trustee on behalf of the Issuer. Any action taken by one Beneficiary hereunder shall bind each of them. Any drawing by either Beneficiary will constitute a drawing by both. Capitalized terms used herein and not defined herein shall have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement, dated 25 September 2018, as amended, modified or supplemented from time to time.

The Issuing Bank irrevocably authorizes the Beneficiaries to draw on it, in accordance with the terms and conditions and subject to the reductions in amount as hereinafter set forth, (1) in one or more draws by one or more of either of the Issuer’s or the Issuer Security Trustee’s drafts, each drawn on the Issuing Bank at the Issuing Bank’s Office (including by way of email), payable at sight on a Business Day (as defined below), and accompanied by either of the Issuer’s or the Issuer Security Trustee’s written and completed certificate signed by the Issuer or the Issuer Security Trustee (as applicable) in substantially the form of Annex A (*Certificate of Credit Demand*) attached hereto (any such draft accompanied by such certificate being a “**Credit Demand**”), an amount equal to the face amount of each such draft but in the aggregate amount not exceeding the Letter of Credit Amount as in effect on such Business Day (as defined below) and (2) in one or more draws by one or more of either of the Issuer’s or the Issuer Security Trustee’s drafts, each drawn on the Issuing Bank at the Issuing Bank’s Office (including by way of email), payable at sight on a Business Day (as defined below), and accompanied by either of the Issuer’s or the Issuer Security Trustee’s written and completed certificate signed by the Issuer or the Issuer Security Trustee (as applicable) in substantially the form of Annex B (*Certificate of Termination Demand*) attached hereto (any such draft accompanied by such certificate being a “**Termination Demand**”), an amount equal to the face amount of each such draft but in the aggregate amount not exceeding the Letter of Credit Amount as in effect on such Business Day.

In this Letter of Credit, “**Business Day**” means any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to close in New York City, New York.

Upon the Issuing Bank honoring any Credit Demand or Termination Demand presented hereunder, the Letter of Credit Amount shall automatically be decreased by an amount equal to the amount of such Credit Demand or Termination Demand. In addition to the foregoing reduction, (i) upon the Issuing Bank honoring any Termination Demand in respect of the entire Letter of Credit Amount presented to it hereunder, the amount available to be drawn under this Letter of Credit shall automatically be reduced to zero and this Letter of Credit shall be terminated and (ii) no amount decreased on the honoring of any Termination Demand shall be reinstated. The Issuing Bank shall notify each Beneficiary in writing of any such reimbursement and the corresponding amount of the reinstatement of the Letter of Credit Amount.

The Letter of Credit Amount shall be automatically reinstated when and to the extent, but only when and to the extent, that (i) the Issuing Bank is reimbursed by Hertz (or by the Issuer under Clause 5.6 (*Past Due Rental Payments*) or Clause 5.7 (*Letters of Credit and L/C Cash Collateral Account*) of the Issuer Facility Agreement) for any amount drawn hereunder as a Credit Demand and (ii) the Issuing Bank receives written notice from Hertz in substantially the form of Annex C (*Certificate of Reinstatement of Letter of Credit Amount*) hereto that no Event of Bankruptcy with respect to Hertz has occurred and is continuing; provided, however, that the Letter of Credit Amount shall, in no event, be reinstated to an amount in excess of the then current Letter of Credit Amount (without giving effect to any reduction to the Letter of Credit Amount that resulted from any such Credit Demand).

The Letter of Credit Amount shall be automatically reduced in accordance with the terms of a written request from either the Issuer or the Issuer Security Trustee (in each case with the prior consent of Hertz) to the Issuing Bank in substantially the form of Annex E (*Notice of Reduction of Letter of Credit Amount*) attached hereto that is acknowledged and agreed to in writing by the Issuing Bank. The Letter of Credit Amount shall be automatically increased upon receipt by (and written acknowledgment of such receipt by) the Issuer or the Issuer Security Trustee of written notice from the Issuing Bank in substantially the form of Annex F (*Notice of Increase of Letter of Credit Amount*) attached hereto certifying that the Letter of Credit Amount has been increased and setting forth the amount of such increase, which increase shall not result in the Letter of Credit Amount exceeding an amount equal to [●] (€[●]).

Each Credit Demand and Termination Demand shall be dated the date of its presentation, and shall be presented (and, for the avoidance of doubt, may be presented by way of facsimile in accordance with the notice provisions set out below) to the Issuing Bank at the Issuing Bank's Office, Attention: [●]. If the Issuing Bank receives any Credit Demand or Termination Demand at such office, all in strict conformity with the terms and conditions of this Letter of Credit, not later than [12:00 p.m. (New York City time)] on a Business Day prior to the termination hereof, the Issuing Bank will make such funds available by [4:00 p.m. (New York City time)] [on the same day] in accordance with the relevant Beneficiary's payment instructions. If the Issuing Bank receives any Credit Demand or Termination Demand at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after [12:00 p.m. (New York City time)] on a Business Day prior to the termination hereof, the Issuing Bank will make the funds available by [4:00 p.m. (New York City time)] on the [next succeeding Business Day] in accordance with the relevant Beneficiary's payment instructions. All payments made by the Issuing Bank under this Letter of Credit shall be made by deposit of same day funds into the designated account specified in the relevant Credit Demand or Termination Demand, as the case may be, and shall be made with the Issuing Bank's own funds.

In the event there is more than one draw request on the same Business Day, the draw requests shall be honored in the following order: (1) Credit Demands and (2) the Termination Demand.

Upon the earliest of (i) the date on which the Issuing Bank honors a Termination Demand presented hereunder to the extent of the Letter of Credit Amount as in effect on such date, (ii) the date on which the Issuing Bank receives written notice from Beneficiary (in each case with the prior consent of Hertz) that an alternate letter of credit or other credit facility has been substituted for this Letter of Credit and (iii) the Letter of Credit Expiration Date, this Letter of Credit shall automatically terminate and the Beneficiaries shall surrender this Letter of Credit to the undersigned Issuing Bank on such day.

This Letter of Credit is transferable by the Issuer Security Trustee in its entirety, but not in part, to any transferee(s) of the Issuer Security Trustee as Beneficiary who the Issuer Security Trustee certifies to the Issuing Bank has succeeded BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee under the Issuer Security Trust Deed, and may be successively transferred. Transfer of this Letter of Credit to such transferee shall be effected by the presentation to the Issuing Bank of this Letter of Credit accompanied by a certificate in substantially the form of Annex D (*Instruction to Transfer*) attached hereto. Upon such presentation the Issuing Bank shall forthwith transfer this Letter of Credit to (or to the order of) the transferee or, if so requested by Beneficiary's transferee, issue a letter of credit to (or to the order of) Beneficiary's transferee with provisions therein consistent with this Letter of Credit.

This Letter of Credit sets forth in full the undertaking of the Issuing Bank, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except only the certificates and the drafts referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts.

Any payment under this Letter of Credit shall be made in Euros.

The Issuing Bank agrees that it shall have no right of reimbursement or other recourse against any Beneficiary in respect of this Letter of Credit.

The Issuing Bank may not assign or transfer or purport to assign or transfer a right or obligation under this Letter of Credit.

We have been advised that the Issuer acknowledges that this Letter of Credit shall be an Issuer Related Document for the purposes of the Issuer Security Trust Deed, however this is without engagement or responsibility on the part of the Issuing Bank.

Any communication to be made under or in connection with this Letter of Credit (including, for the avoidance of doubt, any Credit Demand or Termination Demand) shall be made in writing and, unless otherwise stated, may be made by email or letter (provided that in relation to any Credit Demand or Termination Demand delivered by email transmission, the Issuer or the Issuer Security Trustee (as applicable) shall deliver the original executed counterpart of such Credit Demand or Termination Demand, as the case may be, to the Issuing Bank by means of registered mail). The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Letter of Credit is as set out below, or any substitute address or email address or department or officer as the party may notify the other parties hereto by not less than five Business Days' notice.

In the case of the Issuing Bank:

[Name]

Address: [●]
Email: [●]
Attention: [●]

In the case of the Issuer:

International Fleet Financing No. 2 B.V.

Address: Fourth Floor
3 George's Dock
IFSC
Dublin 1, Ireland

Telephone: [*]

Fax: [*]

Email: [*]

With a copy to:

Hertz Europe Limited

Address: Hertz House
11 Vine Street
Uxbridge
UB8 1QE

Email: [*] / [*]

Attention: Bryn Davies / Falguni Bagchi

In the case of the Issuer Security Trustee:

BNP Paribas Trust Corporation UK Limited

Address: 10 Harewood Avenue

London, NW1 6AA

Telephone: [*]

Fax: [*]

Email: [*]

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600 (the “**Uniform Customs**”), which is incorporated into the text of this Letter of Credit by reference, and shall be governed by the laws of the State of New York, including, as to matters not covered by the Uniform Customs, the Uniform Commercial Code as in effect in the State of New York; provided that, if an interruption of business (as described in such Article 36 of the Uniform Customs) exists at the Issuing Bank’s Office, the Issuing Bank agrees to (i) promptly notify the Issuer and the Issuer Security Trustee of an alternative location in which to send any communications with respect to this Letter of Credit or (ii) to effect payment under this Letter of Credit if a draw which otherwise conforms to the terms and conditions of this Letter of Credit is made prior to the earlier of (A) the thirtieth day after the resumption of business and (B) the Letter of Credit Expiration Date; provided further that, Article 32 of the Uniform Customs shall not apply to this Letter of Credit as draws hereunder shall not be deemed to be installments for purposes thereof.

Very truly yours,

[] as Issuing Bank

By: _____

Name:

Title:

By: _____

Name:

Title:

ANNEX A

CERTIFICATE OF CREDIT DEMAND

[Issuing Bank's name and address]

Attention: [●]

Certificate of Credit Demand under the Irrevocable Letter of Credit No. [●] (the "Letter of Credit"), dated [●], issued by [●], as the Issuing Bank, in favor of International Fleet Financing No.2 B.V. (the "Issuer") and BNP Paribas Trust Corporation UK Limited (the "Issuer Security Trustee") as trustee on behalf of the Issuer.

Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement (as defined in the Letter of Credit), dated [●], 2018, as amended, modified or supplemented from time to time.

The undersigned, a duly authorized officer of the [Issuer]/[Issuer Security Trustee (acting on the instructions of the Administrative Agent)], hereby certifies to the Issuing Bank as follows:

1. [BNP Paribas Trust Corporation UK Limited]¹ is the Issuer Security Trustee under the Issuer Security Trust Deed referred to in the Letter of Credit.
2. [A Reserve Account Interest Withdrawal Shortfall exists on the [●]² Payment Date and pursuant to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the least of: (i) such Reserve Account Interest Withdrawal Shortfall, (ii) the Letter of Credit Amount as of such Payment Date, and (iii) the Lease Interest Payment Deficit for such Payment Date.]³

[A Reserve Account Interest Withdrawal Shortfall exists on the [●]⁴ Payment Date and pursuant to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the excess of: (i) the least of (A) such Reserve Account Interest Withdrawal Shortfall, (B) the Letter of Credit Amount as of such Payment Date on the Letters of Credit, and (C) the Lease Interest Payment Deficit for such Payment Date over (ii) the lesser of (x) the L/C Cash Collateral Percentage on such Payment Date of the least of the amounts described in paragraphs (A), (B) and (C) above and (y) the Available L/C Cash Collateral Account Amount on such Payment Date]⁵

[A Lease Principal Payment Deficit exists on the Legal Final Payment Date that exceeds the amount, if any, withdrawn from the Issuer Reserve Account pursuant to Clause 5.4(b) (*Reserve Account Withdrawals*) of the Issuer Facility Agreement and pursuant to Clause 5.5(b) (*Letters of Credit*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the lesser of: (i) the excess of the Lease Principal Payment Deficit over the amounts withdrawn from the Issuer Reserve Account pursuant to Clause 5.4(b) (*Reserve Account Withdrawals*) of the

¹ To be included where the Issuer Security Trustee serves the demand notice.

² Specify the relevant Payment Date.

³ Use in case of a Reserve Account Interest Withdrawal Shortfall on any Payment Date and if no L/C Cash Collateral Account has been established and funded.

⁴ Specify the relevant Payment Date.

⁵ Use in case of a Reserve Account Interest Withdrawal Shortfall on any Payment Date and if the Issuer L/C Cash Collateral Account has been established and funded.

Issuer Facility Agreement, (ii) the Letter of Credit Amount as of the Legal Final Payment Date (after giving effect to any drawings on the Letters of Credit on the Legal Final Payment Date pursuant to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement) and (iii) the excess, if any, of the Principal Amount over the amount to be deposited into the Issuer Principal Collection Account (together with any amounts to be deposited therein pursuant to the terms of the Issuer Facility Agreement (other than pursuant to amounts allocated and drawn in accordance with this sentence or as a result of a Principal Deficit Amount exceeding zero) on the Legal Final Payment Date for payment of principal of the Issuer Notes]⁶

[A Lease Principal Payment Deficit exists on the Legal Final Payment Date that exceeds the amount, if any, withdrawn from the Issuer Reserve Account pursuant to Clause 5.4(b) (*Reserve Account Withdrawals*) of the Issuer Facility Agreement and pursuant to Clause 5.5(b) (*Letters of Credit*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the excess of (i) the lesser of: (A) the excess of the Lease Principal Payment Deficit over the amounts withdrawn from the Issuer Reserve Account pursuant to Clause 5.4(b) (*Reserve Account Withdrawals*) of the Issuer Facility Agreement, (B) the Letter of Credit Amount as of the Legal Final Payment Date (after giving effect to any drawings on the Letters of Credit on The Legal Final Payment Date pursuant to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement) and (C) the excess, if any, of the Principal Amount over the amount to be deposited into the Issuer Principal Collection Account (together with any amounts to be deposited therein pursuant to the terms of the Issuer Facility Agreement (other than pursuant to amounts allocated and drawn in accordance with this sentence or as a result of a Principal Deficit Amount exceeding zero) on the Legal Final Payment Date for payment of principal of the Issuer Notes, over (ii) the lesser of (A) the L/C Cash Collateral Percentage on the Legal Final Payment Date of the amount calculated pursuant to paragraph (i) above and (B) the Available L/C Cash Collateral Account Amount on the Legal Final Payment Date (after giving effect to any withdrawals therefrom on such Payment Date pursuant to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement)]⁷

[A Principal Deficit Amount exists on the [•] Payment Date and pursuant to Clause 5.5(c) (*Principal Deficit Amount*) of the Issuer Facility Agreement an amount equal to the Issuing Bank's Pro Rata Share of the lesser of (i) the Principal Deficit Amount less the amount to be deposited in the Issuer Principal Collection Account in accordance with Clause 5.4(b) (*Reserve Account Withdrawals*) and 5.5(b) (*Lease Principal Payment Deficit Events*) and (ii) the Letter of Credit Amount as of such Payment Date]⁸

[A Principal Deficit Amount exists on the [•] Payment Date and pursuant to Clause 5.5(c) (*Principal Deficit Amount*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the excess of: (i) the least of the Principal Deficit Amount less the amount to be deposited in the Issuer Principal Collection Account in accordance with Clause 5.4(b) (*Reserve Account Withdrawals*) and 5.5(b) (*Lease Principal Payment Deficit Events*) and (ii) the Letter of Credit Amount as of such Payment Date over (ii) the lesser of (x) the L/C Cash Collateral Percentage on such Payment Date of the least of the amounts described in paragraphs (i) and (ii) above and (y) the Available L/C Cash Collateral Account Amount on such Payment Date]⁹

⁶ Use in case of a Lease Principal Payment Deficit on the Legal Final Payment Date and if no Issuer L/C Cash Collateral Account has been established and funded.

⁷ Use in case of a Lease Principal Payment Deficit on the Legal Final Payment Date and if the Issuer L/C Cash Collateral Account has been established and funded.

⁸ Use in case of a Principal Deficit on any Payment Date and if no L/C Cash Collateral Account has been established and funded.

⁹ Use in case of a Principal Deficit on any Payment Date and if the Issuer L/C Cash Collateral Account has been established and funded.

[A Principal Deficit Amount exists on the Legal Final Payment Date and pursuant to Clause 5.5(c) (*Principal Deficit Amount*) of the Issuer Facility Agreement an amount equal to the Issuing Bank's Pro Rata Share of the lesser of (i) the Principal Deficit Amount less the amount to be deposited in the Issuer Principal Collection Account, other than pursuant to Clause 5.5(c), and (ii) the Letter of Credit Amount as of such Payment Date] ¹⁰

[A Principal Deficit Amount exists on the Legal Final Payment Date and pursuant to Clause 5.5(c) (*Principal Deficit Amount*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the excess of: (i) the least of the Principal Deficit Amount less the amount to be deposited in the Issuer Principal Collection Account, other than pursuant to Clause 5.5(c), and (ii) the Letter of Credit Amount as of such Payment Date over (ii) the lesser of (x) the L/C Cash Collateral Percentage on such Payment Date of the least of the amounts described in paragraphs (i) and (ii) above and (y) the Available L/C Cash Collateral Account Amount on such Payment Date] ¹¹

[A Liquidation Event shall have occurred and pursuant to Clause 5.5(d) (*Letters of Credit*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank's Pro Rata Share of the lesser of: (i) the excess of the Required Liquid Enhancement Amount over the Available L/C Cash Collateral Account Amount and (ii) the Letter of Credit Amount as of such date] ¹²

has been allocated to making a drawing under the Letter of Credit.

3. The [Issuer]/[Issuer Security Trustee] is making a drawing under the Letter of Credit as required by Clause[s] [5.5(a) (*Letters of Credit*)] and/or 5.4(b) (*Reserve Account Withdrawals*)]¹³ of the Issuer Facility Agreement for an amount equal to €[●], which amount is a L/C Credit Disbursement (the "**L/C Credit Disbursement**") and is equal to the amount allocated to making a drawing on the Letter of Credit under such Clause [5.5(a) (*Letters of Credit*) and/or 5.4(b) (*Reserve Account Withdrawals*)]¹⁴ of the Issuer Facility Agreement as described above. The L/C Credit Disbursement does not exceed the amount that is available to be drawn by the Issuer or the Issuer Security Trustee under the Letter of Credit on the date of this certificate.
4. The amount of the draft shall be delivered pursuant to the following instructions:

[insert payment instructions (including payment date)] for wire to the Issuer.]¹⁵
5. The [Issuer]/[Issuer Security Trustee (acting on the instructions of the Administrative Agent)] acknowledges that, pursuant to the terms of the Letter of Credit, upon the Issuing Bank honoring the draft accompanying this certificate, the Letter of Credit Amount shall be automatically decreased by an amount equal to such draft.

¹⁰ Use in case of a Principal Deficit on any Legal Final Payment Date and if no L/C Cash Collateral Account has been established and funded.

¹¹ Use in case of a Principal Deficit on any Legal Final Payment Date and if the Issuer L/C Cash Collateral Account has been established and funded.

¹² Use in case of a Liquidation Event.

¹³ Use reference to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement in case of Reserve Account Interest Withdrawal Shortfall and/or Clause 5.4(b) (*Reserve Account Withdrawals*) of the Issuer Facility Agreement in case of a Lease Principal Payment Deficit.

¹⁴ Use reference to Clause 5.5(a) (*Letters of Credit*) of the Issuer Facility Agreement in case of a Reserve Account Interest Withdrawal Shortfall and/or S Clause 5.4(b) (*Reserve Account Withdrawals*) of the Issuer Facility Agreement in case of a Lease Principal Payment Deficit.

¹⁵ See footnote 1 above.

IN WITNESS WHEREOF, the [Issuer]/[Issuer Security Trustee] has executed and delivered this certificate on this [●] day of [●],[●].

INTERNATIONAL FLEET FINANCING NO.2

B.V., as Issuer

By:

Name:
Title:

BNP PARIBAS TRUST CORPORATION UK LIMITED, as Issuer Security Trustee

By:

Name:
Title:

ANNEX B

CERTIFICATE OF TERMINATION DEMAND

[Insert name and address of Issuing Bank]

Attention: [●]

Certificate of Termination Demand under the Irrevocable Letter of Credit No. [●] (the “Letter of Credit”), dated [●], issued by [●], as the Issuing Bank, in favor of International Fleet Financing No.2 B.V. (the “Issuer”) and BNP Paribas Trust Corporation UK Limited (the “Issuer Security Trustee”) as trustee on behalf of the Issuer.

Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement (as defined in the Letter of Credit), dated [●], 2018, as amended, modified or supplemented from time to time.

The undersigned, a duly authorized signatory of the [Issuer]/[Issuer Security Trustee (acting on the instructions of the Administrative Agent)], hereby certifies to the Issuing Bank as follows:

1. [BNP Paribas Trust Corporation UK Limited]¹⁶ is the Issuer Security Trustee under the Issuer Security Trust Deed referred to in the Letter of Credit.
2. [Pursuant to Clause 5.7(a) (*Letter of Credit Expiration Date - Deficiencies*) of the Issuer Facility Agreement, an amount equal to the Issuing Bank’s Pro Rata Share of the lesser of (x) the greater of (A) the excess, if any, of the Adjusted Asset Coverage Threshold Amount over the Issuer Aggregate Asset Amount, in each case, as of the date that is sixteen (16) Business Days prior to the scheduled expiration date of the Letter of Credit (after giving effect to all deposits to, and withdrawals from, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account on such date), excluding the Letter of Credit but taking into account any substitute Letter of Credit that has been obtained from an Eligible Letter of Credit Provider and is in full force and effect on such date and (B) the excess, if any, of the Required Liquid Enhancement Amount over the Adjusted Liquid Enhancement Amount, in each case, as of the date that is sixteen (16) Business Days prior to the scheduled expiration date of the Letter of Credit (after giving effect to all deposits to, and withdrawals from, the Issuer Reserve Account and the Issuer L/C Cash Collateral Account on such date), excluding the Letter of Credit but taking into account each substitute Letter of Credit that has been obtained from an Eligible Letter of Credit Provider and is in full force and effect on such date, and (y) the amount available to be drawn on the expiring Letter of Credit on such date has been allocated to making a drawing under the Letter of Credit.]¹⁷

[The Issuer Security Trustee has not received the notice required from the Issuer pursuant to Clause 5.7(a) (*Letter of Credit Expiration Date - Deficiencies*) of the Issuer Facility Agreement on or prior to the date that is fifteen (15) Business Days prior to each Letter of Credit Expiration Date. As such, pursuant to such Clause 5.7(a) (*Letter of Credit Expiration Date - Deficiencies*) of

¹⁶ To be included where the Issuer Security Trustee serves the demand notice.

¹⁷ Use in case of an expiring Letter of Credit.

the Issuer Facility Agreement, the Issuer Security Trustee is making a drawing for the full amount of the Letter of Credit.]¹⁸

[Pursuant to Clause 5.7(b) (*Letter of Credit Provider Downgrades*) of the Issuer Facility Agreement, an amount equal to the lesser of (i) the greater of (A) the excess, if any, of the Adjusted Asset Coverage Threshold Amount over the Issuer Aggregate Asset Amount as of the thirtieth (30) day after the occurrence of a Downgrade Event with respect to the Issuing Bank, excluding the available amount under the Letter of Credit on such date and (B) the excess, if any, of the Required Liquid Enhancement Amount over the Adjusted Liquid Enhancement Amount as of the thirtieth (30) day after the occurrence of a Downgrade Event, excluding the available amount under the Letter of Credit on such date, excluding the available amount under the Letter of Credit on such date, and (ii) the amount available to be drawn on the Letter of Credit on such date has been allocated to making a drawing under the Letter of Credit.]¹⁹

3. [Pursuant to Clause [5.7(a) (*Letter of Credit Expiration Date – Deficiencies*)]²⁰ [5.7(b) (*Letter of Credit Provider Downgrades*)]²¹ of the Issuer Facility Agreement, the [Issuer]/[Issuer Security Trustee] is making a drawing in the amount of €[●] which is a L/C Termination Disbursement (the “**L/C Termination Disbursement**”) and is equal to the amount allocated to making a drawing on the Letter of Credit under such Clause [5.7(a) (*Letter of Credit Expiration Date – Deficiencies*)]²² [5.7(b) (*Letter of Credit Provider Downgrades*)]²³ of the Issuer Facility Agreement as described above. L/C Termination Disbursement does not exceed the amount that is available to be drawn by the Issuer or the Issuer Security Trustee under the Letter of Credit on the date of this certificate.
4. The amount of the draft shall be delivered pursuant to the following instructions:
[insert payment instructions (including payment date)] for wire to the Issuer.]²⁴
5. The [Issuer]/[Issuer Security Trustee] acknowledges that, pursuant to the terms of the Letter of Credit, upon the Issuing Bank honoring the draft accompanying this certificate, the Letter of Credit Amount shall be automatically reduced to zero and the Letter of Credit shall terminate and be immediately returned to the Issuing Bank.

IN WITNESS WHEREOF, the [Issuer]/[Issuer Security Trustee] has executed and delivered this certificate on this [●] day of [●],[●].

INTERNATIONAL FLEET FINANCING NO.2

B.V., as Issuer

By:

¹⁸ Use if the Issuer does not provide the Issuer Security Trustee with notices required under Clause 5.7(a) (*Letters of Credit and L/C Cash Collateral Account*) of the Issuer Facility Agreement with respect to an expiring Letter of Credit.

¹⁹ Use in case of Issuing Bank being subject to a Downgrade Event.

²⁰ Use in case of an expiring Letter of Credit.

²¹ Use in case of a Letter of Credit Provider being subject to a Downgrade Event.

²² Use in case of an expiring Letter of Credit.

²³ Use in case of a Letter of Credit Provider being subject to a Downgrade Event.

²⁴ See footnote 1 above.

Name:
Title:

BNP PARIBAS TRUST CORPORATION UK LIMITED, as Issuer Security Trustee

By:

Name:
Title:

ANNEX C

CERTIFICATE OF REINSTATEMENT OF LETTER OF CREDIT AMOUNT

[Insert name and address of Issuing Bank]

Attention: [●]

cc:

International Fleet Financing No. 2 B.V. (the “**Issuer**”)

BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”)
as trustee on behalf of the Issuer

10 Harewood Avenue
London, NW1 6AA

Certificate of Reinstatement of Letter of Credit Amount under the Irrevocable Letter of Credit No. [●] (the “Letter of Credit”), dated [●], issued by [●], as the Issuing Bank, in favor of International Fleet Financing No.2 B.V. (the “Issuer”) and BNP Paribas Trust Corporation UK Limited (the “Issuer Security Trustee”) as trustee on behalf of the Issuer.

Capitalized terms used herein and not defined herein have the meanings set forth in the master definitions and constructions agreement signed by, amongst others, the parties to the Issuer Facility Agreement (as defined in the Letter of Credit), dated on [●], 2018

The undersigned, a duly authorized officer of Hertz Europe Limited, hereby certifies to the Issuing Bank as follows:

1. As of the date of this certificate, the Issuing Bank has been reimbursed by The Hertz Corporation (“**Hertz**”) in the amount €[●] (the “**Reimbursement Amount**”) in respect of the Credit Demand made on [date].
2. The Reimbursement Amount was paid to the Issuing Bank prior to payment in full of the Issuer Notes.
3. Hertz Europe Limited hereby notifies you that, pursuant to the terms and conditions of the Letter of Credit, the Letter of Credit Amount of the Issuing Bank is hereby reinstated in the amount of €[●], effective upon the date of receipt by the Issuing Bank of this Certificate of Reinstatement of Letter of Credit Amount, so that the Letter of Credit Amount of the Issuing Bank after taking into account such reinstatement is in amount equal to €[●].
4. As of the date of this certificate, no Event of Bankruptcy with respect to Hertz has occurred and is continuing. “**Event of Bankruptcy**” with respect to Hertz means:
 - (a) Hertz:
 - (i) is unable or admits inability to pay its debts as they fall due;
 - (ii) is deemed to or is declared to, be unable to pay its debts under applicable law;

HERTZ EUROPE LIMITED

By _____
Title:

WEIL:

Acknowledged and Agreed:

The undersigned hereby acknowledges receipt of the Reimbursement Amount (as defined above) in the amount set forth above and agrees that the undersigned's Letter of Credit Amount is in an amount equal to €[●] as of this [insert day] day of [insert year] after taking into account the reinstatement of the Letter of Credit Amount by an amount equal to the Reimbursement Amount.

[Name of Issuing Bank]

By:

Name:

Title:

By:

Name:

Title:

WEIL:

ANNEX D
INSTRUCTION TO TRANSFER
(COMPANY LETTERHEAD)

TO: CREDIT AGRICOLE CORPORATE & INVESTMENT BANK
NEW YORK BRANCH
1301 AVENUE OF THE AMERICAS
NEW YORK, NY 10019
ATTN: LETTER OF CREDIT DEPARTMENT

DATE: _____

RE: YOUR LETTER OF CREDIT NO. _____ ISSUED ON _____ IN FAVOR OF
THE UNDERSIGNED.

GENETLEMEN:

FOR VALUE RECEIVED, THE UNDERSIGNED BENEFICIARY HEREBY IRREVOCABLY TRANSFERS,
IN ITS ENTIRETY, ALL RIGHTS TO DRAW UNDER THE ABOVE REFERENCED LETTER OF CREDIT
TO:

THE "TRANSFEREE"

ADDRESS

WEIL:

ALL RIGHTS OF THE BENEFICIARY IN THE LETTER OF CREDIT, ARE TRANSFERRED TO THE ABOVE TRANSFEREE, WHO SHALL HEREAFTER BE THE BENEFICIARY FOR ALL PURPOSES AND THE BENEFICIARY SHALL HAVE NO FURTHER RIGHTS THEREUNDER, INCLUDING RIGHTS RELATING TO ANY AMENDMENTS OF THE STATED AMOUNT OF THE LETTER OF CREDIT OR TO THE EXPIRY DATE OR OTHER AMENDMENTS, AND WHETHER NOW EXISTING OR HEREAFTER MADE. ALL AMENDMENTS ARE TO BE ADVISED DIRECTLY TO THE TRANSFEREE WITHOUT NECESSITY OF ANY CONSENT OF OR NOTICE TO THE BENEFICIARY.

THE ORIGINAL LETTER OF CREDIT IS RETURNED HERewith, AND THE BENEFICIARY HEREBY REQUESTS THE AUTHORIZED BANK TO ENDORSE THE TRANSFER ON THE REVERSE THEREOF AND FORWARD IT DIRECTLY TO THE TRANSFEREE WITH THE ISSUING BANK'S CUSTOMARY NOTICE OF TRANSFER.

(TOGETHER WITH YOUR REQUEST FOR TRANSFER, PLEASE ENCLOSE YOUR CHECK FOR 1/4% OF THE AMOUNT BEING TRANSFERRED OR MINIMUM \$250.00, UNLESS OTHERWISE ARRANGED)

VERY TRULY YOURS

(COMPANY NAME)

BY: _____

AUTHORIZED SIGNATURE

(NAME PRINTED)

THE PERSON WHOSE NAME AND SIGNATURE

APPEARS HERewith IS A DULY AUTHORIZED

AS ITS: _____ SIGNATURE OF THE BENEFICIARY:

TITLE NAME OF BANK (WITH BANK STAMP OR SEAL)

WEIL:

SIGNATURE OF BANK OFFICER

TITLE: _____

(

WEIL:

The Letter of Credit is returned herewith and in accordance therewith we ask that this transfer be effective and that the Issuing Bank transfer the Letter of Credit to our transferee and that the Issuing Bank endorse the Letter of Credit returned herewith in favor of the transferee or, if requested by the transferee, issue a new irrevocable letter of credit in favor of the transferee with provisions consistent with the Letter of Credit.

Very truly yours,

BNP PARIBAS TRUST CORPORATION UK LIMITED, as Issuer Security Trustee

By _____
Name:
Title:

By _____
Name:
Title:

ANNEX E

NOTICE OF REDUCTION OF LETTER OF CREDIT AMOUNT

[Insert name and address of Issuing Bank]

Attention: [●]

Notice of Reduction of Letter of Credit Amount under the Irrevocable Letter of Credit No. [●] (the “**Letter of Credit**”), dated [●], issued by [name of Issuing Bank], as the Issuing Bank, in favor of the Issuer and the Issuer Security Trustee on behalf of the Issuer. Capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the Letter of Credit or, if not defined therein, the Master Definitions and Constructions Agreement (as defined in the Letter of Credit).

The undersigned, a duly authorized officer of the Issuer Security Trustee, hereby notifies the Issuing Bank as follows:

1. The Issuer Security Trustee has received a notice in accordance with the Issuer Facility Agreement authorizing it to request a reduction of the Letter of Credit Amount to €[●] and is delivering this notice in accordance with the terms of the Letter of Credit Agreement.
2. The Issuing Bank acknowledges that the aggregate maximum amount of the Letter of Credit is reduced to €[●] from €[●] pursuant to and in accordance with the terms and provisions of the Letter of Credit and that the reference in the first paragraph of the Letter of Credit to “_____ (€_____)” is amended to read “_____ (€_____).”
3. This request, upon your acknowledgment set forth below, shall constitute an amendment to the Letter of Credit and shall form an integral part thereof and confirms that all other terms of the Letter of Credit remain unchanged.
4. The Issuing Bank is requested to execute and deliver its acknowledgment and agreement to this notice to the Issuer Security Trustee in the manner provided in Section [3.2(a)] of the Letter of Credit Agreement.

WEIL:

IN WITNESS WHEREOF, the Issuer Security Trustee has executed and delivered this certificate on this [●] day of [●], [●].

BNP PARIBAS TRUST CORPORATION UK LIMITED, as Issuer Security Trustee

By _____
Name:
Title:

By _____
Name:
Title:

WEIL:

ANNEX F

NOTICE OF INCREASE OF LETTER OF CREDIT AMOUNT

Beneficiaries:

International Fleet Financing No. 2 B.V. the (“**Issuer**”)

BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”),
as trustee on behalf of the Issuer

10 Harewood Avenue
London, NW1 6AA

cc: Hertz Europe Limited
Hertz House
11 Vine Street
Uxbridge
UB8 1QE

Notice of Increase of Letter of Credit Amount under the Irrevocable Letter of Credit No. [●] (the “**Letter of Credit**”), dated [●], issued by [*insert name of Issuing Bank*], as the Issuing Bank, in favor of the Issuer and the Issuer Security Trustee.

Capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the Letter of Credit or, if not defined therein, in the Master Definitions and Constructions Agreement (as defined in the Letter of Credit).

The undersigned, duly authorized officers of the Issuing Bank, hereby notify the Issuer and the Issuer Security Trustee as follows:

1. The Issuing Bank has received a request from Hertz Europe Limited to increase the Letter of Credit Amount by €[●], which increase shall not result in the Letter of Credit Amount exceeding an amount equal to €[●].
2. Upon your acknowledgment set forth below, the aggregate maximum amount of the Letter of Credit is increased to €[●] from €[●] pursuant to and in accordance with the terms and provisions of the Letter of Credit and that the reference in the first paragraph of the Letter of Credit to “_____ (€____)” is amended to read “_____ (€____)”.
3. This notice, upon your acknowledgment set forth below, shall constitute an amendment to the Letter of Credit and shall form an integral part thereof and confirms that all other terms of the Letter of Credit remain unchanged.
4. The Issuer and the Issuer Security Trustee are requested to execute and deliver their acknowledgment and acceptance to this notice to the Issuing Bank, in the manner provided in Section [3.2(a)] of the Letter of Credit Agreement and upon receipt by the Issuing Bank of such acknowledgement, the increase in the Letter of Credit Amount shall be immediately effective.

IN WITNESS WHEREOF, the Issuing Bank has executed and delivered this certificate on this [●] day of [●], [●].

[*Name of Issuing Bank*]

By: _____
Name:
Title:

By: _____
Name:
Title:

INTERNATIONAL FLEET FINANCING NO.2

B.V.

Issuer

By:

Name:

Title:

BNP PARIBAS TRUST CORPORATION UK LIMITED

Issuer Security Trustee

By:

Name:

Title:

**EXHIBIT J-1
TO
ISSUER FACILITY AGREEMENT**

**CLASS A FORM OF ADVANCE REQUEST
INTERNATIONAL FLEET FINANCING NO.2 B.V.**

To: Addressees on Schedule I hereto Ladies and

Gentlemen:

This Class A Advance Request is delivered to you pursuant to Clause 2.2(a) of the issuer facility agreement, dated as of 25 September 2018 (as from time to time amended, supplemented or otherwise modified in accordance with the terms thereof, the “**Issuer Facility Agreement**”) and entered into between, among others, International Fleet Financing No.2 BV (the “**Issuer**”), BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”) and Credit Agricole Corporate and Investment Bank (the “**Administrative Agent**”).

Capitalized terms used herein have the meanings provided in the master definitions and constructions agreement entered into on or about the date of the Issuer Facility Agreement (as amended, modified or supplemented from time to time) between, amongst others, the Issuer, the Issuer Security Trustee and the Administrative Agent.

The parties hereto acknowledge and agree that the rights and obligations under this Class A Advance Request shall become effective at the Effective Date.

The undersigned hereby requests that a [Class A Ordinary Advance] [Class A Reserve Advance] be made in the aggregate principal amount of €____ on [●] 20[●]. The undersigned hereby acknowledges that, subject to the terms of the Issuer Facility Agreement, any Class A Advance that is not funded at the Class A CP Rate by a Class A Conduit Investor or otherwise shall be made at the Class A Reference Rate and the related Interest Period shall commence on the date of the Class A Advance made at such Class A Reference Rate and end on the next Payment Date.

The Issuer Aggregate Asset Amount as of the date hereof is an amount equal to € _____.

The Expected Payment Date of the Class A Advance requested hereby is _____.

The undersigned hereby acknowledges that the delivery of this Class A Advance Request and the acceptance by the undersigned of the proceeds of the Class A Advance requested hereby constitute a representation and warranty by the undersigned that, on the date of such Class A Advance, and before and after giving effect thereto and to the application of the proceeds therefrom, [all conditions set forth in the definition of Class A Funding Conditions have been satisfied]²⁵ [all conditions set forth in clauses (a)-(c), (e) and (g)-(h) of the definition of Class A Funding Conditions have been satisfied]²⁶.

The undersigned agrees that if prior to the time of the [Class A Advance] requested hereby any matter certified to herein by it will not be true and correct at such time as if then made, it will immediately so notify both you and each Class A Committed Note Purchaser and each Class A Conduit Investor, if any, in your

²⁵ To be used in the case of an Ordinary Advance.

²⁶ To be used in the case of a Reserve Advance.

Class A Investor Group. Except to the extent, if any, that prior to the time of the [Class A Advance], requested hereby from you and each Class A Committed Note Purchaser and each Class A Conduit Investor, if any, in your Class A Investor Group shall receive written notice to the contrary from the undersigned, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of such [Class A Advance] as if then made.

Please wire transfer the proceeds of each of the [Class A Advance] to the following account pursuant to the following instructions:

[INSERT PAYMENT INSTRUCTIONS]

The undersigned has caused this Class A Advance Request to be executed and delivered, and the certification and warranties contained herein to be made, by its duly Authorized Officer this day of [●] 20[●].

INTERNATIONAL FLEET FINANCING NO.2 B.V.

By: __
Name: __
Title: __

SCHEDULE I

BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee
10 Harewood Avenue
London, NW1 6AA
United Kingdom

Credit Agricole Corporate and Investment Bank as Administrative Agent
12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

Matchpoint Finance Plc
4th Floor
Marsh House
25-28 Adelaide Road
Dublin 2
Ireland

Deutsche Bank AG, London Branch
1 Great Winchester Street
London EC2N 2DB

HSBC Continental Europe
38, avenue Kléber
75116 Paris,
France

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB

BNP Paribas S.A.
16, boulevard des Italiens,
75009 Paris
France

Managed and Enhanced Tap (Magenta) Funding S.T
127 rue Amelot
75011 Paris
France

Natixis S.A.
30, avenue Pierre Mendès-France
75013 Paris
France

Irish Ring Receivables Purchaser Designated Activity Company
1-2 Victoria Buildings

Haddington Road
Dublin 4
Ireland

Gresham Receivables (No.32) UK Limited
C/O Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London, EC2R 7AF
United Kingdom

Crédit Agricole Corporate and Investment Bank
12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

[Name and address details of any other Funding Agent, Committed Note Purchaser and Conduit Investors to be included]

**EXHIBIT J-2
TO
ISSUER FACILITY AGREEMENT**

**CLASS B FORM OF ADVANCE REQUEST
INTERNATIONAL FLEET FINANCING NO.2 B.V.**

To: Addressees on Schedule I hereto Ladies and

Gentlemen:

This Class B Advance Request is delivered to you pursuant to Clause 2.2(a) of the issuer facility agreement, dated as of 25 September 2018 (as from time to time amended, supplemented or otherwise modified in accordance with the terms thereof, the “**Issuer Facility Agreement**”) and entered into between, among others, International Fleet Financing No.2 BV (the “**Issuer**”), BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”) and Credit Agricole Corporate and Investment Bank (the “**Administrative Agent**”).

Capitalized terms used herein have the meanings provided in the master definitions and constructions agreement entered into on or about the date of the Issuer Facility Agreement (as amended, modified or supplemented from time to time) between, amongst others, the Issuer, the Issuer Security Trustee and the Administrative Agent.

The parties hereto acknowledge and agree that the rights and obligations under this Class B Advance Request shall become effective at the Effective Date.

The undersigned hereby requests that a Class B Advance be made in the aggregate principal amount of €_____ on [•] 20[•]. The undersigned hereby acknowledges that, subject to the terms of the Issuer Facility Agreement, any Class B Advance that is not funded at the Class B CP Rate by a Class B Conduit Investor or otherwise shall be made at the Class B Reference Rate and the related Interest Period shall commence on the date of the Class B Advance made at such Class B Reference Rate and end on the next Payment Date.

The Issuer Aggregate Asset Amount as of the date hereof is an amount equal to €_____.

The undersigned hereby acknowledges that the delivery of this Class B Advance Request and the acceptance by undersigned of the proceeds of the Class B Advance requested hereby constitute a representation and warranty by the undersigned that, on the date of such Class B Advance, and before and after giving effect thereto and to the application of the proceeds therefrom, all conditions set forth in the definition of Class B Funding Conditions have been satisfied.

The undersigned agrees that if prior to the time of the Class B Advance requested hereby any matter certified to herein by it will not be true and correct at such time as if then made, it will immediately so notify both you and each Class B Committed Note Purchaser and each Class B Conduit Investor, if any, in your Class B Investor Group. Except to the extent, if any, that prior to the time of the Class B Advance, requested hereby from you and each Class B Committed Note Purchaser and each Class B Conduit Investor, if any, in your Class B Investor Group shall receive written notice to the contrary from the undersigned, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of such Class B Advance as if then made.

Please wire transfer the proceeds of each of the Class B Advance to the following account pursuant to the following instructions:

[INSERT PAYMENT INSTRUCTIONS]

The undersigned has caused this Class B Advance Request to be executed and delivered, and the certification and warranties contained herein to be made, by its duly Authorized Officer this day of [●] 20[●].

INTERNATIONAL FLEET FINANCING NO.2 B.V.

By: __
Name: __
Title: __

SCHEDULE I

BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee
[Address]

Credit Agricole Corporate and Investment Bank as Administrative Agent
12 Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

[Name and address details of any other Funding Agent, Committed Note Purchaser and Conduit Investors to be included]

WEIL:

**EXHIBIT K-1
TO
ISSUER FACILITY AGREEMENT**

CLASS A ADDITIONAL INVESTOR GROUP

ADDENDUM TO ISSUER FACILITY AGREEMENT

lized terms used herein have the meanings provided in the master definitions and constructions agreement entered into on or about the date of the Issuer Facility Agreement (as amended, modified or supplemented from time to time) between, amongst others, International Fleet Financing No.2 BV (the “**Issuer**”), BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”) and Credit Agricole Corporate and Investment Bank (the “**Administrative Agent**”) (the “**Issuer Facility Agreement**”).

parties hereto acknowledge and agree that the rights and obligations under this Addendum shall become effective at the Effective Date. Each of the undersigned:

1. confirms that it has received a copy of:
 - a. the Issuer Facility Agreement; and
 - b. such other agreements, documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Addendum;
2. appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto;
3. agrees to all of the provisions of the Issuer Facility Agreement;
4. agrees that the related Class A Maximum Investor Group Principal Amount is € __ (including any portion of the Class A Maximum Investor Group Principal Amount of such Class A Investor Group acquired pursuant to an assignment to such Class A Investor Group as a Class A Acquiring Investor Group) and the related Class A Committed Note Purchaser’s Class A Committed Note Purchaser Percentage is __ per cent (%);
5. designates __ as the Class A Funding Agent for itself, and such Class A Funding Agent hereby accepts such appointment;
6. becomes a party to the Issuer Facility Agreement and a Class A Conduit Investor, Class A Committed Note Purchaser and/or Class A Funding Agent, as the case may be, thereunder with the same effect as if the undersigned were an original signatory to the Issuer Facility Agreement; and
7. each member of the Class A Additional Investor Group hereby represents and warrants that the representations and warranties contained in paragraph 3 (*Conduit Investors and Committed Note Purchasers*) of Annex I to the Issuer Facility Agreement are true and correct with respect to the Class A Additional Investor Group on and as of the date hereof and the Class A Additional Investor Group shall be deemed to have made such representations and warranties contained in paragraph 3 (*Conduit Investors and Committed Note Purchasers*) of Annex I to the Issuer Facility Agreement on and as of the date hereof.

8. The notice address for each member of the Class A Additional Investor Group is as follows:

[INSERT CONTACT INFORMATION FOR EACH ENTITY]

9. This Addendum shall be effective when a counterpart hereof, signed by the undersigned and Issuer and has been delivered to the parties hereto.

10. This Addendum and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

IN WITNESS WHEREOF, the undersigned have caused this Addendum to be duly executed and delivered by its duly authorized officer or agent as of this day of ____ 20 __.

WEIL:

[NAME OF ADDITIONAL FUNDING
AGENT], as Class A Funding Agent

By: ___
Name:
Title:

[NAME OF ADDITIONAL CONDUIT
INVESTOR], as Class A Conduit Investor

By: ___
Name:
Title:

[NAME OF ADDITIONAL COMMITTED NOTE PURCHASER], as
Class A Committed Note Purchaser

By: ___
Name:
Title:

Acknowledged and agreed to as of the date
first above written:

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as Issuer

By: ___ Name:
Title:

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Administrative Agent

By: ___ Name:
Title:

WEIL:

**EXHIBIT K-2
TO
ISSUER FACILITY AGREEMENT**

CLASS B ADDITIONAL INVESTOR GROUP

ADDENDUM TO ISSUER FACILITY AGREEMENT

alized terms used herein have the meanings provided in the master definitions and constructions agreement entered into on or about the date of the Issuer Facility Agreement (as amended, modified or supplemented from time to time) between, amongst others, International Fleet Financing No.2 BV (the “**Issuer**”), BNP Paribas Trust Corporation UK Limited (the “**Issuer Security Trustee**”) and Credit Agricole Corporate and Investment Bank (the “**Administrative Agent**”) (the “**Issuer Facility Agreement**”).

parties hereto acknowledge and agree that the rights and obligations under this Addendum shall become effective at the Effective Date. Each of the undersigned:

1. confirms that it has received a copy of:
 - a. the Issuer Facility Agreement; and
 - b. such other agreements, documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Addendum;
2. appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto;
3. agrees to all of the provisions of the Issuer Facility Agreement;
4. agrees that the related Class B Maximum Investor Group Principal Amount is € ___(including any portion of the Class B Maximum Investor Group Principal Amount of such Class B Investor Group acquired pursuant to an assignment to such Class B Investor Group as a Class B Acquiring Investor Group) and the related Class B Committed Note Purchaser’s Class B Committed Note Purchaser Percentage is ___per cent (%);
5. designates ___as the Class B Funding Agent for itself, and such Class B Funding Agent hereby accepts such appointment;
6. becomes a party to the Issuer Facility Agreement and a Class B Conduit Investor, Class B Committed Note Purchaser and/or Class B Funding Agent, as the case may be, thereunder with the same effect as if the undersigned were an original signatory to the Issuer Facility Agreement; and
7. each member of the Class B Additional Investor Group hereby represents and warrants that the representations and warranties contained in paragraph 3 (*Conduit Investors and Committed Note Purchasers*) of Annex I to the Issuer Facility Agreement are true and correct with respect to the Class B Additional Investor Group on and as of the date hereof and the Class B Additional Investor Group shall be deemed to have made such representations and warranties contained in paragraph 3

(Conduit Investors and Committed Note Purchasers) of Annex I to the Issuer Facility Agreement on and as of the date hereof.

8. The notice address for each member of the Class B Additional Investor Group is as follows:

[INSERT CONTACT INFORMATION FOR EACH ENTITY]

9. This Addendum shall be effective when a counterpart hereof, signed by the undersigned and Issuer and has been delivered to the parties hereto.

10. This Addendum and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

IN WITNESS WHEREOF, the undersigned have caused this Addendum to be duly executed and delivered by its duly authorized officer or agent as of this day of ___ 20 __.

WEIL:

[NAME OF ADDITIONAL FUNDING
AGENT], as Class B Funding Agent

By: ___
Name:
Title:

[NAME OF ADDITIONAL CONDUIT
INVESTOR], as Class B Conduit Investor

By:____
Name:
Title:

[NAME OF ADDITIONAL COMMITTED NOTE PURCHASER], as
Class B Committed Note Purchaser

By:____
Name:
Title:

Acknowledged and agreed to as of the date
first above written:

INTERNATIONAL FLEET FINANCING NO.2 B.V.
as Issuer

By:_____ Name:
Title:

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Administrative Agent

By:_____ Name:
Title:

WEIL:

**EXHIBIT M-1
TO
ISSUER FACILITY AGREEMENT**

CLASS A INVESTOR GROUP MAXIMUM PRINCIPAL INCREASE ADDENDUM

In order to effect a Class A Investor Group Maximum Principal Increase with respect to its Class A Investor Group, each of the undersigned:

- (i) confirms that it has received a copy of the Issuer Facility Agreement, dated as of 25 September 2018 (as from time to time further amended, supplemented or otherwise modified in accordance with the terms thereof; terms defined therein being used herein as defined therein), among International Fleet Financing No.2 B.V. (the "Issuer"), the Conduit Investors named therein, the Committed Note Purchasers named therein, the Funding Agents named therein, Hertz Europe Limited as Issuer Administrator, Credit Agricole Corporate and Investment Group (in such capacity, the "Administrative Agent") and BNP Paribas Trust Corporation UK Limited, as Issuer Security Trustee, and such other agreements, documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Class A Investor Group Maximum Principal Increase Addendum;
- (ii) reaffirms its appointment and authorization of the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Issuer Facility Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto;
- (iii) reaffirms its agreement to all of the provisions of the Issuer Facility Agreement;
- (iv) agrees to (1) a Class A Investor Group Maximum Principal Increase in an amount equal to €_____ and (2) a Class A Investor Group Maximum Principal Increase Amount in an amount equal to €_____;
- (v) agrees that the related Class A Maximum Investor Group Principal Amount is €_____ and the related Class A Committed Note Purchaser's Class A Committed Note Purchaser Percentage is _____ percent (___%) (in each case after giving effect to the Class A Investor Group Maximum Principal Increase described in clause (iv) above); and
- (vi) each member of the Class A Investor Group hereby represents and warrants that the representations and warranties contained in Section 3 of Annex 1 to the Issuer Facility Agreement are true and correct with respect to the Class A Investor Group on and as of the date hereof and the Class A Investor Group shall be deemed to have made such representations and warranties contained in Section 3 of Annex 1 to the Issuer Facility on and as of the date hereof.

This Class A Investor Group Maximum Principal Increase Addendum shall be effective when a counterpart hereof, signed by the undersigned and the Issuer, has been delivered to the parties hereof.

This Class A Investor Group Maximum Principal Increase Addendum shall be governed by and construed in accordance with English law.

IN WITNESS WHEREOF, the undersigned have caused this Class A Investor Group Maximum Principal Increase Addendum to be duly executed and delivered by its duly authorized officer or agent as of this day of _____, 20_.

[NAME OF CLASS A FUNDING AGENT],
as Class A Funding Agent

By: _____
Name:
Title:

[NAME OF CLASS A CONDUIT INVESTOR],
as Class A Conduit Investor

By: _____
Name:
Title:

[NAME OF CLASS A COMMITTED NOTE
PURCHASER], as Class A Committed Note
Purchaser

By: _____
Name:
Title:

**EXHIBIT N
TO
ISSUER FACILITY AGREEMENT**

FORM OF REQUIRED INVOICE

WEIL:

THE SYMBOL "[*]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL AND (ii) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Weil, Gotshal & Manges (London) LLP
 110 Fetter Lane
 London EC4A 1AY
 +44 20 7903 1000 main tel
 +44 20 7903 0990 main fax
 weil.com



MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT

among

INTERNATIONAL FLEET FINANCING NO. 2 B.V.
 as Issuer, Dutch Noteholder, FCT Noteholder, German Noteholder and Spanish Noteholder

HERTZ AUTOMOBIELEN NEDERLAND B.V.
 as Dutch OpCo, Dutch Lessee, Dutch Administrator and Dutch Servicer

STUURGROEP FLEET (NETHERLANDS) B.V.
 as Dutch FleetCo, Dutch Lessor and, acting through its Spanish branch, Spanish FleetCo and Spanish Lessor

HERTZ FRANCE S.A.S.
 as French OpCo, French Lessee, French Administrator and French Servicer

RAC FINANCE S.A.S.
 as French FleetCo and French Lessor

HERTZ DE ESPANA SL
 as Spanish OpCo, Spanish Lessee, Spanish Administrator and Spanish Servicer

HERTZ AUTOVERMIETUNG GMBH
 as German OpCo, German Lessee and German Servicer

HERTZ FLEET LIMITED
 as German FleetCo and German Lessor

EUROTITRISATION S.A.
 FCT Management Company on behalf of FCT YELLOW CAR

BNP PARIBAS SECURITIES SERVICES
 FCT Custodian

BNP PARIBAS SECURITIES SERVICES
 FCT Registrar

BNP PARIBAS SECURITIES SERVICES
 FCT Paying Agent

BNP PARIBAS S.A.
 as French Lender and FCT Servicer

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Administrative Agent

HERTZ EUROPE LIMITED
as Issuer Administrator and German Administrator

THE HERTZ CORPORATION
as THC and Guarantor

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH
as Registrar

TMF SFS MANAGEMENT BV
as Issuer Back-Up Administrator, Dutch Back-Up Administrator, French Back-Up Administrator, German Back-Up Administrator and Spanish Back-Up Administrator

TMF France Management SARL
as TMF SARL

TMF France SAS
as TMF SAS

KPMG S.A.
as Dutch Liquidation Co-ordinator, French Liquidation Co-ordinator,
German Liquidation Co-ordinator and Spanish Liquidation Co-ordinator,

BNP PARIBAS TRUST CORPORATION UK LIMITED
as Issuer Security Trustee, Dutch Security Trustee, French Security Trustee, German Security Trustee and Spanish Security Trustee

BNP PARIBAS SECURITIES SERVICES
as FCT Account Bank

BNP PARIBAS S.A.
as French Account Bank

BNP PARIBAS S.A., DUBLIN BRANCH
as Issuer Account Bank and German Account Bank (Irish Branch)

BNP PARIBAS S.A., NETHERLANDS BRANCH
as Dutch Account Bank

SANNE TRUSTEE SERVICES LIMITED
as trustee of the Hertz Funding France Trust

CERTAIN ENTITIES NAMED HEREIN
as Committed Note Purchasers

CERTAIN ENTITIES NAMED HEREIN
as Conduit Investors

CERTAIN ENTITIES NAMED HEREIN
as Funding Agents

HERTZ HOLDINGS NETHERLANDS 2 B.V.
as Subordinated Noteholder and Subordinated Note Registrar

AND
HERTZ INTERNATIONAL LIMITED
as HIL

iii

WEIL:

TABLE OF CONTENTS

	Page No.
1 DEFINITIONS	5
2 PRINCIPLES OF INTERPRETATION AND CONSTRUCTION	131
3 COMMON TERMS	135
4 AMENDMENTS AND WAIVERS	153
5 ENFORCEMENT UNDER FRENCH LAW RELATED DOCUMENTS	153
6 DUTCH POWER OF ATTORNEY	153

THIS MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT is originally dated 25 September 2018, as amended on 8 November 2019 and 23 December 2020 and as further amended and restated on 29 April 2021 and thereafter on 21 December 2021.

1 DEFINITIONS

In this Master Definitions and Constructions Agreement and in any document that incorporates this Clause of the Master Definitions and Constructions Agreement (unless a term defined below is defined otherwise in the relevant document, in which case the definition of the relevant document shall prevail):

1.1 GENERAL DEFINITIONS

“**2010 Assigned Receivables**” means the receivables assigned under the Receivables Assignment Agreement 2010.

“**2010 Fleet Vehicle**” means each Vehicle (i) which German OpCo has purchased under a Vehicle Purchasing Agreement, (ii) in respect of which German OpCo has acquired title (*Eigentum*) or an expectancy/inchoate right (*Anwartschaftsrecht*) and where the Initial Purchase Price was paid in full to the relevant Supplier prior to the date of this Agreement, (iii) in respect to which legal title or expectancy/inchoate rights (*Anwartschaftsrechte*) to such Vehicles have been transferred to the Security Agent 2010 and (iv) in respect to which German FleetCo has not yet disposed of.

“**Acceptable Bank**” means a bank, depositary institution or other entity authorised to accept deposits in the Relevant Jurisdiction and in each case, whose long-term senior unsecured debt obligations are rated at least “BBB” (or the equivalent thereof) by DBRS (or if such entity is not rated by DBRS, “Baa2” by Moody’s or “BBB” by S&P).

“**Account**” means any of the accounts established pursuant to the International Account Bank Agreement, the FCT Account Bank Agreement, the French Account Bank Agreement and the Spanish Account Letter of Acknowledgement.

“**Account Bank**” means, the Issuer Account Bank, the Dutch Account Bank, the FCT Account Bank, the French Account Bank, the German Account Bank and/or the Spanish Account Bank, as applicable.

“**Account Bank Agreement**” means the International Account Bank Agreement and/or the French Account Bank Agreement and/or the FCT Account Bank Agreement and/or the Spanish Account Letter of Acknowledgement, as applicable.

“**Account Bank Termination Event**” has the meaning set out in the relevant Account Bank Agreement.

“**Account Conditions**” has the meaning specified in the International Account Bank Agreement.

“**Account Holder**” means each of the parties listed in Part I of Schedule 1 (*Account Holders*) of the International Account Bank Agreement, or identified as an account holder in the French Account Bank Agreement or FCT Account Bank Agreement or Spanish Account Letter of Acknowledgement, as the context shall require.

“**Account Mandate**” means a FleetCo Account Mandate or an Issuer Account Mandate, as the context shall require.

“**Accrued Amounts**” means, on any date of determination, the sum of the amounts payable (without taking into account availability of funds) pursuant to Clauses 5.2 (a) through (i), (k) and (l) (*Application of Funds in the Issuer Interest Collection Account*) of the Issuer Facility Agreement that have accrued and remain unpaid as of such date.

“**Accumulated Depreciation**” means, with respect to any Lease Vehicle, as of any date of determination:

- (a) the sum of:
 - (i) all Monthly Base Rent with respect to such Lease Vehicle paid or payable (since such Lease Vehicle’s most recent Vehicle Lease Commencement Date) under the applicable Master Lease on or prior to the Payment Date occurring in the calendar month in which such date of determination occurs;
 - (ii) the Final Base Rent with respect to such Lease Vehicle, if any, paid or payable (since such Lease Vehicle’s most recent Vehicle Lease Commencement Date) under the applicable Master Lease on or prior to the Payment Date occurring in the calendar month immediately following such date;
 - (iii) the Pre-VLCD Program Vehicle Depreciation Amount with respect to such Lease Vehicle, if any, paid or payable (since such Lease Vehicle’s most recent Vehicle Lease Commencement Date) under the applicable Master Lease on or prior to the Payment Date occurring in the calendar month immediately following such date;
 - (iv) all Redesignation to Non-Program Amounts with respect to such Lease Vehicle, if any, paid or payable (since such Lease Vehicle’s most recent Vehicle Lease Commencement Date) under the applicable Master Lease on or prior to the Payment Date occurring in the calendar month in which such date of determination occurs; and
 - (v) the Program Vehicle Depreciation Assumption True-Up Amount with respect to such Lease Vehicle, if any, paid or payable (since such Lease Vehicle’s most recent Vehicle Lease Commencement Date) under the applicable Master Lease by the applicable Lessee on or prior to the Payment Date occurring in the calendar month immediately following such date; minus
- (b) the sum of all Redesignation to Program Amounts with respect to such Lease Vehicle, if any, paid or payable (since such Lease Vehicle’s most recent Vehicle Lease Commencement Date) under the applicable Master Lease by the applicable Lessor on or prior to the Payment Date occurring in the calendar month in which such date of determination.

“**Additional Class A Notes**” has the meaning specified in Clause 2.1(e)(i) (*Conditions to Issuance of Additional Issuer Notes*) of the Issuer Facility Agreement.

“**Additional Class B Notes**” has the meaning specified in Clause 2.1(e)(ii) (*Conditions to Issuance of Additional Issuer Notes*) of the Issuer Facility Agreement.

“**Additional Issuer Notes**” means Additional Class A Notes or Additional Class B Notes.

“**Additional Leasing Company**” means a special purpose Affiliate of Hertz (other than the FleetCos) that is engaged in the business of acquiring, financing, refinancing and/or leasing Vehicles, designated as such by the Issuer, subject to Annex 2 paragraph 23 (*Additional Leasing Companies*) of the Issuer Facility Agreement.

“**Additional Leasing Company Note**” means a variable funding rental car asset backed note or other Indebtedness owing from an Additional Leasing Company to the Issuer and issued or incurred pursuant to an additional FleetCo Facility Agreement.

“**Additional Leasing Company Liquidation Event**” means an Amortization Event that occurred or is continuing under Clause 7.1(e) of the Issuer Facility Agreement as a result of any Leasing

Company Amortization Event arising under Clause 10.1(c), (d), (g) or (k) of the Dutch Facility Agreement, the German Facility Agreement or the Spanish Facility Agreement or under Clause 11.1(c), (d), (g) or (k) of the French Facility Agreement.

“**Additional Lessee**” has the meaning specified in the preamble of each Master Lease.

“**Additional Permitted Investment**” has the meaning specified in paragraph 17 of Annex 2 (*Standard & Poor’s Limitation on Permitted Investments*) of the Issuer Facility Agreement.

“**Adjusted Asset Coverage Threshold Amount**” means, as of any date of determination, the excess, if any, of (i) the Asset Coverage Threshold Amount over (ii) the sum of (A) the Letter of Credit Amount and (B) the Available Reserve Account Amount, in each case, as of such date.

“**Adjusted Letter of Credit/Cash Liquid Enhancement Amount**” means, as of any date of determination, the Letter of Credit/Cash Liquid Enhancement Amount, as of such date, excluding from the calculation thereof the amount available to be drawn under any Defaulted Letter of Credit, as of such date.

“**Adjusted Liquid Enhancement Amount**” means, as of any date of determination, the Liquid Enhancement Amount, as of such date, excluding from the calculation thereof the amount available to be drawn under any Defaulted Letter of Credit, as of such date.

“**Adjusted Principal Amount**” means, as of any date of determination, the excess, if any, of (A) the Principal Amount as of such date over (B) the Principal Collection Account Amount as of such date.

“**Administration Agreement**” means the Issuer Administration Agreement and/or each FleetCo Administration Agreement, as applicable.

“**Administrative Agent**” has the meaning specified in the Preamble of the Issuer Facility Agreement.

“**Administrative Agent Fee**” has the meaning specified in the Administrative Agent Fee Letter.

“**Administrative Agent Fee Letter**” means that certain fee letter, dated on or about the Signing Date, between the Administrative Agent and the Issuer setting forth the definition of Administrative Agent Fee.

“**Administrative Agent Indemnified Liabilities**” has the meaning specified in Clause 11.4(c) (*Indemnification of the Administrative Agent and each Funding Agent*) of the Issuer Facility Agreement.

“**Administrative Agent Indemnified Parties**” has the meaning specified in Clause 11.4(c) (*Indemnification of the Administrative Agent and each Funding Agent*) of the Issuer Facility Agreement.

“**Administrator**” means the Issuer Administrator and/or each FleetCo Administrator, as applicable.

“**Administrator Termination Notice**” has the meaning given to it in Clause 1.5 (*Issuer Back-Up Administrator*) of the International Account Bank Agreement.

“**Advance**” means a Class A Advance, a Class B Advance, or has the meaning given to it in Clause 2.3 (*Advances*) of each FleetCo Facility Agreement, as applicable.

“**Affected Person**” means a Class A Affected Person and/or a Class B Affected Person, as applicable.

“**Affiliate**” means, with respect to any specified Person, another Person that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. For purposes of this definition, ‘control’ means the power to direct the management and policies of a Person, directly or indirectly, whether through ownership of voting securities, by contract or otherwise; and ‘controlled’ and ‘controlling’ have meanings correlative to the foregoing.

“**Affiliate Joinder in Lease**” has the meaning specified in Clause 12.1 of each Master Lease.

“**Agent Indemnified Liabilities**” has the meaning specified in Clause 11.4(c) of the Issuer Facility Agreement.

“**Agent Indemnified Parties**” has the meaning specified in Clause 11.4(c) of the Issuer Facility Agreement.

“**Aggregate Asset Amount Deficiency**” means, as of any date of determination, the Adjusted Asset Coverage Threshold Amount as of such date is greater than the Issuer Aggregate Asset Amount as of such date.

“**Aggregate Leasing Company Principal Amount**” means, as of any date of determination, the sum of the Dutch Note Principal Amount, the French Facility Principal Amount, the German Note Principal Amount and the Spanish Note Principal Amount, in each case Outstanding as of such date.

“**Aggregate Transaction Account Amount**” means, as of any date of determination, the amount of cash representing principal on deposit in and Permitted Investments credited to each FleetCo Transaction Account and the FCT Account.

“**Aggregate Unpays**” has the meaning specified in Clause 10.1 (*Authorization and Action of the Administrative Agent*) of the Issuer Facility Agreement.

“**Alternative Payment Date**” means each of October 15 2018, October 25 2018, November 9 2018 and thereafter the 10th Business Day following any Payment Date.

“**Amendment and Restatement Deeds**” means the Issuer Amendment and Restatement Deed, Dutch Amendment and Restatement Deed, German Amendment and Restatement Deed, Spanish Amendment and Restatement Deed and French Amendment and Restatement Deed.

“**Amortization Event**” means each event listed in Clause 7.1 (*Amortization Events*) of the Issuer Facility Agreement and any event defined as an ‘Amortization Event’ in any Related Document.

“**Annual Financial Statements**” means the Financial Statements for a fiscal year to be delivered to be delivered by each Lessee pursuant to Clause 8.5(a) (*Reporting Requirements*) of each Master Lease.

“**Appointee**” means any attorney, manager, agent, delegate, nominee, custodian, Receiver or other person appointed by the Issuer Security Trustee.

“**Asset Coverage Threshold Amount**” means, as of any date of determination, the greater of the Class A Asset Coverage Threshold Amount and the Class B Asset Coverage Threshold Amount, in each case as of such date. “**Assumed Remaining Holding Period**” means, as of any date of determination and with respect to any Lease Vehicle that is a Non-Program Vehicle as of such date, the greater of (a) the number of months remaining from such date until the then-expected Disposition Date of such Lease Vehicle, as estimated by the applicable Lessor (or its designee) on such date in its sole and absolute discretion and (b) 1.

“**Assumed Residual Value**” means, as of any date of determination and with respect to any Lease Vehicle that is a Non-Program Vehicle as of such date, the proceeds expected to be realized upon

the disposition of such Lease Vehicle, as estimated by the Lessor (or its designee) on such date in its sole and absolute discretion.

“Auction” means the set of procedures specified in a Guaranteed Depreciation Program for sale or disposition of Program Vehicles through auctions and at auction sites designated by such Program Vehicles’ Manufacturer pursuant to such Guaranteed Depreciation Program.

“Auction Seller” means any third-party selling vehicles through a vehicle auction house in the business of facilitating the buying and selling of vehicles.

“Authorized Instructions” means a communication received by an Account Bank in writing or by electronic transfer containing all the information required by such Account Bank to enable it to carry out the instructions, and bearing a signature that such Account Bank assumes in good faith to have been issued by or on behalf of an Account Holder or a Servicer or the Issuer Administrator or a FleetCo Administrator or its delegate or, following the issue of an Issuer Enforcement Notice or an Issuer Administrator Termination Notice or a FleetCo Administrator Termination Notice and/or a FleetCo Enforcement Notice, in accordance with the relevant Account Bank Agreement by the relevant FleetCo Security Trustee or the Issuer Security Trustee (as applicable).

“Authorized Officer” means, as to the Issuer, any director, and as to Hertz or any of its Affiliates, any of (i) the President, (ii) the Chief Financial Officer, (iii) the Treasurer, (iv) any Assistant Treasurer, or (v) any Vice President in the tax, legal or treasury department, in each case of Hertz or such Affiliate, as applicable.

“Authorized Signatory” means, in relation to any party, any person who is duly authorized and in respect of whom a certificate has been provided signed by a director or another duly authorized person of such party setting out the name and signature of such person and confirming such person’s authority to act.

“Available Headroom Amount” means the excess of the Issuer Aggregate Asset Amount over the Adjusted Asset Coverage Threshold Amount multiplied by the Issuer Class A Blended Advance Rate, which amount shall not exceed the result (expressed as a Euro amount) of (x) the Class A Maximum Principal Amount minus (y) the aggregate Principal Amount Outstanding of the Class A Notes.

“Available L/C Cash Collateral Account Amount” means, as of any date of determination, the amount of cash on deposit in and Permitted Investments credited to the Issuer L/C Cash Collateral Account as of such date.

“Available Reserve Account Amount” means, as of any date of determination, the amount of cash on deposit in and Permitted Investments credited to the Issuer Reserve Account as of such date.

“Backstop Date” means, with respect to any Program Vehicle subject to a Guaranteed Depreciation Program that has been turned back under such Guaranteed Depreciation Program, the date on which the Manufacturer of such Program Vehicle is obligated to purchase such Program Vehicle in accordance with the terms of such Guaranteed Depreciation Program.

“Bankruptcy Code” means The Bankruptcy Reform Act of 1978, as amended from time to time, and as codified as 11 U.S.C. Clause 101 et seq.

“Base Rent” means, Monthly Base Rent and Final Base Rent, collectively.

“Basic Lease Vehicle Information” means the following terms specified by a Lessee in a Lease Vehicle Acquisition Schedule pursuant to Clause 2.1(a) of each Master Lease: a list of the vehicles such Lessee desires to be made available by the applicable Lessor to such Lessee for lease as ‘Lease Vehicles’, and, with respect to each such vehicle, the VIN, make, model, model year, and requested lease commencement date of each such vehicle.

“Board of Directors” means the board of directors of the Issuer, any FleetCo or any Leasing Company, as applicable, or an authorized committee thereof.

“Business Day” means any day other than a Saturday or Sunday and:

- (a) in relation to any date for payment or purchase of Euro or calculation of an amount payable in Euro, a day on which banks are open for general business in London, Paris, Amsterdam, Madrid, Munich, Dublin, New York and in the principal financial centre of the jurisdiction of each of the payer and the payee, and which is a TARGET Day;
- (b) in relation to any date for payment or purchase of or calculation of an amount payable in a currency other than Euro, a day on which banks are open for general business in London, Paris, Munich, Dublin, New York and in the principal financial centre of the jurisdiction of each of the payer and the payee, and in the principal financial centre of the country of that currency; or
- (c) in relation to any other date, a day on which banks are open for general business in London, Paris, Munich, Dublin, New York and in the principal financial centre of the jurisdiction in which the person(s) to whom the relevant provision relates operates,

provided that for the purposes of any payment to be made:

- (i) by a FleetCo or OpCo to a Manufacturer or Dealer;
- (ii) by any Lessee to a Lessor;
- (iii) by the Issuer to a FleetCo or the Subordinated Noteholder;
- (iv) by the Subordinated Noteholder to the Issuer;
- (v) by a FleetCo to the Issuer or the French Servicer on behalf of the FCT,

“Business Day” shall instead mean any day other than a Saturday or Sunday on which banks are open for general business in the principal financial centre of the jurisdiction of each of the payer and the payee.

“Capital Account” has the meaning given to it in the Issuer Co-operation Agreement.

“Capital Stock” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests (including membership and partnership interests) in a Person (other than a corporation) and any and all warrants or options to purchase any of the foregoing.

“Capitalized Cost” means, as of any date of determination:

- (a) with respect to any Lease Vehicle that is a Non-Program Vehicle as of its Vehicle Lease Commencement Date:
 - (i) unless such Lease Vehicle is an Inter-Group Transferred Vehicle, the capitalized cost calculated in accordance with U.S. GAAP, as recorded in any FleetCo’s or its designee’s computer systems as at such date of determination;
 - (ii) if such Lease Vehicle is an Inter-Group Transferred Vehicle, the Legacy NBV of such Lease Vehicle; and
- (b) with respect to any Lease Vehicle that is a Program Vehicle as of its Vehicle Lease Commencement Date, the capitalized cost calculated in accordance with U.S. GAAP, as

recorded in any FleetCo's or its designee's computer systems as at such date of determination.

"Capped Issuer Administrator Fee Amount" means, with respect to any Payment Date, an amount equal to the lesser of (i) the Issuer Administrator Fee Amount with respect to such Payment Date and (ii) €100,000.

"Capped Issuer Operating Expense Amount" means, with respect to any Payment Date the lesser of (i) the Issuer Operating Expense Amount, with respect to such Payment Date and (ii) the excess, if any, of (x) €100,000 over (y) the sum of the Issuer Administrator Fee Amount and the Issuer Security Trustee Fee Amount, in each case with respect to such Payment Date.

"Capped Issuer Security Trustee Fee Amount" means, with respect to any Payment Date, an amount equal to the lesser of (i) the Issuer Security Trustee Fee Amount, with respect to such Payment Date and (ii) the excess, if any, of €100,000 over the Issuer Administrator Fee Amount with respect to such Payment Date.

"Carrying Charges" means as of any day, the sum of:

- (a) all fees or other costs, expenses and indemnity amounts, if any, payable by the Issuer to:
 - (i) the Issuer Security Trustee other than the Capped Issuer Security Trustee Fee Amount,
 - (ii) the Issuer Administrator (other than Issuer Administrator Fee Amounts),
 - (iii) the Administrative Agent (other than Administrative Agent Fees),
 - (iv) the Noteholders (other than Monthly Interest Amounts and Monthly Default Interest Amounts), or
 - (v) any other party to an Issuer Related Document,in each case under and in accordance with such Issuer Related Document, plus
- (b) any other operating expenses of the Issuer that have been invoiced as of such date and are then payable by the Issuer relating to the Issuer Notes (in each case, exclusive of any FleetCo Carrying Charges).

"Cash AUP" has the meaning specified in paragraph 5 of Annex 2 (*Cash AUP*) of the Issuer Facility Agreement.

"Cashflow and Liquidity Forecast" shall have the meaning given to it in clause 2.1 (*Cashflow and Liquidity Forecast*) of the Refinancing Deed of Covenant.

"Casualty" means, with respect to any Eligible Vehicle, that:

- (a) such Eligible Vehicle is destroyed, seized or otherwise rendered permanently unfit or unavailable for use, or
- (b) such Eligible Vehicle is lost or stolen and is not recovered for one hundred and eighty (180) days following the occurrence thereof.

"Casualty Payment Amount" means, with respect to any Lease Vehicle that suffers a Casualty or becomes an Ineligible Vehicle, the result of (a) the Net Book Value of such Lease Vehicle as of the later of (i) such Lease Vehicle's Vehicle Lease Commencement Date and (ii) the first day of

the calendar month in which such Lease Vehicle became a Casualty or became an Ineligible Vehicle minus (b) the Final Base Rent for such Lease Vehicle.

“CEA Assets” means Eligible Vehicles (or the Net Book Value thereof), Spanish AAA Components, Manufacturer Receivables and/or Eligible Manufacturer Receivables.

“Certificate of Credit Demand” means a certificate substantially in the form of Annex A to a Letter of Credit.

“Certificate of Termination Demand” means a certificate substantially in the form of Annex B to a Letter of Credit.

“Change in Law” means (a) any law, rule, regulation or treaty or any change therein or in the interpretation or application thereof (whether or not having the force of law), in each case, adopted, issued, occurring, or taking effect after the Closing Date or (b) any request, guideline or directive (whether or not having the force of law) from any government or political subdivision or agency, authority, bureau, central bank, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator, or any accounting board or authority (whether or not part of government) that is responsible for the establishment or interpretation of national or international accounting principles, in each case, whether foreign or domestic (each an **“Official Body”**) charged with the administration, interpretation or application thereof, or the compliance with any request or directive of any Official Body (whether or not having the force of law) made, issued, occurring, or taking effect after the Closing Date; provided that, notwithstanding anything in the foregoing to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, interpretations or directives thereunder or issued in connection therewith and (y) all requests, rules, regulations, guidelines, interpretations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or any other United States or foreign regulatory authorities, in each case, pursuant to Basel III, shall, in each case, be deemed to be a “Change in Law”, regardless of the date enacted, adopted, issued or implemented.

“Change of Control” means:

- (a) any “person” (as such term is used in Clauses 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders or a Parent, becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of Hertz, provided that so long as Hertz is a Subsidiary of any Parent, no “person” shall be deemed to be or become a “beneficial owner” of more than 50% of the total voting power of the Voting Stock of Hertz unless such “person” shall be or become a “beneficial owner” of more than 50% of the total voting power of the Voting Stock of such Parent (other than a Parent that is a Subsidiary of another Parent); or
- (b) Hertz sells or transfers (in one or a series of related transactions) all or substantially all of the assets of Hertz and its Subsidiaries to another Person (other than one or more Permitted Holders) and any “person” (as defined in clause (a) above), other than one or more Permitted Holders or any Parent, is or becomes the “beneficial owner” (as so defined), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the transferee Person in such sale or transfer of assets, as the case may be, provided that so long as such transferee Person is a Subsidiary of a parent Person, no “person” shall be deemed to be or become a “beneficial owner” of more than 50% of the total voting power of the Voting Stock of such surviving or transferee Person unless such “person” shall be or become a “beneficial owner” of more than 50% of the total voting power of the Voting Stock of such parent Person (other than a parent Person that is a Subsidiary of another parent Person); or

- (c) Hertz ceasing to (i) own, directly or indirectly, 100% of the shares of any FleetCo, any OpCo or HHN2 or (ii) control HHN2, other than pursuant to a transaction where Hertz directly or indirectly owns 100% of a successor in interest to HHN2 and otherwise controls such successor in interest.

“**Class A 2022 Liquidity Drawstop**” means, at any time from and including the Third Amendment Date, the occurrence of a Level 1 Minimum Liquidity Test Breach.

“**Class A Acquiring Committed Note Purchaser**” has the meaning specified in Clause 9.3(a)(i) (*Class A Assignments*) of the Issuer Facility Agreement.

“**Class A Acquiring Investor Group**” has the meaning specified in Clause 9.3(a)(iii) (*Class A Assignments*) of the Issuer Facility Agreement.

“**Class A Action**” has the meaning specified in Clause 9.2(a)(i)(E) (*Replacement of Class A Investor Group*) of the Issuer Facility Agreement.

“**Class A Addendum**” means an addendum substantially in the form of Exhibit K-1 of the Issuer Facility Agreement.

“**Class A Additional Investor Group**” means collectively, a Class A Conduit Investor, if any, and the Class A Committed Note Purchaser(s) with respect to such Class A Conduit Investor or, if there is no Class A Conduit Investor, the Class A Committed Note Purchaser with respect to the Class A Investor Group, in each case, that becomes party to the Issuer Facility Agreement pursuant to Clause 2.1(a)(i) (*Class A Notes*) of the Issuer Facility Agreement in connection with an increase in the Class A Maximum Principal Amount; provided that, for the avoidance of doubt, a Class A Investor Group that is both a Class A Additional Investor Group and a Class A Acquiring Investor Group shall be deemed to be a Class A Additional Investor Group solely in connection with, and to the extent of, the commitment of such Class A Investor Group that increases the Class A Maximum Principal Amount when such Class A Additional Investor Group becomes a party to the Issuer Facility Agreement and Class A Additional Issuer Notes are issued pursuant to Clause 2.1(e)(i) (*Conditions to Issuance of Additional Issuer Notes*) of the Issuer Facility Agreement, and references in the Issuer Facility Agreement to such Class A Investor Group as a “Class A Additional Investor Group” shall not include the commitment of such Class A Investor Group as a Class A Acquiring Investor Group (the Class A Maximum Investor Group Principal Amount of any such “Class A Additional Investor Group” shall not include any portion of the Class A Maximum Investor Group Principal Amount of such Class A Investor Group acquired pursuant to an assignment to such Class A Investor Group as a Class A Acquiring Investor Group, whereas references to the Class A Maximum Investor Group Principal Amount of such “Class A Investor Group” shall include the entire Class A Maximum Investor Group Principal Amount of such Class A Investor Group as both a Class A Additional Investor Group and a Class A Acquiring Investor Group).

“**Class A Additional Investor Group Initial Principal Amount**” means, with respect to each Class A Additional Investor Group, on the effective date of the addition of each member such Class A Additional Investor Group as a party to the Issuer Facility Agreement, the amount scheduled to be advanced by such Class A Additional Investor Group on such effective date, which amount may not exceed the product of (a) the Class A Drawn Percentage (immediately prior to the addition of such Class A Additional Investor Group as a party hereto) and (b) the Class A Maximum Investor Group Principal Amount of such Class A Additional Investor Group on such effective date (immediately after the addition of such Class A Additional Investor Group as a party hereto).

“**Class A Adjusted Principal Amount**” means, as of any date of determination, the excess, if any, of (A) the Class A Principal Amount as of such date over (B) the Principal Collection Account Amount as of such date.

“**Class A Advance**” has the meaning specified in Clause 2.2(a)(i) (*Class A Advances*) of the Issuer Facility Agreement.

“**Class A Advance Deficit**” has the meaning specified in Clause 2.2(a)(vii) (*Class A Funding Defaults*) of the Issuer Facility Agreement.

“**Class A Advance Request**” means, with respect to any Class A Advance requested by the Issuer, a Class A Advance Request substantially in the form of Exhibit J-1 (*Form of Advance Request*) of the Issuer Facility Agreement with respect to such Class A Advance;

“**Class A Affected Person**” has the meaning specified in Clause 3.3(a) (*Lending Unlawful*) of the Issuer Facility Agreement.

“**Class A Asset Coverage Threshold Amount**” means the Class A Adjusted Principal Amount divided by the Issuer Class A Blended Advance Rate.

“**Class A Assignment and Assumption Agreement**” has the meaning specified in Clause 9.3(a)(i) (*Class A Assignments*) of the Issuer Facility Agreement.

“**Class A Available Delayed Amount Committed Note Purchaser**” means, with respect to any Class A Advance, any Class A Committed Note Purchaser that either (i) has not delivered a Class A Delayed Funding Notice with respect to such Class A Advance or (ii) has delivered a Class A Delayed Funding Notice with respect to such Class A Advance, but (x) has a Class A Delayed Amount with respect to such Class A Advance equal to zero and (y) after giving effect to the funding of any amount in respect of such Class A Advance to be made by such Class A Committed Note Purchaser or the Class A Conduit Investor in such Class A Committed Note Purchaser’s Class A Investor Group on the proposed date of such Class A Advance, has a Class A Required Non-Delayed Amount that is greater than zero.

“**Class A Available Delayed Amount Purchaser**” means, with respect to any Class A Advance, any Class A Available Delayed Amount Committed Note Purchaser, or any Class A Conduit Investor in such Class A Available Delayed Amount Committed Note Purchaser’s Class A Investor Group, that funds all or any portion of a Class A Second Delayed Funding Notice Amount with respect to such Class A Advance on the date of such Class A Advance.

“**Class A Commercial Paper**” means the promissory notes of each Class A Noteholder issued by such Class A Noteholder (or the Person(s) issuing promissory notes on behalf of such Class A Committed Noteholder) in the commercial paper market and allocated to the funding of Class A Advances in respect of the Class A Notes.

“**Class A Commitment**” means the obligation of the Class A Committed Note Purchasers included in each Class A Investor Group to fund Class A Advances pursuant to Clause 2.2(a) (*Class A Advances*) of the Issuer Facility Agreement in an aggregate stated amount up to the Class A Maximum Investor Group Principal Amount for such Class A Investor Group.

“**Class A Commitment Percentage**” means, on any date of determination, with respect to any Class A Investor Group, the fraction, expressed as a percentage, the numerator of which is such Class A Investor Group’s Class A Maximum Investor Group Principal Amount on such date and the denominator is the Class A Maximum Principal Amount on such date.

“**Class A Committed Note Purchaser**” means those financial institutions that serve as committed note purchasers of Class A Notes set forth in Schedule 2 (*Conduit Investors and Committed Note Purchasers*) of the Issuer Facility Agreement.

“**Class A Committed Note Purchaser Percentage**” means, with respect to any Class A Committed Note Purchaser, the percentage set forth opposite the name of such Class A Committed Note Purchaser on Schedule 2 (*Conduit Investors and Committed Note Purchaser*) of the Issuer Facility Agreement.

“Class A Concentration Adjusted Advance Rate” means in respect of a FleetCo and as of any date of determination,

- (a) with respect to the Eligible Investment Grade Non-Program Vehicle Amount, the excess, if any, of the relevant FleetCo Class A Baseline Advance Rate with respect to such Eligible Investment Grade Non-Program Vehicle Amount of such FleetCo over the Class A Concentration Excess Advance Rate Adjustment with respect to such Eligible Investment Grade Non-Program Vehicle Amount, in each case as of such date, and
- (b) with respect to the Eligible Non-Investment Grade Non-Program Vehicle Amount, the excess, if any, of the relevant FleetCo Class A Baseline Advance Rate with respect to such Eligible Non-Investment Grade Non-Program Vehicle Amount of such FleetCo over the Class A Concentration Excess Advance Rate Adjustment with respect to such Eligible Non-Investment Grade Non-Program Vehicle Amount, in each case as of such date.

“Class A Concentration Excess Advance Rate Adjustment” means, with respect to any FleetCo AAA Select Component, as of any date of determination, the lesser of (a) the percentage equivalent of a fraction, the numerator of which is (I) the product of (A) the portion of the Concentration Excess Amount, if any, allocated to such FleetCo AAA Select Component by the Issuer and (B) the relevant FleetCo Class A Baseline Advance Rate with respect to such FleetCo AAA Select Component, and the denominator of which is (II) such FleetCo AAA Select Component, in each case as of such date, and (b) the relevant FleetCo Class A Baseline Advance Rate with respect to such FleetCo AAA Select Component; provided that, the portion of the Concentration Excess Amount allocated pursuant to the preceding item (a)(I)(A) shall not exceed the portion of such FleetCo AAA Select Component that was included in determining whether such Concentration Excess Amount exists; provided further that, for the avoidance of doubt, Concentration Excess Amounts shall not be allocated to the Remainder AAA Amount for such FleetCo or the Net VAT Receivables for such FleetCo.

“Class A Conduit Assignee” means, with respect to any Class A Conduit Investor, any commercial paper conduit, whose commercial paper has ratings of at least “A-2” from Standard & Poor’s and “P2” from Moody’s, that is administered by the Class A Funding Agent with respect to such Class A Conduit Investor or any Affiliate of such Class A Funding Agent, in each case, designated by such Class A Funding Agent to accept an assignment from such Class A Conduit Investor of the Class A Investor Group Principal Amount or a portion thereof with respect to such Class A Conduit Investor pursuant to Clause 9.3(a) (*Class A Assignments*) of the Issuer Facility Agreement.

“Class A Conduit Investor” means, in respect of Class A Notes, the several commercial paper conduits or special purpose entities issuing variable funding notes to affiliated commercial paper conduits listed in Schedule 2 (*Conduit Investors and Committed Note Purchasers*) of the Issuer Facility Agreement.

“Class A Conduits” has the meaning set forth in the definition of “Class A CP Rate”.

“Class A CP Fall-back Rate” means, as of any date of determination and with respect to any Class A Advance funded or maintained by any Class A Funding Agent’s Class A Investor Group through the issuance of Class A Commercial Paper during any Interest Period, the Euro Interbank Offered Rate appearing on the EURIBOR Rates Page at approximately 11:00 a.m. (London time) on the first day of such Interest Period as the rate for euro deposits with a one-month maturity.

“Class A CP Notes” has the meaning set forth in Clause 2.2(a)(iii) (*Class A Conduit Investor Funding*) of the Issuer Facility Agreement.

“Class A CP Rate” means, with respect to a Class A Conduit Investor in any Class A Investor Group (i) for any day during any Interest Period funded by such a Class A Conduit Investor set forth in Schedule 2 of the Issuer Facility Agreement or any other such Class A Conduit Investor that elects in its Assignment and Assumption Agreement to make this clause (i) applicable

(collectively, the “**Class A Conduits**”), the greater of (A) zero and (B) the per annum rate equivalent to the weighted average of the per annum rates paid or payable by such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits) from time to time as interest on or otherwise (by means of interest rate hedges or otherwise taking into consideration any incremental carrying costs associated with short term promissory notes issued by such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits) maturing on dates other than those certain dates on which such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits) are to receive funds) in respect of the promissory notes issued by such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits) that are allocated in whole or in part by their respective Class A Funding Agent (on behalf of such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits)) to fund or maintain the Class A Principal Amount or that are issued by such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits) specifically to fund or maintain the Class A Principal Amount, in each case, during such period, as determined by their respective Class A Funding Agent (on behalf of such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits)), including (x) the commissions of placement agents and dealers in respect of such promissory notes, to the extent such commissions are allocated, in whole or in part, to such promissory notes by the related Class A Committed Note Purchasers (on behalf of such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits)), (y) all reasonable costs and expenses of any issuing and paying agent or other Person responsible for the administration of such Class A Conduits’ (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits’) commercial paper programs in connection with the preparation, completion, issuance, delivery or payment of Class A Commercial Paper, and (z) the costs of other borrowings by such Class A Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduits) including borrowings to fund small or odd euro amounts that are not easily accommodated in the commercial paper market; provided, however, that if any component of such rate in this clause (i) is a discount rate, in calculating the Class A CP Rate, the respective Class A Funding Agent for such Class A Conduits shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum and (ii) for any Interest Period for any portion of the Commitment of the related Class A Investor Group funded by any other Class A Conduit Investor, the “Class A CP Rate” applicable to such Class A Conduit Investor (or the Person(s) issuing short term promissory notes on behalf of such Class A Conduit) as set forth in its Assignment and Assumption Agreement. Notwithstanding anything to the contrary in the preceding provisions of this definition, if any Class A Funding Agent shall fail to notify the Issuer and the Issuer Administrator of the applicable Class A CP Rate for the Class A Advances made by its Class A Investor Group for the related Interest Period by 11:00 a.m. London time on any Determination Date in accordance with Clause 3.1(b)(i) (*Notice of Interest Rates*) of the Issuer Facility Agreement, then the Class A CP Rate with respect to such Class A Funding Agent’s Class A Investor Group for each day during such Interest Period shall equal the Class A CP Fall-back Rate with respect to such Interest Period.

“**Class A CP Tranche**” means that portion of the Class A Principal Amount purchased or maintained with Class A Advances that bear interest by reference to the Class A CP Rate.

“**Class A CP True-Up Payment Amount**” has the meaning given to it in Clause 3.1(f) (*CP True-Up Payment Amount*) of the Issuer Facility Agreement.

“**Class A Daily Interest Amount**” means, for any day in an Interest Period, an amount equal to the result of (a) the product of (i) the Class A Note Rate for such Interest Period and (ii) the Class A Principal Amount as of the close of business on such date divided by (b) 360.

“**Class A Decrease**” means a Class A Mandatory Decrease, a Class A Voluntary Decrease or a Class A Expected Decrease, as applicable.

“**Class A Defaulting Committed Note Purchaser**” has the meaning specified in Clause 2.2(a)(vii) (*Class A Funding Defaults*) of the Issuer Facility Agreement.

“**Class A Deficiency Amount**” has the meaning specified in Clause 3.1(c)(ii) (*Payment of Interest; Funding Agent Failure to Provide Rate*) of the Issuer Facility Agreement.

“**Class A Delayed Amount**” has the meaning given to it in Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class A Delayed Funding Date**” has the meaning specified in Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class A Delayed Funding Notice**” has the meaning specified in Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class A Delayed Funding Procedures**” has the meaning specified in Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class A Delayed Funding Purchaser**” means, as of any date of determination, each Class A Committed Note Purchaser party to the Issuer Facility Agreement.

“**Class A Delayed Funding Purchaser Group**” means, collectively, each Class A Delayed Funding Purchaser.

“**Class A Delayed Funding Reimbursement Amount**” means, with respect to any Class A Delayed Funding Purchaser, with respect to the portion of the Class A Delayed Amount of such Class A Delayed Funding Purchaser funded by the Class A Available Delayed Amount Purchaser(s) on the date of the Class A Advance related to such Class A Delayed Amount, an amount equal to the excess, if any, of (a) such portion of the Class A Delayed Amount funded by the Class A Available Delayed Amount Purchaser(s) on the date of the Class A Advance related to such Class A Delayed Amount over (b) the amount, if any, by which the portion of any payment of principal (including any Class A Decrease), if any, made by the Issuer to each such Class A Available Delayed Amount Purchaser on any date during the period from and including the date of the Class A Advance related to such Class A Delayed Amount to but excluding the Class A Delayed Funding Date for such Class A Delayed Amount, was greater than what it would have been had such portion of the Class A Delayed Amount been funded by such Class A Delayed Funding Purchaser on the date of the Class A Advance related to such Class A Delayed Amount.

“**Class A Designated Delayed Advance**” has the meaning specified in Clause 2.2(a)(v) (*Class A Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class A Drawn Percentage**” means, as of any date of determination, a fraction expressed as a percentage, the numerator of which is the Class A Principal Amount and the denominator of which is the Class A Maximum Principal Amount, in each case as of such date.

“**Class A Excess Principal Event**” shall be deemed to have occurred if, on any date, the Class A Principal Amount as of such date exceeds the Class A Maximum Principal Amount as of such date.

“**Class A Excess Principal Mandatory Decrease**” has the meaning given to it in Clause 2.3 (*Procedure for Decreasing the Principal Amount*) of the Issuer Facility Agreement.

“**Class A Excess Principal Mandatory Decrease Amount**” has the meaning given to it in Clause 2.3(c) (*Procedure for Decreasing the Principal Amount*) of the Issuer Facility Agreement.

“**Class A Expected Decrease**” has the meaning specified in Clause 2.3(b)(iii) of the Issuer Facility Agreement.

“**Class A Funding Agent**” means the financial institution set forth opposite the name of each Class A Conduit Investor or the Class A Committed Note Purchaser with respect to such Class A Investor Group, on Schedule 2 to the Issuer Facility Agreement.

“**Class A Funding Conditions**” means, with respect to any Class A Advance requested by the Issuer pursuant to Clause 2.2(a) (*Class A Advances*) of the Issuer Facility Agreement, the following shall be true and correct both immediately before and immediately after giving effect to such Class A Advance, provided that paragraphs (d) and (f) below shall not apply to Class A Reserve Advances:

- (a) the Issuer Repeating Representations and the representations and warranties of the Subordinated Noteholder set out in Clause 10 (*Subordinated Noteholder Representations and Warranties*) of the Subordinated Note Purchase Facility Agreement, in each case, shall be true and accurate as of the date of such Class A Ordinary Advance with the same effect as though made on that date (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date);
- (b) the related Class A Funding Agent shall have received an executed Class A Advance Request certifying as to the current Issuer Aggregate Asset Amount delivered in accordance with the provisions of Clause 2.2(a) (*Class A Advances*) of the Issuer Facility Agreement;
- (c) no Class A Excess Principal Event is continuing; provided that, solely for purposes of calculating whether a Class A Excess Principal Event is continuing under this clause (c), the Class A Principal Amount shall be deemed to be increased by all Class A Delayed Amounts, if any, that any Class A Delayed Funding Purchaser(s) in a Class A Investor Group are required to fund on a Class A Delayed Funding Date that is scheduled to occur after the date of such requested Class A Advance that have not been funded on or prior to the date of such requested Class A Advance; provided further that, if a Class A 2022 Liquidity Drawstop occurs, the Issuer shall not request a Class A Advance and no Class A Noteholder, Class A Committed Note Purchaser or Class A Conduit Investor shall be required to fund any Class A Advance further;
- (d) no Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes, exists;
- (e) if such Advance is in connection with any issuance of Additional Class A Notes or any Class A Investor Group Maximum Principal Increase, then the amount of such issuance or increase shall be equal to or greater than EUR 5,000,000 and in integral multiples of EUR 100,000 per Class A Investor Group in excess thereof;
- (f) the Revolving Period is continuing;
- (g) if the Net Book Value of any vehicle owned by a FleetCo is included in the calculation of the Issuer Aggregate Asset Amount as of such date (on a pro forma basis after giving effect to the application of such Advance on such date), then the representations and warranties of such FleetCo set out in Clause 8 (*Representations and Warranties*) of the relevant FleetCo Facility Agreement shall be true and accurate as of the date of such Class A Advance with the same effect as though made on that date (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date); and
- (h) the Commitment Termination Date has not occurred.

“**Class A Illegality Mandatory Decrease**” has the meaning given to it in Clause 2.3 (*Procedure for Decreasing the Principal Amount*) of the Issuer Facility Agreement.

“**Class A Illegality Principal Mandatory Decrease Amount**” has the meaning given to it in Clause 2.3 (*Procedure for Decreasing the Principal Amount*) of the Issuer Facility Agreement.

“**Class A Initial Advance Amount**” means, with respect to any Class A Noteholder, the amount specified as such on Schedule 2 to the Issuer Facility Agreement with respect to such Class A Noteholder.

“**Class A Initial Investor Group Principal Amount**” means, with respect to each Class A Investor Group, the amount set forth and specified as such opposite the name of the Class A Committed Note Purchaser included in such Class A Investor Group on Schedule 2 (Conduit Investors and Committed Note Purchasers) of the Issuer Facility Agreement.

“**Class A Investor Group**” means, collectively, a Class A Conduit Investor, if any, and the Class A Committed Note Purchaser(s) with respect to such Class A Conduit Investor or, if there is no Class A Conduit Investor with respect to any Class A Investor Group, the Class A Committed Note Purchaser(s) with respect to such Class A Investor Group, in each case, party to the Issuer Facility Agreement as of the Closing Date.

“**Class A Investor Group Maximum Principal Increase**” has the meaning given to it in Clause 2.1(d)(i) (*Investor Group Maximum Principal Increase*) of the Issuer Facility Agreement.

“**Class A Investor Group Maximum Principal Increase Addendum**” means an addendum substantially in the form of Exhibit M-1 (*Form of Class A Investor Group Maximum Principal Increase Addendum*) of the Issuer Facility Agreement.

“**Class A Investor Group Principal Amount**” means, as of any date of determination with respect to any Class A Investor Group, the result of:

- (a) such Class A Investor Group’s Class A Initial Investor Group Principal Amount; plus
- (b) the Class A Investor Group Maximum Principal Increase Amount with respect to each Class A Investor Group Maximum Principal Increase applicable to such Class A Investor Group, if any, on or prior to such date; plus
- (c) the principal amount of the portion of all Class A Advances funded by such Class A Investor Group on or prior to such date (excluding, for the avoidance of doubt, any Class A Initial Advance Amount from the calculation of such Class A Advances); minus
- (d) the amount of principal payments (whether pursuant to a Class A Decrease, a redemption or otherwise) made to such Class A Investor Group in respect of its Class A Advances only pursuant to the Issuer Facility Agreement on or prior to such date.

“**Class A Investor Group Maximum Principal Increase Amount**” means, with respect to each Class A Investor Group Maximum Principal Increase, on the effective date of any Class A Investor Group Maximum Principal Increase with respect to any Class A Investor Group, the amount scheduled to be advanced by such Class A Investor Group on such effective date, which amount may not exceed the product of (a) the Class A Drawn Percentage (immediately prior to the effectiveness of such Class A Investor Group Maximum Principal Increase) and (b) the amount of such Class A Investor Group Maximum Principal Increase.

“**Class A Investor Group Supplement**” the meaning specified in Clause 9.3(a)(iii) (*Class A Assignments*) of the Issuer Facility Agreement.

“**Class A Maximum Investor Group Principal Amount**” means with respect to each Class A Investor Group as of any date of determination, the amount specified as such for such Class A Investor Group on Schedule 2 of the Issuer Facility Agreement for such date of determination, as such amount may be increased or decreased from time to time in accordance with the terms thereof; provided that, on any day after the occurrence and during the continuance of an Amortization Event with respect to the Class A Notes, the Class A Maximum Investor Group Principal Amount with respect to each Class A Investor Group shall not exceed the Class A Investor Group Principal Amount for such Class A Investor Group.

“**Class A Maximum Principal Amount**” means EUR 750,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 625,000,000; provided further that such amount may be (i)

reduced at any time and from time to time by the Issuer upon notice to each Class A Noteholder, the Administrative Agent, each Class A Conduit Investor, each Class A Committed Note Purchaser and their Funding Agents in accordance with the terms of the Issuer Facility Agreement, or (ii) increased at any time and from time to time upon the effective date for any Class A Investor Group Maximum Principal Increase pursuant to clause 2 (Initial Issuance; Increases and Decreases of Principal Amount Of Issuer Notes) of the Issuer Facility Agreement;

“Class A Majority Program Support Provider” means, with respect to the related Class A Investor Group, Class A Program Support Providers holding more than 50% of the aggregate commitments of all Class A Program Support Providers.

“Class A Mandatory Decrease” means each Class A Excess Principal Mandatory Decrease and each Class A Illegality Mandatory Decrease.

“Class A Mandatory Decrease Amount” means the Class A Excess Principal Mandatory Decrease Amount or the Class A Illegality Mandatory Decrease Amount, as applicable.

“Class A Monthly Default Interest Amount” means, with respect to any Payment Date, an amount equal to the sum of (i) an amount equal to the product of (x) 3.5%, (y) the result of (a) the sum of the Class A Principal Amount as of each day during the related Interest Period (after giving effect to any increases or decreases to the Class A Principal Amount on such day) during which an Amortization Event with respect to the Class A Notes has occurred and is continuing divided by (b) the actual number of days in the related Interest Period during which an Amortization Event with respect to the Class A Notes has occurred and is continuing, and (z) the result of (a) the actual number of days in the related Interest Period during which an Amortization Event with respect to the Class A Notes has occurred and is continuing divided by (b) 360 plus (ii) all previously due and unpaid amounts described in clause (i) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this clause (ii) at the rate specified in clause (i)).

“Class A Monthly Interest Amount” means an amount equal to the sum of:

(a) the Class A Daily Interest Amount for each day in the Interest Period related to such Payment Date; plus

(b) with respect to any Payment Date:

- (i) all previously due and unpaid amounts described in clause (a) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this clause (b) at the Class A Note Rate); plus
- (ii) the Class A Undrawn Fee with respect to each Investor Group for such Payment Date; plus
- (iii) the Class A Program Fee with respect to each Class A Investor Group for such Payment Date; plus
- (iv) the Class A CP True-Up Payment Amounts, if any, owing to each Class A Noteholder on such Payment Date; plus
- (v) the Restructuring Fee with respect to each Class A Investor Group, if any due, to each Investor Group on such Payment Date in accordance with clause 3.2(c) of the Issuer Facility Agreement.

“Class A MTM/DT Advance Rate Adjustment” means, as of any date of determination,

- (a) with respect to the Eligible Investment Grade Non-Program Vehicle Amount, a percentage equal to the product of (i) the Failure Percentage as of such date and (ii) the Class A Concentration Adjusted Advance Rate with respect to the Eligible Investment Grade Non-Program Vehicle Amount, in each case as of such date;
- (b) with respect to the Eligible Non-Investment Grade Non-Program Vehicle Amount, a percentage equal to the product of (i) the Failure Percentage as of such date and (ii) the Class A Concentration Adjusted Advance Rate with respect to the Eligible Non-Investment Grade Non-Program Vehicle Amount, in each case as of such date; and
- (c) with respect to any other FleetCo AAA Component, zero.

“**Class A Non-Consenting Purchaser**” has the meaning specified in Clause 9.2(a)(i) (*Replacement of Class A Investor Group*) of the Issuer Facility Agreement.

“**Class A Non-Defaulting Committed Note Purchaser**” has the meaning specified in Clause 2.2(a)(vii) (*Class A Funding Defaults*) of the Issuer Facility Agreement.

“**Class A Non-Delayed Amount**” means, with respect to any Class A Delayed Funding Purchaser and a Class A Advance for which the Class A Delayed Funding Purchaser delivered a Class A Delayed Funding Notice, an amount equal to the excess of such Class A Delayed Funding Purchaser’s ratable portion of such Class A Advance over its Class A Delayed Amount in respect of such Class A Advance.

“**Class A Noteholder**” means each Person in whose name a Class A Note is registered in the Note Register.

“**Class A Note Rate**” means, for any Interest Period, the weighted average of the sum of (a) the weighted average (by outstanding principal balance) of the Class A CP Rates applicable to the Class A CP Tranche and (b) the Reference Rate applicable to the Class A Reference Rate Tranche in each case, for such Interest Period; provided, however, that the Class A Note Rate will in no event be higher than the maximum rate permitted by applicable law.

“**Class A Note Repurchase Amount**” has the meaning specified in Clause 11.1(a) (*Optional Repurchase of the Class A Notes*) of the Issuer Facility Agreement.

“**Class A Notes**” means the class A variable funding notes issued by the Issuer pursuant to the Issuer Facility Agreement on and subsequent to the Closing Date.

“**Class A Ordinary Advance**” means any Class A Advance specified as such in the related Class A Advance Request.

“**Class A Participants**” has the meaning specified in Clause 9.3(a)(iv) (*Class A Assignments*) of the Issuer Facility Agreement.

“**Class A Permitted Delayed Amount**” has the meaning given to it in Clause 2.2(a)(v) (*Class A Advances*) of the Issuer Facility Agreement.

“**Class A Permitted Required Non-Delayed Percentage**” means, 10% or 25%.

“**Class A Potential Terminated Purchaser**” has the meaning specified in Clause 9.2(a)(i) (*Replacement of Class A Investor Group*) of the Issuer Facility Agreement.

“**Class A Principal Amount**” means the sum of the Class A Investor Group Principal Amount as of such date with respect to each Class A Investor Group as of such date; provided that, during the Revolving Period, for purposes of determining whether or not the Required Noteholders have given any consent, waiver, direction or instruction, the Principal Amount held by each Class A

Noteholder shall be deemed to include, without double counting, such Class A Noteholder's undrawn portion of the "Class A Maximum Investor Group Principal Amount", (i.e., the unutilized purchase commitments under the Issuer Facility Agreement) for such Class A Noteholder's Class A Investor Group.

"**Class A Program Fee Letter**" means that certain fee letter, dated on or around the Second Amendment Date and that certain fee letter, dated on or around the Third Amendment Date, by and among each initial Class A Conduit Investor, each initial Class A Committed Note Purchaser, the Administrative Agent and the Issuer setting forth the definition of Class A Program Fee Rate and the definition of Class A Undrawn Fee.

"**Class A Program Fee**" means, with respect to each Payment Date and each Class A Investor Group, an amount equal to the sum with respect to each day in the related Interest Period of the product of:

- (a) the Class A Program Fee Rate for such Class A Investor Group (or, if applicable, Class A Program Fee Rate for the related Class A Conduit Investor and Class A Committed Note Purchaser in such Class A Investor Group, respectively, if each of such Class A Conduit Investor and Class A Committed Note Purchaser is funding a portion of such Class A Investor Group's Class A Investor Group Principal Amount) for such day, and
- (b) the Class A Investor Group Principal Amount for such Class A Investor Group (or, if applicable, the portion of the Class A Investor Group Principal Amount for the related Class A Conduit Investor and Class A Committed Note Purchaser in such Class A Investor Group, respectively, if each of such Class A Conduit Investor and Class A Committed Note Purchaser is funding a portion of such Class A Investor Group's Class A Investor Group Principal Amount) for such day (after giving effect to all Class A Advances and Class A Decreases on such day), and
- (c) 1/360.

"**Class A Program Fee Rate**" has the meaning specified in the Class A Program Fee Letter.

"**Class A Program Support Provider**" means any financial institutions and any other or additional Person now or hereafter extending credit or having a commitment to extend credit to or for the account of, and/or agreeing to make purchases from, a Class A Committed Note Purchaser or a Class A Conduit Investor in respect of such Class A Committed Note Purchaser's or Class A Conduit Investor's Class A Notes, and/or agreeing to issue a letter of credit or insurance policy or other instrument to support any obligations arising under or in connection with such Class A Conduit Investor's securitization program as it relates to any Class A Commercial Paper issued by such Class A Conduit Investor, in each case pursuant to a program support agreement and any guarantor of any such person; provided that, no Disqualified Party shall be a "**Class A Program Support Provider**" without the prior written consent of an Authorized Officer of the Issuer, which consent may be withheld for any reason in the Issuer's sole and absolute discretion.

"**Class A Reference Rate Tranche**" means the portion of the Class A Principal Amount purchased or maintained with Class A Advances that bear interest by reference to the Reference Rate.

"**Class A Replacement Purchaser**" has the meaning specified in Clause 9.2(a)(i) (*Replacement of Class A Investor Group*) of the Issuer Facility Agreement.

"**Class A Required Non-Delayed Amount**" means with respect to a Class A Delayed Funding Purchaser and a proposed Class A Advance, the excess, if any, of (i) the Class A Required Non-Delayed Percentage of such Class A Delayed Funding Purchaser's Class A Maximum Investor Group Principal Amount as of the date of such proposed Class A Advance over (ii) with respect to each previous Class A Advance designated as a Class A Designated Delayed Advance of such Class A Delayed Funding Purchaser with respect to which the related Class A Advance occurred

during the thirty five (35) days preceding the date of such proposed Class A Advance, if any, the sum of, with respect to each such previous Class A Advance designated as a Class A Designated Delayed Advance for which the related Class A Delayed Funding Date will not have occurred on or prior to the date of such proposed Class A Advance, the Class A Non-Delayed Amount with respect to each such previous Class A Designated Delayed Advance.

“Class A Required Non-Delayed Percentage” means, as of the Second Amendment Date, 10%, and as of any date thereafter, the Class A Permitted Required Non-Delayed Percentage most recently specified in a written notice delivered by the Issuer to the Administrative Agent, each Class A Funding Agent, each Class A Committed Note Purchaser and each Class A Conduit Investor at least 35 days prior to the effective date specified therein.

“Class A Reserve Advance” means any Class A Advance specified as such in the related Class A Advance Request.

“Class A Restructuring Fee” for each Class A Committed Note Purchaser has the meaning specified in the Class A Restructuring Fee Letter, if any, for such Class A Committed Note Purchaser.

“Class A Restructuring Fee Letter” means, with respect to a Class A Committed Note Purchaser, if applicable, that certain fee letter dated on or about the Second Amendment Date, by and among such Class A Committed Note Purchaser, the Administrative Agent and the Issuer setting forth the definition of Class A Restructuring Fee for such Class A Committed Note Purchaser.

“Class A Second Delayed Funding Notice” is defined in Clause 2.2(a)(v) (Class A Delayed Funding Procedures) of the Issuer Facility Agreement.

“Class A Second Delayed Funding Notice Amount” has the meaning specified in Clause 2.2(a)(v) (Class A Delayed Funding Procedures) of the Issuer Facility Agreement.

“Class A Second Permitted Delayed Amount” is defined in Clause 2.2(a)(v) (Class A Delayed Funding Procedures) of the Issuer Facility Agreement.

“Class A Terminated Purchaser” has the meaning specified in Clause 9.2(a)(i)(E) (*Replacement of Class A Investor Group*) of the Issuer Facility Agreement.

“Class A Transferee” has the meaning specified in Clause 9.3(a)(v) (*Class A Assignments*) of the Issuer Facility Agreement.

“Class A Up-Front Fee” for each Class A Committed Note Purchaser has the meaning specified in the Class A Up-Front Fee Letter, if any, for such Class A Committed Note Purchaser.

“Class A Up-Front Fee Letter” means, with respect to a Class A Committed Note Purchaser, if applicable, that certain fee letter dated on or about the Signing Date, that certain fee letter dated on or about the First Amendment Date and that certain fee letter dated on or about the Third Amendment Date, by and among such Class A Committed Note Purchaser, the Administrative Agent and the Issuer setting forth the definition of Class A Up-Front Fee for such Class A Committed Note Purchaser.

“Class A Undrawn Fee” means:

- (a) with respect to each Payment Date on or prior to the Commitment Termination Date and each Class A Investor Group, an amount equal to the sum with respect to each day in the Interest Period of the product of:
 - (i) the Undrawn Fee Rate for such Class A Investor Group for such day; and

(ii) the excess, if any, of (x) the Class A Maximum Investor Group Principal Amount for the related Class A Investor Group over (y) the Class A Investor Group Principal Amount for the related Class A Investor Group (after giving effect to all Class A Advances and Class A Decreases on such day), in each case for such day; and

(iii) 1/360; and

(b) with respect to each Payment Date following the Commitment Termination Date, zero.

“**Class A Undrawn Fee Rate**” has the meaning specified in the Class A Program Fee Letter.

“**Class A Voluntary Decrease**” has the meaning given to it in Clause 2.3(d)(i) (*Voluntary Decrease*) of the Issuer Facility Agreement.

“**Class A Voluntary Decrease Amount**” has the meaning specified in Clause 2.3(d)(i) (*Voluntary Decrease*) of the Issuer Facility Agreement.

“**Class B Acquiring Committed Note Purchaser**” has the meaning specified in Clause 9.3(b)(i) (*Class B Assignments*) of the Issuer Facility Agreement.

“**Class B Acquiring Investor Group**” has the meaning specified in Clause 9.3(b)(iii) (*Class B Assignments*) of the Issuer Facility Agreement.

“**Class B Action**” has the meaning specified in Clause 9.2(b)(i)(E) (*Replacement of Class B Investor Group*) of the Issuer Facility Agreement.

“**Class B Addendum**” means an addendum substantially in the form of Exhibit K-2 of the Issuer Facility Agreement.

“**Class B Additional Investor Group**” means collectively, a Class B Conduit Investor, if any, and the Class B Committed Note Purchaser(s) with respect to such Class B Conduit Investor or, if there is no Class B Conduit Investor, the Class B Committed Note Purchaser with respect to the Class B Investor Group, in each case, that becomes party to the Issuer Facility Agreement pursuant to Clause 2.1(a)(ii) (*Class B Notes*) of the Issuer Facility Agreement in connection with an increase in the Class B Maximum Principal Amount; provided that, for the avoidance of doubt, a Class B Investor Group that is both a Class B Additional Investor Group and a Class B Acquiring Investor Group shall be deemed to be a Class B Additional Investor Group solely in connection with, and to the extent of, the commitment of such Class B Investor Group that increases the Class B Maximum Principal Amount when such Class B Additional Investor Group becomes a party to the Issuer Facility Agreement and Class B Additional Issuer Notes are issued pursuant to Clause 2.1(a)(ii) (*Class B Notes*) of the Issuer Facility Agreement, and references in the Issuer Facility Agreement to such Class B Investor Group as a “Class B Additional Investor Group” shall not include the commitment of such Class B Investor Group as a Class B Acquiring Investor Group (the Class B Maximum Investor Group Principal Amount of any such “Class B Additional Investor Group” shall not include any portion of the Class B Maximum Investor Group Principal Amount of such Class B Investor Group acquired pursuant to an assignment to such Class B Investor Group as a Class B Acquiring Investor Group, whereas references to the Class B Maximum Investor Group Principal Amount of such “Class B Investor Group” shall include the entire Class B Maximum Investor Group Principal Amount of such Class B Investor Group as both a Class B Additional Investor Group and a Class B Acquiring Investor Group).

“**Class B Additional Investor Group Initial Principal Amount**” means, with respect to each Class B Additional Investor Group, on the effective date of the addition of each member such Class B Additional Investor Group as a party to the Issuer Facility Agreement, the amount scheduled to be advanced by such Class B Additional Investor Group on such effective date, which amount may not exceed the product of (a) the Class B Drawn Percentage (immediately

prior to the addition of such Class B Additional Investor Group as a party hereto) and (b) the Class B Maximum Investor Group Principal Amount of such Class B Additional Investor Group on such effective date (immediately after the addition of such Class B Additional Investor Group as a party hereto).

“**Class B Advance**” has the meaning specified in Clause 2.2(b)(i) (*Class B Advances*) of the Issuer Facility Agreement.

“**Class B Advance Deficit**” has the meaning specified in Clause 2.2(b)(vii) (*Class B Funding Defaults*) of the Issuer Facility Agreement.

“**Class B Advance Request**” means, with respect to any Class B Advance requested by the Issuer, a Class B Advance Request substantially in the form of Exhibit J-2 (*Form of Advance Request*) of the Issuer Facility Agreement with respect to such Class B Advance;

“**Class B Affected Person**” has the meaning specified in Clause 3.3(b) (*Lending Unlawful*) of the Issuer Facility Agreement.

“**Class B Asset Coverage Threshold Amount**” means (A) the Adjusted Principal Amount, divided by (B) the Issuer Class B Blended Advance Rate.

“**Class B Assignment and Assumption Agreement**” has the meaning specified in Clause 9.3(b)(i) (*Assignments*) of the Issuer Facility Agreement.

“**Class B Available Delayed Amount Committed Note Purchaser**” means, with respect to any Class B Advance, any Class B Committed Note Purchaser that either (i) has not delivered a Class B Delayed Funding Notice with respect to such Class B Advance or (ii) has delivered a Class B Delayed Funding Notice with respect to such Class B Advance, but (x) has a Class B Delayed Amount with respect to such Class B Advance equal to zero and (y) after giving effect to the funding of any amount in respect of such Class B Advance to be made by such Class B Committed Note Purchaser or the Class B Conduit Investor in such Class B Committed Note Purchaser’s Class B Investor Group on the proposed date of such Class B Advance, has a Class B Required Non-Delayed Amount that is greater than zero.

“**Class B Available Delayed Amount Purchaser**” means, with respect to any Class B Advance, any Class B Available Delayed Amount Committed Note Purchaser, or any Class B Conduit Investor in such Class B Available Delayed Amount Committed Note Purchaser’s Class B Investor Group, that funds all or any portion of a Class B Second Delayed Funding Notice Amount with respect to such Class B Advance on the date of such Class B Advance

“**Class B Commercial Paper**” means the promissory notes of each Class B Noteholder issued by such Class B Noteholder (or the Person(s) issuing promissory notes on behalf of such Class B Noteholder) in the commercial paper market and allocated to the funding of Class B Advances in respect of the Class B Notes.

“**Class B Commitment**” means, the obligation of the Class B Committed Note Purchasers included in each Class B Investor Group to fund Class B Advances pursuant to Clause 2.2(b) (*Class B Advances*) of the Issuer Facility Agreement in an aggregate stated amount up to the Class B Maximum Investor Group Principal Amount for such Class B Investor Group.

“**Class B Commitment Percentage**” means, on any date of determination, with respect to any Class B Investor Group, the fraction, expressed as a percentage, the numerator of which is such Class B Investor Group’s Class B Maximum Investor Group Principal Amount on such date and the denominator is the Class B Maximum Principal Amount on such date.

“**Class B Committed Note Purchaser**” means those financial institutions which become party to the Issuer Facility Agreement as committed note purchasers of Class B Notes from time to time,

whose details can be found in Schedule 2 (*Conduit Investors and Committed Note Purchasers*) of the Issuer Facility Agreement.

“**Class B Committed Note Purchaser Percentage**” means, with respect to any Class B Committed Note Purchaser, the percentage set forth opposite the name of such Class B Committed Note Purchaser on Schedule 2 (*Conduit Investors and Committed Note Purchasers*) of the Issuer Facility Agreement.

“**Class B Concentration Adjusted Advance Rate**” means in respect of a FleetCo and as of any date of determination,

- (a) with respect to the Eligible Investment Grade Non-Program Vehicle Amount, the excess, if any, of the relevant FleetCo Class B Baseline Advance Rate with respect to such Eligible Investment Grade Non-Program Vehicle Amount of such FleetCo over the Class B Concentration Excess Advance Rate Adjustment with respect to such Eligible Investment Grade Non-Program Vehicle Amount, in each case as of such date, and
- (b) with respect to the Eligible Non-Investment Grade Non-Program Vehicle Amount, the excess, if any, of the relevant FleetCo Class B Baseline Advance Rate with respect to such Eligible Non-Investment Grade Non-Program Vehicle Amount of such FleetCo over the Class B Concentration Excess Advance Rate Adjustment with respect to such Eligible Non-Investment Grade Non-Program Vehicle Amount, in each case as of such date.

“**Class B Concentration Excess Advance Rate Adjustment**” means, with respect to any FleetCo AAA Select Component as of any date of determination, the lesser of (a) the percentage equivalent of a fraction, the numerator of which is (I) the product of (A) the portion of the Concentration Excess Amount, if any, allocated to such FleetCo AAA Select Component by the Issuer and (B) the relevant FleetCo Class B Baseline Advance Rate with respect to such FleetCo AAA Select Component, and the denominator of which is (II) such FleetCo AAA Select Component, in each case as of such date, and (b) the relevant FleetCo Class B Baseline Advance Rate with respect to such FleetCo AAA Select Component; provided that, the portion of the Concentration Excess Amount allocated pursuant to the preceding clause (a)(I) (A) shall not exceed the portion of such FleetCo AAA Select Component that was included in determining whether such Concentration Excess Amount exists.

“**Class B Conduit Assignee**” means, with respect to any Class B Conduit Investor, any commercial paper conduit, whose commercial paper has ratings of at least “A-2” from Standard & Poor’s and “P2” from Moody’s, that is administered by the Class B Funding Agent with respect to such Class B Conduit Investor or any Affiliate of such Class B Funding Agent, in each case, designated by such Class B Funding Agent to accept an assignment from such Class B Conduit Investor of the Class B Investor Group Principal Amount or a portion thereof with respect to such Class B Conduit Investor pursuant to Clause 9.3(b) (*Class B Assignments*) of the Issuer Facility Agreement.

“**Class B Conduit Investor**” means, in respect of Class B Notes, the several commercial paper conduits or special purpose entities issuing variable funding notes to affiliated commercial paper conduits listed from time to time pursuant to the Issuer Facility Agreement, whose details can be found in Schedule 2 (*Conduit Investors and Committed Note Purchasers*) of the Issuer Facility Agreement.

“**Class B Conduits**” has the meaning set forth in the definition of “Class B CP Rate”.

“**Class B CP Fall-back Rate**” means, as of any date of determination and with respect to any Class B Advance funded or maintained by any Class B Funding Agent’s Class B Investor Group through the issuance of Class B Commercial Paper during any Interest Period, the Euro Interbank Offered Rate appearing on the EURIBOR Rates Page at approximately 11:00 a.m. (London time) on the first day of such Interest Period as the rate for euro deposits with a one-month maturity.

“**Class B CP Notes**” has the meaning set forth in Clause 2.2(b)(iii) (*Class B Conduit Investor Funding*) of the Issuer Facility Agreement.

“**Class B CP Rate**” means, with respect to a Class B Conduit Investor in any Class B Investor Group (i) for any day during any Interest Period funded by such a Class B Conduit Investor set forth in Schedule 2 of the Issuer Facility Agreement or any other such Class B Conduit Investor that elects in its Assignment and Assumption Agreement to make this clause (i) applicable (collectively, the “**Class B Conduits**”), the greater of (A) zero and (B) the per annum rate equivalent to the weighted average of the per annum rates paid or payable by such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits) from time to time as interest on or otherwise (by means of interest rate hedges or otherwise taking into consideration any incremental carrying costs associated with short term promissory notes issued by such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits) maturing on dates other than those certain dates on which such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits) are to receive funds) in respect of the promissory notes issued by such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits) that are allocated in whole or in part by their respective Class B Funding Agent (on behalf of such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits)) to fund or maintain the Class B Principal Amount or that are issued by such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits) specifically to fund or maintain the Class B Principal Amount, in each case, during such period, as determined by their respective Class B Funding Agent (on behalf of such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits)), including (x) the commissions of placement agents and dealers in respect of such promissory notes, to the extent such commissions are allocated, in whole or in part, to such promissory notes by the related Class B Committed Note Purchasers (on behalf of such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits)), (y) all reasonable costs and expenses of any issuing and paying agent or other Person responsible for the administration of such Class B Conduits’ (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits’) commercial paper programs in connection with the preparation, completion, issuance, delivery or payment of Class B Commercial Paper, and (z) the costs of other borrowings by such Class B Conduits (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduits) including borrowings to fund small or odd euro amounts that are not easily accommodated in the commercial paper market; provided, however, that if any component of such rate in this clause (i) is a discount rate, in calculating the Class B CP Rate, the respective Class B Funding Agent for such Class B Conduits shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum and (ii) for any Interest Period for any portion of the Commitment of the related Class B Investor Group funded by any other Class B Conduit Investor, the “Class B CP Rate” applicable to such Class B Conduit Investor (or the Person(s) issuing short term promissory notes on behalf of such Class B Conduit) as set forth in its Assignment and Assumption Agreement. Notwithstanding anything to the contrary in the preceding provisions of this definition, if any Class B Funding Agent shall fail to notify the Issuer and the Issuer Administrator of the applicable Class B CP Rate for the Class B Advances made by its Class B Investor Group for the related Interest Period by 11:00 a.m. London time on any Determination Date in accordance with Clause 3.1(b)(i) (*Notice of Interest Rates*) of the Issuer Facility Agreement, then the Class B CP Rate with respect to such Class B Funding Agent’s Class B Investor Group for each day during such Interest Period shall equal the Class B CP Fall-back Rate with respect to such Interest Period.

“**Class B CP Tranche**” means that portion of the Class B Principal Amount purchased or maintained with Class B Advances that bear interest by reference to the Class B CP Rate.

“**Class B CP True-Up Payment Amount**” has the meaning given to it in Clause 3.1(f) (*CP True-Up Payment Amount*) of the Issuer Facility Agreement.

“**Class B Daily Interest Amount**” means, for any day in an Interest Period, an amount equal to the result of (a) the product of (i) the Class B Note Rate for such Interest Period and (ii) the Class B Principal Amount as of the close of business on such date divided by (b) 360.

“**Class B Decrease**” means a Class B Mandatory Decrease or a Class B Voluntary Decrease, as applicable.

“**Class B Defaulting Committed Note Purchaser**” has the meaning specified in Clause 2.2(b)(vii) (*Class B Funding Defaults*) of the Issuer Facility Agreement.

“**Class B Deficiency Amount**” has the meaning specified in Clause 3.1(c)(ii) (*Payment of Interest; Funding Agent Failure to Provide Rate*) of the Issuer Facility Agreement.

“**Class B Delayed Amount**” has the meaning given to it in Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Delayed Funding Date**” has the meaning specified in Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Delayed Funding Notice**” has the meaning specified in Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Delayed Funding Procedures**” has the meaning specified in Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Delayed Funding Purchaser**” means, as of any date of determination, each Class B Committed Note Purchaser party to the Issuer Facility Agreement.

“**Class B Delayed Funding Purchaser Group**” means, collectively, each Class B Delayed Funding Purchaser.

“**Class B Delayed Funding Reimbursement Amount**” means, with respect to any Class B Delayed Funding Purchaser, with respect to the portion of the Class B Delayed Amount of such Class B Delayed Funding Purchaser funded by the Class B Available Delayed Amount Purchaser(s) on the date of the Class B Advance related to such Class B Delayed Amount, an amount equal to the excess, if any, of (a) such portion of the Class B Delayed Amount funded by the Class B Available Delayed Amount Purchaser(s) on the date of the Class B Advance related to such Class B Delayed Amount over (b) the amount, if any, by which the portion of any payment of principal (including any Class B Decrease), if any, made by the Issuer to each such Class B Available Delayed Amount Purchaser on any date during the period from and including the date of the Advance related to such Class B Delayed Amount to but excluding the Class B Delayed Funding Date for such Class B Delayed Amount, was greater than what it would have been had such portion of the Class B Delayed Amount been funded by such Class B Delayed Funding Purchaser on the date of the Class B Advance related to such Class B Delayed Amount.

“**Class B Designated Delayed Advance**” has the meaning specified in Clause 2.2(b)(v) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Drawn Percentage**” means, as of any date of determination, a fraction expressed as a percentage, the numerator of which is the Class B Principal Amount and the denominator of which is the Class B Maximum Principal Amount, in each case as of such date.

“**Class B Excess Principal Event**” shall be deemed to have occurred if, on any date, the Class B Principal Amount as of such date exceeds the Class B Maximum Principal Amount as of such date.

“**Class B Funding Agent**” means the financial institution set forth opposite the name of each Class B Conduit Investor, or if there is no Class B Conduit Investor with respect to any Class B

Investor Group, the Class B Committed Note Purchaser with respect to such Class B Investor Group, on Schedule 2 to the Issuer Facility Agreement.

“**Class B Funding Conditions**” means, with respect to any Class B Advance requested by the Issuer pursuant to Clause 2.2(b) (*Class B Advances*) of the Issuer Facility Agreement, the following shall be true and correct both immediately before and immediately after giving effect to such Class B Advance:

- (a) the Issuer Repeating Representations and the representations and warranties of the Subordinated Noteholder set out in Clause 10 (*Subordinated Noteholder Representations and Warranties*) of the Subordinated Note Purchase Facility Agreement, in each case, shall be true and accurate as of the date of such Class B Advance with the same effect as though made on that date (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date);
- (b) the related Class B Funding Agent shall have received an executed Class B Advance Request certifying as to the current Issuer Aggregate Asset Amount delivered in accordance with the provisions of Clause 2.2(b) (*Class B Advances*) of the Issuer Facility Agreement;
- (c) no Class B Excess Principal Event is continuing; provided that, solely for purposes of calculating whether a Class B Excess Principal Event is continuing under this clause (c), the Class B Principal Amount shall be deemed to be increased by all Class B Delayed Amounts, if any, that any Class B Delayed Funding Purchaser(s) in a Class B Investor Group are required to fund on a Class B Delayed Funding Date that is scheduled to occur after the date of such requested Class B Advance that have not been funded on or prior to the date of such requested Class B Advance;
- (d) no Amortization Event or Potential Amortization Event, in each case with respect to the Issuer Notes, exists;
- (e) if such Advance is in connection with any issuance of Additional Class B Notes or any Class B Investor Group Maximum Principal Increase, then the amount of such issuance or increase shall be equal to or greater than EUR 5,000,000 and integral multiples of EUR 100,000 in excess thereof;
- (f) the Revolving Period is continuing;
- (g) if the Net Book Value of any vehicle owned by a FleetCo is included in the calculation of the Issuer Aggregate Asset Amount as of such date (on a pro forma basis after giving effect to the application of such Advance on such date), then the representations and warranties of such FleetCo set out in Clause 8 (*Representations and Warranties*) of the relevant FleetCo Facility Agreement shall be true and accurate as of the date of such Class B Advance with the same effect as though made on that date (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date).

“**Class B Initial Advance Amount**” means, with respect to any Class B Noteholder, the amount specified as such on Schedule 2 to the Issuer Facility Agreement with respect to such Class B Noteholder.

“**Class B Initial Investor Group Principal Amount**” means, with respect to each Class B Investor Group, the amount set forth and specified as such opposite the name of the Class B Committed Note Purchaser included in such Class B Investor Group on Schedule 2 (Conduit Investors and Committed Note Purchasers) of the Issuer Facility Agreement.

“**Class B Investor Group**” means, collectively, a Class B Conduit Investor, if any, and the Class B Committed Note Purchaser(s) with respect to such Class B Conduit Investor or, if there is no Class B Conduit Investor with respect to any Class B Investor Group, the Class B Committed Note

Purchaser(s) with respect to such Class B Investor Group, in each case, party to the Issuer Facility Agreement as of the Closing Date.

“**Class B Investor Group Maximum Principal Increase**” has the meaning given to it in Clause 2.1(d)(ii) (*Investor Group Maximum Principal Increase*) of the Issuer Facility Agreement.

“**Class B Investor Group Maximum Principal Increase Addendum**” means an addendum substantially in the form of Exhibit M-2 (*Form of Class B Investor Group Maximum Principal Increase Addendum*) of the Issuer Facility Agreement.

“**Class B Investor Group Maximum Principal Increase Amount**” means, with respect to each Class B Investor Group Maximum Principal Increase, on the effective date of any Class B Investor Group Maximum Principal Increase with respect to any Class B Investor Group, the amount scheduled to be advanced by such Class B Investor Group on such effective date, which amount may not exceed the product of (a) the Class B Drawn Percentage (immediately prior to the effectiveness of such Class B Investor Group Maximum Principal Increase) and (b) the amount of such Class B Investor Group Maximum Principal Increase.

“**Class B Investor Group Principal Amount**” means, as of any date of determination with respect to any Class B Investor Group, the result of:

- (a) such Class B Investor Group’s Class B Initial Investor Group Principal Amount; plus
- (b) the Class B Investor Group Maximum Principal Increase Amount with respect to each Class B Investor Group Maximum Principal Increase applicable to such Class B Investor Group, if any, on or prior to such date; plus
- (c) the principal amount of the portion of all Class B Advances funded by such Class B Investor Group on or prior to such date (excluding, for the avoidance of doubt, any Class B Initial Advance Amount from the calculation of such Class B Advances); minus
- (d) the amount of principal payments (whether pursuant to a Class B Decrease, a redemption or otherwise) made to such Class B Investor Group pursuant to the Issuer Facility Agreement on or prior to such date.

“**Class B Investor Group Supplement**” the meaning specified in Clause 9.3(b)(iii) (*Class B Assignments*) of the Issuer Facility Agreement.

“**Class B Majority Program Support Provider**” means, with respect to the related Class B Investor Group, Class B Program Support Providers holding more than 50% of the aggregate commitments of all Class B Program Support Providers.

“**Class B Mandatory Decrease**” has the meaning given to it in Clause 2.3 (*Procedure for Decreasing the Principal Amount*) of the Issuer Facility Agreement.

“**Class B Mandatory Decrease Amount**” has the meaning given to it in Clause 2.3 (*Procedure for Decreasing the Principal Amount*) of the Issuer Facility Agreement.

“**Class B Maximum Investor Group Principal Amount**” means, with respect to each Class B Investor Group as of any date of determination, the amount specified as such for such Class B Investor Group on Schedule 2 of the Issuer Facility Agreement for such date of determination, as such amount may be increased or decreased from time to time in accordance with the terms thereof; provided that, on any day after the occurrence and during the continuance of an Amortization Event with respect to the Class B Notes, the Class B Maximum Investor Group Principal Amount with respect to each Class B Investor Group shall not exceed the Class B Investor Group Principal Amount for such Class B Investor Group.

“Class B Maximum Principal Amount” means zero, provided that such amount may be (i) reduced at any time and from time to time by the Issuer upon notice to each Class B Noteholder, the Administrative Agent, each Class B Conduit Investor and each Class B Committed Note Purchaser in accordance with the terms of the Issuer Facility Agreement, or (ii) increased at any time and from time to time upon the effective date for any Class B Investor Group Maximum Principal Increase.

“Class B Monthly Default Interest Amount” means, with respect to any Payment Date, an amount equal to the sum of (i) an amount equal to the product of (x) 2.0%, (y) the result of (a) the sum of the Class B Principal Amount as of each day during the related Interest Period (after giving effect to any increases or decreases to the Class B Principal Amount on such day) during which an Amortization Event with respect to the Class B Notes has occurred and is continuing divided by (b) the actual number of days in the related Interest Period during which an Amortization Event with respect to the Class B Notes has occurred and is continuing, and (z) the result of (a) the actual number of days in the related Interest Period during which an Amortization Event with respect to the Class B Notes has occurred and is continuing divided by (b) 360 plus (ii) all previously due and unpaid amounts described in clause (i) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this clause (ii) at the rate specified in clause (i)).

“Class B Monthly Interest Amount” means, with respect to any Payment Date, an amount equal to the sum of:

- (a) the Class B Daily Interest Amount for each day in the Interest Period related to such Payment Date; plus
- (b) all previously due and unpaid amounts described in clause (a) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this clause (b) at the Class B Note Rate); plus
- (c) the Class B Undrawn Fee with respect to each Investor Group for such Payment Date; plus
- (d) the Class B Program Fee with respect to each Class B Investor Group for such Payment Date; plus
- (e) the Class B CP True-Up Payment Amounts, if any, owing to each Class B Noteholder on such Payment Date.

“Class B MTM/DT Advance Rate Adjustment” means, as of any date of determination,

- (a) with respect to the Eligible Investment Grade Non-Program Vehicle Amount, a percentage equal to the product of (i) the Failure Percentage as of such date and (ii) the Class B Concentration Adjusted Advance Rate with respect to the Eligible Investment Grade Non-Program Vehicle Amount, in each case as of such date;
- (b) with respect to the Eligible Non-Investment Grade Non-Program Vehicle Amount, a percentage equal to the product of (i) the Failure Percentage as of such date and (ii) the Class B Concentration Adjusted Advance Rate with respect to the Eligible Non-Investment Grade Non-Program Vehicle Amount, in each case as of such date; and
- (c) with respect to any other FleetCo AAA Component, zero.

“Class B Non-Consenting Purchaser” has the meaning specified in Clause 9.2(b)(i)(E) (*Replacement of Class B Investor Group*) of the Issuer Facility Agreement.

“Class B Non-Defaulting Committed Note Purchaser” has the meaning specified in Clause 2.2(b)(vii) (*Class B Funding Defaults*) of the Issuer Facility Agreement.

“**Class B Non-Delayed Amount**” means, with respect to any Class B Delayed Funding Purchaser and a Class B Advance for which the Class B Delayed Funding Purchaser delivered a Class B Delayed Funding Notice, an amount equal to the excess of such Class B Delayed Funding Purchaser’s ratable portion of such Class B Advance over its Class B Delayed Amount in respect of such Class B Advance.

“**Class B Noteholder**” means each Person in whose name a Class B Note is registered in the Note Register.

“**Class B Note Rate**” means, for any Interest Period, the weighted average of the sum of (a) the weighted average (by outstanding principal balance) of the Class B CP Rates applicable to the Class B CP Tranche and (b) the Reference Rate applicable to the Class B Reference Rate Tranche in each case, for such Interest Period; provided, however, that the Class B Note Rate will in no event be higher than the maximum rate permitted by applicable law.

“**Class B Note Repurchase Amount**” has the meaning specified in Clause 11.1(b) (*Optional Repurchase of the Class B Notes*) of the Issuer Facility Agreement.

“**Class B Notes**” means the class B variable funding notes issued by the Issuer pursuant to the Issuer Facility Agreement subsequent to the Closing Date.

“**Class B Participants**” has the meaning specified in Clause 9.3(b)(iv) (*Class B Assignments*) of the Issuer Facility Agreement.

“**Class B Permitted Delayed Amount**” has the meaning given to it in Clause 2.2(b)(v) (*Class B Advances*) of the Issuer Facility Agreement.

“**Class B Permitted Required Non-Delayed Percentage**” means, 10% or 25%.

“**Class B Potential Terminated Purchaser**” has the meaning specified in Clause 9.2(b)(i)(E) (*Replacement of Class B Investor Group*) of the Issuer Facility Agreement.

“**Class B Principal Amount**” means, when used with respect to any date, an amount equal to the sum of the Class B Investor Group Principal Amount as of such date with respect to each Class B Investor Group as of such date; provided that, during the Revolving Period, for purposes of determining whether or not the Required Noteholders have given any consent, waiver, direction or instruction, the Principal Amount held by each Class B Noteholder shall be deemed to include, without double counting, such Class B Noteholder’s undrawn portion of the “Class B Maximum Investor Group Principal Amount” (i.e., the unutilized purchase commitments under the Issuer Facility Agreement) for such Class B Noteholder’s Class B Investor Group.

“**Class B Program Fee Letter**” means any fee letter that is entered into in connection with the issuance of Class B Notes subsequent to the Closing Date by and among each initial Class B Conduit Investor, each initial Class B Committed Note Purchaser, the Administrative Agent and the Issuer setting forth the definition of Class B Program Fee Rate and the definition of Class B Undrawn Fee

“**Class B Program Fee**” means, with respect to each Payment Date and each Class B Investor Group, if any, an amount equal to the sum with respect to each day in the related Interest Period of the product of:

- (c) the Class B Program Fee Rate for such Class B Investor Group (or, if applicable, Class B Program Fee Rate for the related Class B Conduit Investor and Class B Committed Note Purchaser in such Class B Investor Group, respectively, if each of such Class B Conduit Investor and Class B Committed Note Purchaser is funding a portion of such Class B Investor Group’s Class B Investor Group Principal Amount) for such day, and

- (d) the Class B Investor Group Principal Amount for such Class B Investor Group (or, if applicable, the portion of the Class B Investor Group Principal Amount for the related Class B Conduit Investor and Class B Committed Note Purchaser in such Class B Investor Group, respectively, if each of such Class B Conduit Investor and Class B Committed Note Purchaser is funding a portion of such Class B Investor Group's Class B Investor Group Principal Amount) for such day (after giving effect to all Class B Advances and Class B Decreases on such day), and
- (e) 1/360.

“**Class B Program Fee Rate**” has the meaning specified in the Class B Program Fee Letter.

“**Class B Program Support Provider**” means any financial institutions and any other or additional Person now or hereafter extending credit or having a commitment to extend credit to or for the account of, and/or agreeing to make purchases from, a Class B Committed Note Purchaser or a Class B Conduit Investor in respect of such Class B Committed Note Purchaser's or Class B Conduit Investor's Class B Notes, and/or agreeing to issue a letter of credit or insurance policy or other instrument to support any obligations arising under or in connection with such Class B Conduit Investor's securitization program as it relates to any Class B Commercial Paper issued by such Class B Conduit Investor, in each case pursuant to a program support agreement and any guarantor of any such person; provided that, no Disqualified Party shall be a “**Class B Program Support Provider**” without the prior written consent of an Authorized Officer of the Issuer, which consent may be withheld for any reason in the Issuer's sole and absolute discretion.

“**Class B Reference Rate Tranche**” means the portion of the Class B Principal Amount purchased or maintained with Class B Advances that bear interest by reference to the Reference Rate.

“**Class B Replacement Purchaser**” has the meaning specified in Clause 9.2(b)(i) (*Replacement of Class B Investor Group*) of the Issuer Facility Agreement.

“**Class B Required Non-Delayed Amount**” means, with respect to a Class B Delayed Funding Purchaser and a proposed Class B Advance, the excess, if any, of (a) the Class B Required Non-Delayed Percentage of such Class B Delayed Funding Purchaser's Class B Maximum Investor Group Principal Amount as of the date of such proposed Class B Advance over (b) with respect to each previous Class B Designated Delayed Advance of such Class B Delayed Funding Purchaser with respect to which the related Class B Advance occurred during the thirty five (35) days preceding the date of such proposed Class B Advance, if any, the sum of, with respect to each such previous Class B Designated Delayed Advance for which the related Class B Delayed Funding Date will not have occurred on or prior to the date of such proposed Class B Advance, the Class B Non-Delayed Amount with respect to each such previous Class B Designated Delayed Advance.

“**Class B Required Non-Delayed Percentage**” means, as of the Closing Date, 10%, and as of any date thereafter, the Class B Permitted Required Non-Delayed Percentage most recently specified in a written notice delivered by the Issuer to the Administrative Agent, each Class B Funding Agent, each Class B Committed Note Purchaser and each Class B Conduit Investor at least 35 days prior to the effective date specified therein.

“**Class B Second Delayed Funding Notice**” is defined in Clause 2.2(b)(v)(C) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Second Delayed Funding Notice Amount**” has the meaning specified in Clause 2.2(b)(v)(C) (*Class B Delayed Funding Procedures*) of the Issuer Facility Agreement.

“**Class B Terminated Purchaser**” has the meaning specified in Clause 9.2(b) (*Replacement of Class B Investor Group*) of the Issuer Facility Agreement.

“**Class B Transferee**” has the meaning specified in Clause 9.3(b)(v)(E) (*Class B Assignments*) of the Issuer Facility Agreement.

“**Class B Up-Front Fee**” for each Class B Committed Note Purchaser has the meaning specified in the Class B Up-Front Fee Letter, if any, for such Class B Committed Note Purchaser.

“**Class B Up-Front Fee Letter**” means, any fee letter that is entered into in connection with the issuance of Class B Notes subsequent to the Closing Date by and among such Class B Committed Note Purchaser, the Administrative Agent and the Issuer setting forth the definition of Class B Up-Front Fee for such Class B Committed Note Purchaser.

“**Class B Undrawn Fee**” means:

- (a) with respect to each Payment Date on or prior to the Commitment Termination Date and each Class B Investor Group, an amount equal to the sum with respect to each day in the Interest Period of the product of:
 - (i) the Undrawn Fee Rate for such Class B Investor Group for such day; and
 - (ii) the excess, if any, of (x) the Class B Maximum Investor Group Principal Amount for the related Class B Investor Group over (y) the Class B Investor Group Principal Amount for the related Class B Investor Group (after giving effect to all Class B Advances and Class B Decreases on such day), in each case for such day; and
 - (iii) 1/360; and
- (b) with respect to each Payment Date following the Commitment Termination Date, zero.

“**Class B Undrawn Fee Rate**” has the meaning specified in the Class B Program Fee Letter.

“**Class B Voluntary Decrease**” has the meaning given to it in Clause 2.3(d)(ii) (*Voluntary Decrease*) of the Issuer Facility Agreement.

“**Class B Voluntary Decrease Amount**” has the meaning specified in Clause 2.3(d)(ii) (*Voluntary Decrease*) of the Issuer Facility Agreement.

“**Closing Date**” means the date on which the Effective Time occurs.

“**Commercial Paper**” means Class A Commercial Paper and/or Class B Commercial Paper, as applicable.

“**Commitment**” means, the obligation of the Committed Note Purchasers included in each Investor Group to fund Advances pursuant to Clause 2.2 (*Advances*) of the Issuer Facility Agreement in an aggregate stated amount up to the Class A Maximum Investor Group Principal Amount and/or the Class B Maximum Investor Group Principal Amount, as applicable, for each such Investor Group.

“**Commitment Termination Date**” means 31 October 2023, or such later date designated in accordance with Clause 2.6 (Commitment Terms and Extensions of Commitments) of the Issuer Facility Agreement.

“**Committed Note Purchaser**” means the Class A Committed Note Purchaser(s) and/or the Class B Committed Note Purchaser(s), as applicable.

“**Common Terms**” means the terms set out in Clause 3 of this Agreement.

“**Company Order**” and “**Company Request**” means a written order or request signed in the name of the Issuer by any one of its Authorized Officers and delivered to the Issuer Security Trustee.

“**Concentration Excess Amount**” means, as of any date of determination, the sum of (i) the Manufacturer Concentration Excess Amount with respect to each Manufacturer as of such date, if any, (ii) the Non-Investment Grade (High) Program Receivable Concentration Excess Amount as of such date, if any, and (iii) the Vehicle Concentration Excess Amount as of such date, if any, subject to the Concentration Excess Amount Calculation Convention.

“**Concentration Excess Amount Calculation Convention**” means (i) any CEA Asset designated as satisfying any Individual Concentration Excess Amount may also be designated as satisfying any other Individual Concentration Excess Amount so long as such CEA Asset bears the characteristics that give rise to such other Individual Concentration Excess Amount and (ii) the determination of which CEA Assets are to be designated as constituting any Individual Concentration Excess Amount shall be made iteratively by the Issuer or any FleetCo, as applicable, in its reasonable discretion.

“**Conduit Investor**” means the Class A Conduit Investor(s) and/or the Class B Conduit Investor(s), as applicable.

“**Conduits**” means the Class A Conduits and/or the Class B Conduits, as applicable.

“**Confidential Information**” means information that the Issuer, Hertz or any Affiliate thereof (or any successor to any such Person in any capacity) furnishes to a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent, but does not include any such information (i) that is or becomes generally available to the public other than as a result of a disclosure by a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent or other Person to which a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent delivered such information, (ii) that was in the possession of a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent prior to its being furnished to such Committed Note Purchaser, such Conduit Investor, such Funding Agent or the Administrative Agent by the Issuer, Hertz or any Affiliate thereof; provided that, there exists no obligation of any such Person to keep such information confidential, or (iii) that is or becomes available to a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent from a source other than the Issuer, Hertz or an Affiliate thereof; provided that, such source is not (1) known, or would not reasonably be expected to be known, to a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent to be bound by a confidentiality agreement with the Issuer, Hertz or any Affiliate thereof, as the case may be, or (2) known, or would not reasonably be expected to be known, to a Committed Note Purchaser, a Conduit Investor, a Funding Agent or the Administrative Agent to be otherwise prohibited from transmitting the information by a contractual, legal or fiduciary obligation.

“**Contingent Obligation**” means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person (a) with respect to any indebtedness, lease, dividend, letter of credit or other obligation of another if the primary purpose or intent thereof by the Person incurring the Contingent Obligation is to provide assurance to the obligee of such obligation of another that such obligation of another will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such obligation will be protected (in whole or in part) against loss in respect thereof or (b) under any letter of credit issued for the account of that Person or for which that Person is otherwise liable for reimbursement thereof. Contingent Obligations shall include (a) the direct or indirect guarantee, endorsement (otherwise than for collection or deposit in the ordinary course of business), co making, discounting with recourse or sale with recourse by such Person of the obligation of another and (b) any liability of such Person for the obligations of another through any agreement (contingent or otherwise) (i) to purchase, repurchase or otherwise acquire such obligation or any security therefor, or to provide funds for the payment or discharge of such obligation (whether in the form of loans, advances, stock purchases, capital contributions or otherwise), (ii) to maintain the solvency of any balance sheet

item, level of income or financial condition of another or (iii) to make take-or-pay or similar payments if required regardless of non-performance by any other party or parties to an agreement, if in the case of any agreement described under subclause (i) or (ii) of this sentence the primary purpose or intent thereof is as described in the preceding sentence. The amount of any Contingent Obligation shall be equal to the amount of the obligation so guaranteed or otherwise supported.

“**Contractual Obligation**” means, with respect to any Person, any provision of any security issued by that Person or of any material indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any material portion of its properties is bound or to which it or any material portion of its properties is subject.

“**Corresponding DBRS Rating**” means, for each Equivalent Rating Agency Rating for any Person, the DBRS rating designation corresponding to the row in which such Equivalent Rating Agency Rating appears in the table set forth below.

Moody's	S&P	Fitch	DBRS
Aaa	AAA	AAA	AAA
Aa1	AA+	AA+	AA(H)
Aa2	AA	AA	AA
Aa3	AA-	AA-	AA(L)
A1	A+	A+	A(H)
A2	A	A	A
A3	A-	A-	A(L)
Baa1	BBB+	BBB+	BBB(H)
Baa2	BBB	BBB	BBB
Baa3	BBB-	BBB-	BBB(L)
Ba1	BB+	BB+	BB(H)
Ba2	BB	BB	BB
Ba3	BB-	BB-	BB(L)
B1	B+	B+	B-High
B2	B	B	B
B3	B-	B-	B(L)
Caa1	CCC+	CCC	CCC(H)
Caa2	CCC	CC	CCC
Caa3	CCC-	C	CCC(L)
Ca	CC		CC(H)

Moody's	S&P	Fitch	DBRS
C			CC
			CC(L)
			C(H)
			C
			C(L)

“**Credit Support Annex**” has the meaning specified in Clause 4.4(c) (*Collateral Posting for Ineligible Interest Rate Cap Providers*) of the Issuer Facility Agreement.

“**Credit Vehicle**” means, on any date, a Vehicle which has been delivered to or to the order of any FleetCo by a Manufacturer or Dealer pursuant to a Vehicle Purchase Agreement but for which the full purchase price payable by or on behalf of such FleetCo has not been received by or on behalf of the relevant Manufacturer or Dealer.

“**Daily Interest Allocation**” means, on each Deposit Date, an amount equal to the sum of (i) the aggregate amount of Issuer Interest Collections deposited into the Issuer Interest Collection Account on such date and (ii) all amounts received by the Issuer in respect of the Interest Rate Caps on such date.

“**Daily Principal Allocation**” means, on each Deposit Date, an amount equal to the aggregate amount of Issuer Principal Collections deposited into the Issuer Principal Collection Account on such date.

“**DBRS**” means DBRS, Inc.

“**DBRS Equivalent Rating**” means, with respect to any date and any Person with respect to whom DBRS does not maintain a public Relevant DBRS Rating as of such date:

- (a) if such Person has an Equivalent Rating Agency Rating from three of the Equivalent Rating Agencies as of such date, then the median of the Corresponding DBRS Ratings for such Person as of such date;
- (b) if such Person has Equivalent Rating Agency Ratings from only two of the Equivalent Rating Agencies as of such date, then the lower Corresponding DBRS Rating for such Person as of such date; and
- (c) if such Person has an Equivalent Rating Agency Rating from only one of the Equivalent Rating Agencies as of such date, then the Corresponding DBRS Rating for such Person as of such date.

“**DBRS Trigger Required Ratings**” means, with respect to any entity, rating requirements that are satisfied if such entity has a long-term rating of at least “BBB” by DBRS (or, if such entity is not rated by DBRS, “Baa2” by Moody’s or “BBB” by S&P).

“**Dealer**” means any vehicles dealer (which is not, for the avoidance of doubt, a Manufacturer), including, without limitation, any vehicle auction house in the business of buying and selling vehicles.

“Deed of Pledge over Convertible Notes” means the receivables pledge between the Issuer, as pledgor, Hertz Holdings Netherlands B.V., as pledgor, and the Issuer Security Trustee, as pledgee, dated as of the Signing Date.

“Defaulted Letter of Credit” means, as of any date of determination, each Letter of Credit that, as of such date, an Authorized Officer of the Issuer Administrator has actual knowledge that:

- (a) such Letter of Credit is not be in full force and effect (other than in accordance with its terms or otherwise as expressly permitted in such Letter of Credit);
- (b) an Event of Bankruptcy has occurred with respect to the Letter of Credit Provider of such Letter of Credit and is continuing;
- (c) such Letter of Credit Provider has repudiated such Letter of Credit or such Letter of Credit Provider has failed to honor a draw thereon made in accordance with the terms thereof; or
- (d) a Downgrade Event has occurred and is continuing for at least thirty (30) consecutive days with respect to the Letter of Credit Provider of such Letter of Credit.

“Deposit Date” means each Business Day on which any Issuer Collections are deposited into the Issuer Interest Collection Account and/or the Issuer Principal Collection Account.

“Depreciation Charge” means, as of any date of determination, with respect to any Lease Vehicle that is a:

- (a) Non-Program Vehicle, an amount at least equal to the greater of: (i) the depreciation charge recorded in any FleetCo’s or its designee’s computer systems calculated in accordance with US GAAP; and (ii) such higher percentage of the Capitalized Cost of such Lease Vehicle as of such date, selected by the Lessor in its sole and absolute discretion, that would cause the weighted average of the “Depreciation Charges” (weighted by Net Book Value as of such date) with respect to all Lease Vehicles that are Non-Program Vehicles as of such date to be equal to or greater than 1.25%;
- (b) Program Vehicle and such date occurs during the Estimation Period for such Lease Vehicle, if any, the Initially Estimated Depreciation Charge with respect to such Lease Vehicle, as of such date; and
- (c) Program Vehicle and such date does not occur during the Estimation Period, if any, for such Lease Vehicle, an amount at least equal to the depreciation charge recorded in any FleetCo’s or its designee’s computer systems calculated in accordance with US GAAP.

“Depreciation Record” has the meaning specified in Clause 4.1 of each Master Lease.

“Determination Date” means the date five (5) Business Days prior to each Payment Date.

“Disbursement” shall mean any L/C Credit Disbursement or any L/C Termination Disbursement under the Letters of Credit or any combination thereof, as the context may require.

“Discharge Date” means the date earliest to occur on which the Issuer Security Trustee notifies or confirms to the Issuer Secured Parties, each FleetCo and each FleetCo Administrator that:

- (i) there is no reasonable likelihood of there being any further payment, recovery or realization, whether due and payable on such date, or which shall or may become due and payable, whether from the relevant party under a Related Document or from the realization of the enforcement of any Issuer Security, or otherwise that would be available for distribution; or

- (ii) all amounts owed to the relevant Issuer Secured Parties (other than the Subordinated Noteholder) under the Issuer Priority of Payments have been fully and unconditionally discharged in full.

“**Disposition Date**” means, with respect to any Eligible Vehicle:

- (a) if such Eligible Vehicle was returned to a Manufacturer for repurchase pursuant to a Repurchase Program, the Turnback Date with respect to such Eligible Vehicle;
- (b) if such Eligible Vehicle was subject to a Guaranteed Depreciation Program and not sold to any third party prior to the Backstop Date with respect to such Eligible Vehicle, the Backstop Date with respect to such Eligible Vehicle;
- (c) if such Eligible Vehicle was sold to any Person (other than to the Manufacturer thereof pursuant to such Manufacturer’s Manufacturer Program) the date on which the proceeds of such sale are deposited in the relevant FleetCo Collection Account; and
- (d) if such Eligible Vehicle becomes a Casualty or an Ineligible Vehicle (other than as a result of a sale thereof that would be included in any of clause (i) through (iii) above), the day on which such Eligible Vehicle suffers a Casualty or becomes an Ineligible Vehicle.

“**Disposition Proceeds**” means, with respect to each Non-Program Vehicle, the net proceeds from the sale or disposition (i) by a Fleetco, or (ii) following the sale or disposition by a FleetCo to the relevant OpCo, by such OpCo, of such Eligible Vehicle to any Person (other than any portion of such proceeds payable by the Lessee thereof pursuant to any Master Lease).

“**Dispute**” means any dispute arising out of or in connection with the relevant Related Document (including a dispute regarding the existence, validity or termination of such Related Document).

“**Disqualified Party**” means any Person engaged in the business of renting, leasing, financing or disposing of motor vehicles or equipment operating under the name “Advantage”, “Alamo”, “Amerco”, “AutoNation”, “Avis”, “Budget”, “CarMax”, “Courier Car Rentals”, “Edge Auto Rental”, “Enterprise”, “EuropCar”, “Ford”, “Fox”, “Google”, “Lyft”, “Midway Fleet Leasing”, “National”, “Payless”, “Red Dog Rental Services”, “Silvercar”, “Triangle”, “Uber”, “Vanguard”, “ZipCar”, “Angel Aerial”, “Studio Services”, “Sixt”, “Penske”, “Sunbelt Rentals”, “United Rentals”, “ARI”, “LeasePlan”, “PHH”, “U-Haul”, “Virgin” or “Wheels” or any Affiliate of any of the foregoing.

“**Downgrade Event**” has the meaning specified in Clause 5.7(b) (*Letter of Credit Provider Downgrades*) of the Issuer Facility Agreement.

“**Downgrade Withdrawal Amount**” has the meaning specified in Clause 5.7(b) (*Letter of Credit Provider Downgrades*) of the Issuer Facility Agreement.

“**Due and Unpaid Lease Payment Amount**” means, as of any date of determination, all amounts (other than Monthly Variable Rent) known by the applicable Servicer to be due and payable by the applicable Lessees to the applicable FleetCo on either of the next two succeeding Payment Dates pursuant to Clause 4.7 of the applicable Master Lease as of such date (other than (i) Monthly Base Rent payable on the second such succeeding Payment Date and (ii) Monthly Variable Rent), together with all amounts due and unpaid as of such date by such Lessees to such FleetCo pursuant to Clause 4.7 of the applicable Master Lease.

“**Due Date**” means, with respect to any payment due from a Manufacturer or auction dealer in respect of a Program Vehicle turned back for repurchase or sale pursuant to the terms of the related Manufacturer Program, the ninetieth (90th) day after the Disposition Date for such Eligible Vehicle.

"Dutch Amendment and Restatement Deed" means the amendment and restatement deed entered into, by amongst others, Dutch FleetCo, Dutch OpCo and the Dutch Security Trustee dated on or about the Third Amendment Date.

"Early Program Return Payment Amount" means, with respect to each Payment Date and each Lease Vehicle that:

- (a) was a Program Vehicle as of its Turnback Date,
- (b) the Turnback Date for which occurred during the Related Month with respect to such Payment Date, and
- (c) the Turnback Date for which occurred prior to the Minimum Program Term End Date for such Lease Vehicle,

an amount equal to the excess, if any, of (i) the Net Book Value of such Lease Vehicle (as of its Turnback Date) over (ii) the Repurchase Price received or receivable with respect to such Lease Vehicle (or that would have been received but for a Manufacturer Event of Default, as applicable).

"EBA" means the European Banking Authority (formerly known as the Committee of European Banking Supervisors), or any predecessor, successor or replacement agency or authority.

"Effective Time" has the meaning given to it in the Escrow Deed dated 26 September 2018.

"Election Period" has the meaning specified in Clause 2.6(c) (*Procedures for Extension Consents*) of the Issuer Facility Agreement.

"Eligible Account" means a separately identifiable deposit account established with an Acceptable Bank.

"Eligible Due and Unpaid Lease Payment Amount" means, with respect to a FleetCo as of any date of determination, the lesser of:

- (a) the relevant FleetCo Due and Unpaid Lease Payment Amount as of such date and
- (b) the product of
 - (i) the sum of the relevant FleetCo AAA Components as of such date and
 - (ii) 4.0%.

"Eligible Interest Rate Cap Provider" means a counterparty to an Interest Rate Cap that is a bank, other financial institution or Person that as of any date of determination satisfies the DBRS Trigger Required Ratings (or whose present and future obligations under its Interest Rate Cap are guaranteed pursuant to a guarantee in a form and substance satisfactory to the Administrative Agent (acting reasonably) and satisfying the other requirements set forth in the related Interest Rate Cap provided by a guarantor that satisfies the DBRS Trigger Required Ratings); provided that, as of the date of the acquisition, replacement or extension (whether in connection with an extension of the Commitment Termination Date or otherwise) of any Interest Rate Cap, the applicable counterparty satisfies the Initial Counterparty Required Ratings (or such counterparty's present and future obligations under its Interest Rate Cap are guaranteed pursuant to a guarantee (in form and substance satisfactory to the Administrative Agent (acting reasonably) and satisfying the other requirements set forth in the related Interest Rate Cap) provided by a guarantor that satisfies the Initial Counterparty Required Ratings.

“Eligible Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Non-Program Vehicle for which the Disposition Date has not occurred as of such date.

“Eligible Investment Grade Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to any FleetCo, as of such date by all Investment Grade Manufacturers.

“Eligible Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Program Vehicle for which the Disposition Date has not occurred as of such date.

“Eligible Letter of Credit Provider” means a Person having, at the time of the issuance of the related Letter of Credit and as of the date of any amendment or extension of the Commitment Termination Date a long-term senior unsecured debt rating (or the equivalent thereof) of at least “BBB” from DBRS (or if such Person is not rated by DBRS, “Baa2” by Moody’s or “BBB” by S&P).

“Eligible Manufacturer Receivable” means, as of any date of determination:

- (a) each Manufacturer Receivable payable to any FleetCo by any Manufacturer that has a Relevant DBRS Rating as of such date of at least “A(L)” from DBRS (or, if such Manufacturer does not have a Relevant DBRS Rating as of such date, then a DBRS Equivalent Rating of at least “A(L)”) as of such date pursuant to a Manufacturer Program that, as of such date, has not remained unpaid for more than 150 calendar days past the Disposition Date with respect to the Eligible Vehicle giving rise to such Manufacturer Receivable;
- (b) each Manufacturer Receivable payable to any FleetCo by any Manufacturer that (a) has a Relevant DBRS Rating as of such date of (i) less than “A(L)” from DBRS as of such date and (ii) at least “BBB(L)” from DBRS as of such date or (b) if such Manufacturer does not have a Relevant DBRS Rating as of such date, then has a DBRS Equivalent Rating of (i) less than “A(L)” as of such date and (ii) at least “BBB(L)” as of such date, in either such case of the foregoing clause (a) or (b), pursuant to a Manufacturer Program that, as of such date, has not remained unpaid for more than 120 calendar days past the Disposition Date with respect to the Eligible Vehicle giving rise to such Manufacturer Receivable; and
- (c) each Manufacturer Receivable payable to any FleetCo by a Non-Investment Grade (High) Manufacturer or a Non-Investment Grade (Low) Manufacturer, in any case, pursuant to a Manufacturer Program, that, as of such date, has not remained unpaid for more than 90 calendar days past the Disposition Date with respect to the Eligible Vehicle giving rise to such Manufacturer Receivable.

“Eligible Non-Investment Grade (High) Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to the FleetCos, as of such date by all Non-Investment Grade (High) Manufacturers.

“Eligible Non-Investment Grade (Low) Program Receivable Amount” means, as of any date of determination, the sum of all Manufacturer Receivables payable to the FleetCos, as of such date by all Non-Investment Grade (Low) Manufacturers.

“Eligible Non-Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value of each Non-Investment Grade Non-Program Vehicle for which the Disposition Date has not occurred as of such date.

“Eligible Non-Investment Grade Program Vehicle Amount” means, as of any date of determination, the Net Book Value as of such date of each Non-Investment Grade (High) Program

Vehicle and each Non-Investment Grade (Low) Program Vehicle, in each case, for which the Disposition Date has not occurred as of such date.

“Eligible Vehicle” means a Vehicle that is owned a FleetCo and leased by such FleetCo to any Lessee pursuant to the applicable Master Lease:

- (a) that is not older than seventy-two (72) months from December 31 of the calendar year preceding the model year of such Vehicle;
- (b) that is owned by such FleetCo free and clear of all Security (other than Permitted Security);
- (c) that is designated on the applicable Servicer’s computer systems as leased under a Master Lease; and
- (d) that is not a Credit Vehicle.

“Enhancement” means, with respect to the Issuer Notes, the rights and benefits provided to the Noteholders of the Issuer Notes pursuant to any letter of credit, surety bond, cash collateral account, overcollateralization, issuance of Class B Notes and/or Subordinated Notes, spread account, guaranteed rate agreement, maturity guaranty facility, tax protection agreement, interest rate swap, hedging instrument or any other similar agreement.

“Enhancement Agreement” means any contract, agreement, instrument or document governing the terms of any Enhancement or pursuant to which any Enhancement is issued or outstanding.

“Enhancement Provider” means the Person providing any Enhancement as designated in the Issuer Facility Agreement.

“Equivalent Rating Agency” means each of Fitch, Moody’s and S&P.

“Equivalent Rating Agency Rating” means, with respect to any Equivalent Rating Agency and any Person as of any date of determination, the Relevant Rating by such Equivalent Rating Agency with respect to such Person as of such date.

“Escrow Deed” means the escrow deed dated 26 September 2018 between, amongst others, the Credit Agricole Corporate and Investment Bank as escrow agent, the existing securitisation parties as described therein, the existing rcf parties as described therein and the new securitisation parties as described therein.

“ESMA” means the European Securities and Markets Authority.

“ESMA Reporting Templates” means the standardised disclosure templates published by ESMA on 23 September 2020 as amended from time to time.

“Estimation Period” means, with respect to any Lease Vehicle that is a Program Vehicle with respect to which the applicable depreciation charge set forth in the related Manufacturer Program for such Lease Vehicle has not been recorded in the applicable FleetCo’s or its designee’s computer systems or has been recorded in such computer systems, but has not been applied to such Program Vehicle therein, the period commencing on such Lease Vehicle’s Vehicle Lease Commencement Date and terminating on the date such applicable depreciation charge has been recorded in such FleetCo’s or its designee’s computer systems and applied to such Program Vehicle therein.

“EU ABCP Asset Report” means a monthly report as then required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation in the form of the applicable ESMA reporting template equivalent to Annex 11 to the ESMA Reporting Templates.

“EU ABCP Investor Report” means a monthly report as then required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation in the form of the applicable ESMA reporting template equivalent to Annex 13 to the ESMA Reporting Templates”

“EU Asset Report” means a monthly report as then required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation in the form of the applicable ESMA reporting template equivalent to Annex 9 to the ESMA Reporting Templates.

“EU Investor Report” means a monthly report as then required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation in the form of the applicable ESMA reporting template equivalent to Annex 12 to the ESMA Reporting Templates.

“EU Retention Requirement Law” means the EU Securitisation Regulation.

“EU Securitisation Regulation” means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation together with any relevant regulatory and/or implementing technical standards adopted by the European Commission in relation thereto, any relevant regulatory and/or implementing technical standards applicable in relation thereto pursuant to any transitional arrangements made pursuant to Regulation (EU) 2017/2402, and, in each case, any guidelines or related documents published from time to time in relation thereto by the European Banking Authority or ESMA (or successor agency or authority) and adopted by the European Commission.

“EURIBOR” means the greater of zero and the offered rate which appears on the display designated on the Bloomberg Screen “BTMMEU” page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates), as applicable to one month Euro deposits, or, in the case of Credit Agricole Corporate and Investment Bank (in its capacity as a Class A Committed Purchaser), as applicable to three month Euro deposits.

“Event of Bankruptcy” shall be deemed to have occurred with respect to a Person if:

- (a) such Person:
 - (i) is unable or admits inability to pay its debts as they fall due;
 - (ii) is deemed to or is declared to, be unable to pay its debts under applicable law;
 - (iii) suspends or threatens to suspend making payments on any of its debts; or
 - (iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (b) The value of the assets of such Person is less than its liabilities (taking into account contingent and prospective liabilities);
- (c) A moratorium is declared in respect of any indebtedness of such Person. If a moratorium occurs, the ending of the moratorium will not remedy any Amortization Event, Liquidation Event or Servicer Default caused by that moratorium;
- (d) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, insolvency proceeding, winding-up, liquidation (including provisional liquidation), dissolution, examinership, administration, receivership, or reorganisation (by way of voluntary arrangement, scheme of arrangement, restructuring plan or

otherwise) of such Person or any other relief is sought by or in respect of such Person under any law relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts or other similar law affecting creditors' rights;

- (ii) a composition, compromise, assignment, arrangement or readjustment with any creditor of such Person;
- (iii) the appointment of an Insolvency Official in respect of any such Person or any of its assets;
- (iv) enforcement of any Security over any (A) assets of such Person, (B) Vehicle leased or in the possession of such Person, or (C) the FleetCo Collateral;

or any analogous or similar procedure or step is taken in any jurisdiction;

- (e) Paragraph (d) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 10 Business Days of commencement;
- (f) any expropriation, attachment, sequestration, distress, enforcement or execution or any analogous process in any jurisdiction affects any (i) asset or assets of such Person, (ii) any Vehicle leased or in the possession of such Person, or (iii) the FleetCo Collateral; or
- (g) such Person takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“Excess Administrator Fee Allocation Amount” means, with respect to any Payment Date, an amount equal to the excess, if any, of (i) the Issuer Administrator Fee Amount with respect to such Payment Date over (ii) the Capped Issuer Administrator Fee Amount with respect to such Payment Date.

“Excess Damage Charges” means, with respect to any Program Vehicle, the amount charged or deducted from the Repurchase Price by the Manufacturer of such Vehicle due to (a) damage over a prescribed limit, (b), if applicable, damage not subject to a prescribed limit and (c) missing equipment, in each case with respect to such Vehicle at the time that such Vehicle is turned in to such Manufacturer or its agent for repurchase or Auction pursuant to the applicable Manufacturer Program.

“Excess Mileage Charges” means, with respect to any Program Vehicle, the amount charged or deducted from the Repurchase Price, by the Manufacturer of such Vehicle due to the fact that such Vehicle has mileage over a prescribed limit at the time that such Vehicle is turned in to such Manufacturer or its agent for repurchase or Auction pursuant to the applicable Manufacturer Program.

“Excess Issuer Operating Expense Amount” means, with respect to any Payment Date the excess, if any, of (i) the Issuer Operating Expense Amount with respect to such Payment Date over (ii) the Capped Issuer Operating Expense Amount with respect to such Payment Date.

“Excess Trustee Fee Amount” means, with respect to any Payment Date, an amount equal to the excess, if any, of (i) the Issuer Security Trustee Fee Amount with respect to such Payment Date over (ii) the Capped Issuer Security Trustee Fee Amount with respect to such Payment Date.

“Excluded Payments” means (a) all incentive payments payable by a Manufacturer to purchase Vehicles (but not any amounts payable by a Manufacturer as an incentive for selling Program Vehicles outside of the related Manufacturer Program), (b) all amounts payable by a Manufacturer as compensation for the preparation of newly delivered vehicles, (c) all amounts payable by a Manufacturer as compensation for interest payable after the purchase price for a Vehicle is paid, (d) all amounts payable by a Manufacturer in reimbursement for warranty work performed by or

on behalf of a FleetCo on the relevant Vehicles and (e) any volume rebates in connection with the purchase of Vehicles which are due to any OpCo.

“**Existing/Prior Financing**” means:

- (a) in respect of the Issuer, French FleetCo and Dutch FleetCo, the financing pursuant to the VFN Purchase Facility Agreement dated 8 July 2010 (as amended from time to time) between (among others) the Issuer and BNP Paribas Trust Corporation UK Limited as Issuer Security Trustee;
- (b) in respect of German FleetCo, the financing pursuant to the Euro revolving credit facility agreement dated 24 June 2010, as amended from time to time (including for the avoidance of doubt any seasonal facilities or intragroup financing arrangements entered into in connection therewith); and
- (c) in respect of German FleetCo, the financing pursuant to the high yield bonds issued on 23 March 2018.

“**Expected Final Payment Date**” means the Commitment Termination Date.

“**Extension Length**” has the meaning specified in Clause 2.6 (*Commitment Terms and Extensions of Commitments*) of the Issuer Facility Agreement.

“**Facility Term**” has the meaning specified in Clause 2.6(a) of the Issuer Facility Agreement.

“**Failure Percentage**” means, as of any date of determination, a percentage equal to 100% minus the lower of (x) the lowest Non-Program Vehicle Disposition Proceeds Percentage Average for any Determination Date (including such date of determination) within the preceding twelve (12) calendar months (or such fewer number of months as have elapsed since the Closing Date) and (y) the lowest Market Value Average as of any Determination Date within the preceding twelve (12) calendar months (or such fewer number of months as have elapsed since the Closing Date).

“**Final Base Rent**” has the meaning specified in Clause 4.3 of each Master Lease.

“**Financial Advisor**” means any financial advisor appointed by the Required Noteholders in accordance with the Issuer Relevant Documents or the FleetCo Relevant Documents and notified as being appointed to the Administrator, each FleetCo Administrator, each FleetCo, each OpCo and the Liquidation Co-ordinator.

“**Financial Statement**” means, in respect of any Person, audited financial statements of such Person for a specified period (including a balance sheet, profit and loss account (or other form of income statement), but excluding for the avoidance of doubt any statement of cash flow).

“**First Amendment Date**” means the Amendment Date as defined in the amendment deed in respect of certain Related Documents dated 8 November 2019.

“**First Rating Trigger Event**” means that at any time the Interest Cap Provider or (where applicable) the guarantor of the Interest Rate Cap Provider ceases to have the Initial Counterparty Required Ratings.

“**Fitch**” means Fitch Ratings.

“**FleetCo**” means the Dutch FleetCo, the French FleetCo, the German FleetCo and/or the Spanish FleetCo, as applicable.

“**FleetCo AAA Component**” means the Dutch AAA Component, the French AAA Component, the German AAA Component and/or the Spanish AAA Component, as applicable.

“**FleetCo AAA Select Component**” means each FleetCo AAA Component other than any Eligible Due and Unpaid Lease Payment Amount.

“**FleetCo Acceleration Notice**” means a Dutch Acceleration Notice, a French Acceleration Notice, a German Acceleration Notice and/or a Spanish Acceleration Notice, as applicable.

“**FleetCo Account**” means any Dutch Accounts, any French Accounts, any German Accounts and any Spanish Accounts, as applicable.

“**FleetCo Account Mandates**” means the signature authorities relating to a FleetCo Account, as amended from time to time in accordance with the relevant Account Bank Agreement.

“**FleetCo Administration Agreement**” means the Dutch Administration Agreement, the French Administration Agreement, the German Administration Agreement and/or the Spanish Administration Agreement, as applicable.

“**FleetCo Administrator**” means the Dutch Administrator, the French Administrator, the German Administrator and/or the Spanish Administrator, as applicable.

“**FleetCo Administrator Default**” means a Dutch Administrator Default, a French Administrator Default, a German Administrator Default and/or a Spanish Administrator Default, as applicable.

“**FleetCo Administrator Termination Notice**” has the meaning given to it in Clause 1.4 (*Issuer Back-Up Administrator*) of the International Account Bank Agreement.

“**FleetCo Aggregate Asset Amount**” means the Dutch Aggregate Asset Amount, the French Aggregate Asset Amount, the German Aggregate Asset Amount and/or the Spanish Aggregate Asset Amount, as applicable.

“**FleetCo Back-Up Administration Agreement**” means the Dutch Back-Up Administration Agreement, the French Back-Up Administration Agreement, the German Back-Up Administration Agreement and/or the Spanish Back-Up Administration Agreement, as applicable.

“**FleetCo Back-Up Administrator**” means the Dutch Back-Up Administrator, the French Back-Up Administrator, the German Back-Up Administrator and/or the Spanish Back-Up Administrator, as applicable.

“**FleetCo Carrying Charges**” means the Dutch Carrying Charges, the French Carrying Charges, the German Carrying Charges and/or the Spanish Carrying Charges, as applicable.

“**FleetCo Class A Baseline Advance Rate**” means, the Dutch Class A Baseline Advance Rate, the French Class A Baseline Advance Rate, the Spanish Class A Baseline Advance Rate and/or the German Class A Baseline Advance Rate, as applicable.

“**FleetCo Class A Blended Advance Rate**” means the Dutch Class A Blended Advance Rate, the French Class A Blended Advance Rate, the German Class A Blended Advance Rate and the Spanish Class A Blended Advance Rate, as applicable.

“**FleetCo Class A Blended Advance Rate Weighting Denominator**” means the Dutch Class A Blended Advance Rate Weighting Denominator, the French Class A Blended Advance Rate Weighting Denominator, the German Class A Blended Advance Rate Weighting Denominator and the Spanish Class A Blended Advance Rate Weighting Denominator, as applicable.

“**FleetCo Class A Blended Advance Rate Weighting Numerator**” means the Dutch Class A Blended Advance Rate Weighting Numerator, the French Class A Blended Advance Rate Weighting Numerator, the German Class A Blended Advance Rate Weighting Numerator and the Spanish Class A Blended Advance Rate Weighting Numerator, as applicable.

“**FleetCo Class B Baseline Advance Rate**” means, the Dutch Class B Baseline Advance Rate, the French Class B Baseline Advance Rate, the Spanish Class B Baseline Advance Rate and/or the German Class B Baseline Advance Rate, as applicable.

“**FleetCo Class B Blended Advance Rate**” means the Dutch Class B Blended Advance Rate, the French Class B Blended Advance Rate, the German Class B Blended Advance Rate and the Spanish Class B Blended Advance Rate, as applicable.

“**FleetCo Class B Blended Advance Rate Weighting Denominator**” means the Dutch Class B Blended Advance Rate Weighting Denominator, the French Class B Blended Advance Rate Weighting Denominator, the German Class B Blended Advance Rate Weighting Denominator and the Spanish Class B Blended Advance Rate Weighting Denominator, as applicable.

“**FleetCo Class B Blended Advance Rate Weighting Numerator**” means the Dutch Class B Blended Advance Rate Weighting Numerator, the French Class B Blended Advance Rate Weighting Numerator, the German Class B Blended Advance Rate Weighting Numerator and the Spanish Class B Blended Advance Rate Weighting Numerator, as applicable.

“**FleetCo Collateral**” means the Dutch Collateral, the French Collateral, the German Collateral and/or the Spanish Collateral, as applicable.

“**FleetCo Collection Account**” means the Dutch Collection Account, the French Collection Account, the German Collection Account and/or the Spanish Collection Account, as applicable.

“**FleetCo Collections**” means the Dutch Collections, the French Collections, the German Collections and/or the Spanish Collections, as applicable.

“**FleetCo Daily Collection Report**” means the Dutch Daily Collection Report, the French Daily Collection Report, the German Daily Collection Report and/or the Spanish Daily Collection Report, as applicable.

“**FleetCo Due and Unpaid Lease Payment Amount**” means the Due and Unpaid Lease Payment Amount with respect to the Dutch Master Lease, the French Master Lease, the German Master Lease and the Spanish Master Lease.

“**FleetCo Enforcement Notice**” means a Dutch Enforcement Notice, a French Enforcement Notice, a German Enforcement Notice and/or a Spanish Enforcement Notice, as applicable.

“**FleetCo Facility Agreement**” means the Dutch Facility Agreement, the French Facility Agreement, the German Facility Agreement and/or the Spanish Facility Agreement, as applicable.

“**FleetCo Interest Collections**” means the Dutch Interest Collections, the French Interest Collections, the German Interest Collections and/or the Spanish Interest Collections, as applicable.

“**FleetCo Maximum Principal Amount**” means the Dutch Maximum Principal Amount, the French Maximum Principal Amount, the German Maximum Principal Amount and/or the Spanish Maximum Principal Amount, as applicable.

“**FleetCo Note Framework Agreement**” means each of the Dutch Note Framework Agreement, the Spanish Note Framework Agreement and the German Note Framework Agreement, as applicable.

“**FleetCo Note Register**” means each of the Dutch Note Register, the Spanish Note Register and the German Note Register, as applicable.

“**FleetCo Notes**” means the Dutch Note, the Spanish Note and the German Note as applicable.

“FleetCo Principal Collections” means the Dutch Principal Collections, the French Principal Collections, the German Principal Collections and/or the Spanish Principal Collections, as applicable.

“FleetCo Priority of Payments” means the Dutch Priority of Payments, the French Priority of Payments, the German Priority of Payments and/or the Spanish Priority of Payments, as applicable.

“FleetCo Registrar” means the Dutch Registrar, the German Registrar and/or the Spanish Registrar, as applicable.

“FleetCo Related Documents” means the THC Guarantee and Indemnity, the Refinancing Deed of Covenant, the Dutch Related Documents, the French Related Documents, the German Related Documents and/or the Spanish Related Documents, as applicable.

“FleetCo Repeating Representations” means the Dutch Repeating Representations, the French Repeating Representations, the German Repeating Representations and the Spanish Repeating Representations, as applicable.

“FleetCo Required Reserve Advance” means the Dutch Required Reserve Advance, the French Required Reserve Advance, the German Required Reserve Advance and/or the Spanish Required Reserve Advance, as applicable.

“FleetCo Reserve Advance” means the Dutch Reserve Advance, the French Reserve Advance, the German Reserve Advance and/or the Spanish Reserve Advance, as applicable.

“FleetCo Secured Obligations” means the Dutch Secured Obligations, the French Secured Obligations, the German Secured Obligations and/or the Spanish Secured Obligations, as applicable.

“FleetCo Secured Party” means the Dutch Secured Parties, the French Secured Parties, the German Secured Parties and/or the Spanish Secured Parties, as applicable.

“FleetCo Security” means the Dutch Security, the French Security, the German Security and/or the Spanish Security, as applicable.

“FleetCo Security Documents” means the Dutch Security Documents, the French Security Documents, the German Security Documents and/or the Spanish Security Documents, as applicable.

“FleetCo Security Trustee” means the Dutch Security Trustee, the French Security Trustee, the German Security Trustee and/or the Spanish Security Trustee, as applicable.

“FleetCo Transaction Account” means the Dutch Transaction Account, the French Transaction Account, the German Transaction Account and/or the Spanish Transaction Account, as applicable.

“Forecasted Liquidity” means the aggregate of:

- (a) The European Group’s cash in hand;
- (b) any credit balance on any deposit, savings, current or other account held with a bank or financial institution and to which a member (or members) of the European Group is alone beneficially entitled and which is available to be freely withdrawn during the forecast period (net of any debit balance on any such account to the extent that such accounts are reported and operated on a net basis in the ordinary day-to-day course of the European Group’s cash management arrangements);
- (c) an amount equal to the then current Class A Maximum Principal amount less any Class A Principal Amount save to the extent that the Class A Funding Conditions would otherwise prevent such Class A Maximum Principal Amount from being utilised; and

- (d) any other undrawn financing commitments which are either unconditionally available to any member of the European Group or which are subject to conditions which HHN2 (acting reasonably) believes would be satisfied if the European Group attempted to draw upon those commitments (and for the avoidance of doubt HHN2 will be deemed to have acted reasonably if acting on advice from a professional advisor),

in each case for the 13-week period from and including the date of the applicable Cashflow and Liquidity Forecast.

“Franchisee Sublease Contractual Criteria” means, with respect to the sublease of Lease Vehicles by a Lessee to a franchisee, the related sublease:

- (a) states in writing that it is subject to the terms and conditions of the applicable Master Lease and is subject and subordinate in all respects to such Master Lease;
- (b) requires that the Lease Vehicles subleased under such sublease may only be used in furtherance of the business contemplated by any applicable franchise or license agreement entered into by the sublessee;
- (c) other than renting such subleased Lease Vehicles to customers in the ordinary course of such franchisee’s business, prohibits such franchisee from subleasing such Lease Vehicles or otherwise assigning any of its rights with respect to such Lease Vehicles or assigning any of its rights or obligations in, to or under such sublease;
- (d) does not permit the termination date for such subleased Lease Vehicles under such sublease to exceed the Maximum Lease Termination Date with respect to such Lease Vehicle under the applicable Master Lease;
- (e) limits such franchisee’s use of such subleased Lease Vehicles to primarily in the Relevant Jurisdiction (which will include all normal course movements of vehicles across borders in connection with customer rentals and following any such movements until convenient to return such Lease Vehicles to the Relevant Jurisdiction, in each case in the franchisee’s course of business);
- (f) requires such franchisee to report the location of such subleased Lease Vehicles no less frequently than weekly and grant inspection rights to the applicable Lessee upon reasonable request of such Lessee;
- (g) prohibits such franchisee from using any such subleased Lease Vehicles in violation of any laws or regulations or contrary to the provisions of any applicable insurance policy;
- (h) contains an express acknowledgement and agreement from such franchisee that each such subleased Lease Vehicle is at all times the property of the applicable Lessor and that such franchisee acquires no right, title or interest in or to such Lease Vehicle except a leasehold interest with respect to such subleased Lease Vehicle, subject to the applicable Master Lease;
- (i) allows the applicable Lessor or such Lessee, upon the occurrence of an event of default pursuant to such sublease, to enter the premises where such subleased Lease Vehicles may be located and take possession of such subleased Lease Vehicles;
- (j) contains an express covenant from such franchisee that prior to the date that is one year and one day after the payment of the latest maturing applicable FleetCo Note, it will not institute against or join with any other Person in instituting against the applicable Lessor or the Issuer any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings, under any national or state bankruptcy or similar law;

- (k) states that such sublease shall terminate upon the termination of the applicable Master Lease; and
- (l) requires that the Lease Vehicles subleased under such sublease must primarily be used in the course of the applicable franchisee's daily car rental business.

"**French Amendment and Restatement Deed**" means the amendment and restatement deed entered into, by amongst others, French FleetCo, French OpCo and the French Security Trustee dated on or about the Third Amendment Date.

"**Funding Agent**" means the Class A Funding Agent(s) and/or the Class B Funding Agent(s), as applicable.

"**GAAP**" means generally accepted accounting principles in the Relevant Jurisdiction, as applicable.

"**German Amendment and Restatement Deed**" means the amendment and restatement deed entered into, by amongst others, German FleetCo, German OpCo and the German Security Trustee dated on or about the Third Amendment Date.

"**Global Deed of Termination and Release**" means the deed of termination and release dated on or about the Signing Date entered into between the parties to the existing European ABS transaction of the Hertz Group.

"**Governmental Authority**" means any national, state, local or foreign court or governmental department, commission, board, bureau, agency, authority, instrumentality or regulatory body.

"**Guaranteed Depreciation Program**" means a guaranteed depreciation program pursuant to which a Manufacturer has agreed to (a) cause Vehicles manufactured by it or one of its Affiliates that are turned back during the specified Repurchase Period to be sold at Auction, (b) cause the proceeds of any such sale to be deposited in the applicable FleetCo Collection Account by such auction dealer promptly following such sale and (c) pay to the applicable FleetCo the excess, if any, of the guaranteed payment amount with respect to any such Vehicle calculated as of the Turnback Date in accordance with the provisions of such guaranteed depreciation program over the amount deposited in the applicable FleetCo Collection Account by an auction dealer pursuant to clause (b) above.

"**Guarantor**" means The Hertz Corporation.

"**HEH**" means Hertz Europe Holdings B.V..

"**Hertz**" means The Hertz Corporation, a Delaware corporation.

"**Hertz 2021 Chapter 11 Effective Date**" means, with respect to the Hertz 2021 Chapter 11 Plan, the date that is a Business Day (as defined in the Hertz 2021 Chapter 11 Plan) on which (i) no stay of the Confirmation Order (as defined in the Chapter 11 Plan) is in effect; (ii) all conditions precedent to effectiveness of the Hertz 2021 Chapter 11 Plan have been satisfied or waived; and (iii) the Hertz 2021 Chapter 11 Plan is declared effective by the Debtors. Without limiting the foregoing, any action to be taken on the Hertz 2021 Chapter 11 Effective Date may be taken on or as soon as reasonably practicable after the Hertz 2021 Chapter 11 Effective Date.

"**Hertz 2021 Chapter 11 Plan**" means Hertz's Fourth Modified Second Amended Joint Chapter 11 Plan of Reorganisation of The Hertz Corporation and its Debtor Affiliates (as such may be amended, modified, supplement or amended and restated from time to time by, on behalf or with the support of the debtors thereof) in respect of Case No. 20-11218 under chapter 11 of title 11 of the United States Code.

“**Hertz 2021 Chapter 11 Plan Sponsors**” has the meaning given to “Plan Sponsors” in the Hertz 2021 Chapter 11 Plan.

“**Hertz Group**” means collectively, Hertz and each Affiliate.

“**Hertz Senior Credit Facility Default**” means the occurrence of an event that (i) results in all amounts under each of Hertz’s Senior Credit Facilities becoming immediately due and payable and (ii) has not been waived by the lenders under each of Hertz’s Senior Credit Facilities.

“**HIL**” means Hertz International Limited.

“**HGH**” means Hertz Global Holdings, Inc., and any successor in interest thereto.

“**HHN2**” means Hertz Holdings Netherlands 2 B.V..

“**Holdings**” means Rental Car Intermediate Holdings, LLC, and any successor in interest thereto.

“**IFRS**” means International Financial Reporting Standards.

“**Indebtedness**” means, as applied to any Person, without duplication, (a) all indebtedness for borrowed money, (b) that portion of obligations with respect to any lease of any property (whether real, personal or mixed) that is properly classified as a liability on a balance sheet in conformity with GAAP, (c) notes payable and drafts accepted representing extensions of credit whether or not representing obligations for borrowed money, (d) any obligation owed for all or any part of the deferred purchase price for property or services, which purchase price is (i) due more than six months from the date of the incurrence of the obligation in respect thereof or (ii) evidenced by a note or similar written instrument, (e) all indebtedness in respect of any of the foregoing secured by any Security on any property or asset owned by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is nonrecourse to the credit of that Person, and (f) all Contingent Obligations of such Person in respect of any of the foregoing.

“**Indemnified Liabilities**” has the meaning specified in Clause 11.4(b) (*Indemnification*) of the Issuer Facility Agreement.

“**Indemnified Parties**” has the meaning specified in Clause 11.4(b) (*Indemnification*) of the Issuer Facility Agreement.

“**Independent Director**” means a Person who is not currently and has not been during the five years prior to his or her appointment as Independent Director:

- (a) a stockholder, member, partner, director, officer, employee, Affiliate, associate, creditor (other than the corporate services provider), franchisee, major supplier, major customer or independent contractor of any FleetCo, any OpCo or any Affiliate thereof (excluding, however, any service provided by a Person engaged as an “independent” manager or director, as the case may be); or
- (b) a Person owning directly or beneficially any outstanding shares of common stock of any FleetCo, any OpCo or any Affiliate thereof, or a stockholder, director, officer, employee, Affiliate, associate, creditor or independent contractor of such beneficial owner or any of such beneficial owner’s Affiliates or associates; or
- (c) a director, officer, employee, member or partner or member of the immediate family of, or a Person otherwise owning a direct or indirect ownership interest in, any Person described in clauses (a) or (b) above.

“**Individual Concentration Excess Amounts**” means the Spain Concentration Excess Amount, the Non-Program Vehicle Concentration Excess Amount, the Light-Duty Truck Concentration

Excess Amount, the Manufacturer Concentration Excess Amount and the Non-Investment Grade (High) Program Receivable Concentration Excess Amount.

“**Ineligible Vehicle**” means, as of any date of determination, a Vehicle that is owned by a FleetCo and leased by such FleetCo to any Lessee pursuant to the applicable Master Lease that is not an Eligible Vehicle as of such date.

“**Initial Counterparty Required Ratings**” means, with respect to any entity, rating requirements that are satisfied if such entity has a long-term rating of at least “A” by DBRS (or, if such entity is not rated by DBRS, “A2” by Moody’s or “A” by S&P).

“**Initially Estimated Depreciation Charge**” means, with respect to any Lease Vehicle that is a Program Vehicle, as of any date of determination during the Estimation Period for such Lease Vehicle, the monthly depreciation charge (expressed as a monthly Euro amount), if any, for such Lease Vehicle reasonably estimated by the applicable FleetCo (or its designee) as of such date.

“**In-Service Date**” means (i) in relation to a Program Vehicle, the date on which depreciation commences with regard to such Vehicle in accordance with the terms of the relevant Manufacturer Program and (ii) in relation to a Non-Program Vehicle, the date on which such Vehicle is first available to be placed in service under the terms of the applicable Master Lease.

“**Insolvency Official**” means a liquidator, provisional liquidator, administrator, insolvency administrator, preliminary insolvency administrator, *conciliator*, *mandataire ad hoc*, administrative receiver, sequestrator receiver, receiver and manager, examiner, interim examiner, compulsory or interim manager, moratorium supervisor, nominee, supervisor, custodian, trustee, assignee or official assignee, conservator, guardian or other similar officer in respect of such Person or any of its assets or in respect of any arrangement, compromise or composition with any creditors or any equivalent or analogous officer under the law of any jurisdiction.

“**Inspection Period**” has the meaning specified in Clause 2.2.6 of each Master Lease.

“**Insurance Policies**” has the meaning specified in Clause 5.1.2 of each Master Lease.

“**Inter-Group Transferred Vehicle**” means any Lease Vehicle that, immediately prior to its Vehicle Lease Commencement Date, was owned by a member of the Hertz Group and was initially purchased by a member of the Hertz Group from an unaffiliated third party which was subsequently acquired by a FleetCo pursuant to clause 6.3 (C) of the relevant Master Lease.

“**Interest Period**” means a period commencing on and including the second Business Day preceding a Determination Date and ending on and including the day preceding the second Business Day preceding the next succeeding Determination Date; provided, however, that (i) the Interest Period which commences on the second Business Day prior to the Determination Date immediately preceding the Third Amendment Date shall end on and but not include the Third Amendment Date and (ii) the first Interest Period following the Third Amendment Date shall commence on and include the Third Amendment Date and end on and include the day preceding the second Business Day preceding the next succeeding Determination Date; provided further, however, that the final Interest Period with respect to the Class A Notes and/or the Class B Notes shall commence on and include the second Business Day preceding the Determination Date immediately preceding the Payment Date upon which the Class A Principal Amount and/or Class B Principal Amount, as applicable, is reduced to zero and end on and include such Payment Date.

“**Interest Rate Cap**” means any interest rate cap entered into in accordance with the provisions of Clause 4.4 (*Interest Rate Caps*) of the Issuer Facility Agreement, including, the Interest Rate Cap Documents with respect thereto.

“**Interest Rate Cap Documents**” means, with respect to any Interest Rate Cap, the documentation that governs such Interest Rate Cap.

“Interest Rate Cap Provider” means the Issuer’s counterparty under any Interest Rate Cap.

“International Account Bank Agreement” means the account bank agreement entered into by the Issuer, the Dutch Account Bank, the Issuer Account Bank, the German Account Bank, the Issuer Security Trustee and the Issuer Administrator dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Intra-Group Transfer” has the meaning specified in Clause 12.1 of Schedule 3 to each Master Lease.

“Intra-Group Vehicle Purchasing Agreement” means, during the Revolving Period, an agreement pursuant to which a FleetCo (other than the German Fleetco) purchases a Non-Program Vehicle from other Fleetco or Opco or other Affiliate of such Fleetco pursuant to Clause 6.3 of the Master Lease and in form and substance substantially the same as the template intra-group vehicle purchasing agreement set out in Schedule V (*Draft Intra-Group Vehicle Purchasing Agreement*) of the applicable Master Lease.

“Intra-Lease Lessee Transfer Schedule” has the meaning specified in Clause 2.3.2 of each Master Lease.

“Investment Company Act” means the United States Investment Company Act of 1940, as amended.

“Investment Grade Manufacturer” means, as of any date of determination, any Manufacturer that has a Relevant DBRS Rating as of such date of at least “BBB(L)” from DBRS (or, if such Manufacturer does not have a Relevant DBRS Rating as of such date, then, a DBRS Equivalent Rating of “BBB(L)”) as of such date; provided that, upon any withdrawal or downgrade of any rating of any Manufacturer by DBRS (or, if such Manufacturer is not rated by DBRS, any Equivalent Rating Agency), such Manufacturer may, in the applicable FleetCo’s sole discretion, be deemed to have the rating applicable thereto immediately preceding such withdrawal or downgrade (as applicable) by DBRS (or, if such Manufacturer is not rated by DBRS, such DBRS Equivalent Rating) for a period of thirty (30) days following the earlier of (x) the date on which an Authorized Officer of any FleetCo Administrator, any FleetCo or any Servicer obtains actual knowledge of such withdrawal or downgrade (as applicable) and (y) the date on which the FleetCo Security Trustee notifies the applicable FleetCo Administrator in writing of such withdrawal or downgrade (as applicable).

“Investment Grade Non-Program Vehicle” means, as of any date of determination, any Eligible Vehicle manufactured by an Investment Grade Manufacturer that is not an Investment Grade Program Vehicle as of such date.

“Investment Grade Program Vehicle” means, as of any date of determination, any Program Vehicle that is:

- (a) manufactured by an Investment Grade Manufacturer (as determined as of such date of determination) that is subject to a Manufacturer Program;
- (b) subject to an agreement with a Dealer which agreement is guaranteed by an Investment Grade Manufacturer (as determined as of such date of determination); or
- (c) subject to an agreement with a Dealer which agreement is not guaranteed by an Investment Grade Manufacturer and which Dealer has the Relevant DBRS Rating or DBRS Equivalent Rating set out in the definition of “Investment Grade Manufacturer” (as determined as of such date of determination);

and, in each case, such Program Vehicle is subject to such Manufacturer Program or agreement, as applicable, on the Vehicle Lease Commencement Date for such Program Vehicle unless it has

been redesignated (and as of such date remains so designated) as a Non-Program Vehicle pursuant to Clause 2.5 (*Redesignation of Vehicles*) of the applicable Master Lease as of such date.

“Investor Group” means the Class A Investor Group and the Class B Investor Group, as applicable.

“Issuer” means International Fleet Financing No. 2 B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated in The Netherlands and registered with the Trade Register of the Dutch Chamber of Commerce under number 34394429 and having its registered address at Fourth Floor, 3 George’s Dock, IFSC, Dublin 1, Ireland.

“Issuer Acceleration Notice” has the meaning specified in Clause 6 (*Enforcement*) of the Issuer Security Trust Deed.

“Issuer Account Bank” means BNP Paribas, Dublin Branch or, as the case may be, any other Acceptable Bank which would be subsequently appointed as Issuer Account Bank pursuant to the terms of the International Account Bank Agreement.

“Issuer Accounts Deed of Charge” means the deed of charge of bank accounts entered into between the Issuer and the Issuer Security Trustee dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Issuer Account Collateral” means all the assets of the Issuer which from time to time are, or are expressed to be, the subject of the security granted under the Issuer Accounts Deed of Charge.

“Issuer Accounts” has the meaning specified in Clause 4.2(a) (*Establishment of Accounts*) of the Issuer Facility Agreement and for the avoidance of doubt shall exclude Capital Accounts.

“Issuer Account Mandate” means the signature authorities relating to the Issuer Accounts as amended from time to time.

“Issuer Administration Agreement” means the Issuer administration agreement entered into between the Issuer, the Issuer Administrator, the Administrative Agent and the Issuer Security Trustee dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Issuer Administrator” means Hertz Europe Limited in its capacity as the administrator under the Issuer Administration Agreement.

“Issuer Administrator Default” has the meaning set forth in Clause 9(c) (*Term of Agreement; Resignation and Removal of Issuer Administrator*) of the Issuer Administration Agreement.

“Issuer Administrator Fee Amount” means, with respect to any Payment Date, an amount equal to the fees payable to the Issuer Administrator pursuant to the Issuer Administration Agreement on such Payment Date.

“Issuer Administrator Termination Notice” has the meaning given to it in Clause 1.5 (*Issuer Back-Up Administrator*) of the International Account Bank Agreement.

“Issuer Aggregate Asset Amount” means the aggregate of each FleetCo Aggregate Asset Amount plus the Aggregate Transaction Account Amount.

“Issuer Amendment and Restatement Deed” means the amendment and restatement deeds in respect of certain Issuer Related Documents between, amongst others, the Issuer, Issuer Administrator, Issuer Security Trustee, each FleetCo, each OpCo, each FleetCo Administrator, each Back-Up FleetCo Administrator, each Servicer dated on or about the Second Amendment Date and further amended and restated by an amendment and restatement deed on or about the Third Amendment Date.

“Issuer Back-Up Administrator” means TMF SFS Management B.V. and any successor or replacement appointed pursuant to the Issuer Back-Up Administration Agreement.

“Issuer Back-Up Administration Termination Event” has the meaning set forth in Clause 5.1 of the Issuer Back-Up Administration Agreement.

“Issuer Back-Up Administration Agreement” means that certain Issuer Back-Up Administration Agreement dated on or about the Signing Date by and among the Issuer Back-Up Administrator, the Issuer, the Issuer Security Trustee and the Issuer Administrator (and as may be amended, restated or supplemented from time to time), and any successor agreement entered into with a successor back-up administrator in accordance with the foregoing agreement and the Issuer Facility Agreement.

“Issuer Back-Up Servicing Fee” has the meaning given to it in Clause 6.1(a) of the Issuer Back-Up Administration Agreement.

“Issuer Class A Blended Advance Rate” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Issuer Class A Blended Advance Rate Weighting Numerator and the denominator of which is the Issuer Class A Blended Advance Rate Weighting Denominator, in each case as of such date, provided that the Issuer Class A Blended Advance Rate shall not exceed seventy (70) per cent.

“Issuer Class A Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of all FleetCo AAA Components, in each case as of such date.

“Issuer Class A Blended Advance Rate Weighting Numerator” means, as of any date of determination, an amount equal to the aggregate sum of, for each FleetCo, the product of (A) the sum of such FleetCo’s FleetCo AAA Components, multiplied by (B) the relevant FleetCo Class A Blended Advance Rate, in each case as of such date.

“Issuer Class B Blended Advance Rate” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Issuer Class B Blended Advance Rate Weighting Numerator and the denominator of which is the Issuer Class B Blended Advance Rate Weighting Denominator, in each case as of such date.

“Issuer Class B Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of all FleetCo AAA Components, in each case as of such date.

“Issuer Class B Blended Advance Rate Weighting Numerator” means, as of any date of determination, an amount equal to the aggregate sum of, for each FleetCo, the product of (A) the sum of such FleetCo’s FleetCo AAA Components, multiplied by (B) the relevant FleetCo Class B Blended Advance Rate, in each case as of such date.

“Issuer Collateral” means all of the assets which from time to time are, or are expressed to be, the subject of the Issuer Security created pursuant to the Issuer Security Documents.

“Issuer Collections” means all payments on or in respect of the Issuer Collateral.

“Issuer Co-operation Agreement” means the co-operation agreement between the Issuer, Hertz Holdings Netherlands B.V. and Wilmington Trust SP Services (Dublin) Limited dated on or about the Signing Date.

“Issuer Corporate Services Agreement” means the corporate services agreement between the Issuer and the Issuer Corporate Services Provider dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Issuer Corporate Services Provider” means Wilmington Trust SP Services (Dublin) Limited.

“Issuer Daily Collection Report” has the meaning specified in Clause 10.1(a) (*Reports and Instructions to Trustee*) of the Issuer Note Framework Agreement.

“Issuer Declaration of Trust” means the declaration of trust over shares in the Issuer by the Issuer Corporate Services Provider dated 8 July 2010 as amended and restated on or about the Signing Date.

“Issuer Enforcement Notice” has the meaning specified in Clause 6 (*Enforcement*) of the Issuer Security Trust Deed.

“Issuer Facility Agreement” means the VFN issuance facility agreement entered into between the Issuer, the Administrative Agent, certain Committed Note Purchasers, certain Conduit Investors, certain Funding Agents for the Investor Groups and the Issuer Security Trustee dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Issuer Fee Letter” means the Administrative Agent Fee Letter, the Class A Program Fee Letter, the Class A Up-Front Fee Letter, the Class A Restructuring Fee Letter, the Class B Program Fee Letter, the Class B Up-Front Fee Letter and any fee letter that is entered into in connection with the Issuer Facility Agreement.

“Issuer Interest Collections” means on any date of determination, all Issuer Collections that represent interest payments on the Leasing Company Notes and the French Facility plus any amounts earned on Permitted Investments in the Issuer Collection Account that are available for distribution on such date and any indemnity amounts received by the Issuer from any Related Document.

“Issuer Interest Collection Account” has the meaning specified in Clause 4.2(a) (*Establishment of Accounts*) of the Issuer Facility Agreement.

“Issuer IR Cap CSA Collateral Account” has the meaning specified in Clause 4.2(a) (*Establishment of Accounts*) of the Issuer Facility Agreement.

“Issuer L/C Cash Collateral Account” has the meaning specified in Clause 4.2(a) (*Establishment of Accounts*) of the Issuer Facility Agreement.

“Issuer Maximum Principal Amount” means, as of any date of determination, the sum of the Class A Maximum Principal Amount *plus* the Class B Maximum Principal Amount, in each case as of such date.

“Issuer Minimum Profit Amount” means €10,000 per annum.

“Issuer Note Framework Agreement” means the note framework agreement entered into between, amongst others, the Issuer and the Issuer Security Trustee dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Issuer Notes” means the Class A Notes and the Class B Notes.

“Issuer Operating Expense Amount” means, with respect to any Payment Date, the aggregate amount of Carrying Charges on such Payment Date.

“Issuer Principal Collections” means any Issuer Collections other than Issuer Interest Collections.

“Issuer Principal Collection Account” has the meaning specified in Clause 4.2(a) (*Establishment of Accounts*) of the Issuer Facility Agreement.

“Issuer Priority of Payments” means the priority of payments set out in Clause 5 (*Priority of Payments*) of the Issuer Facility Agreement.

“Issuer Related Documents” means this Master Definitions and Construction Agreement, the Issuer Note Framework Agreement, the Issuer Facility Agreement, the Issuer Subordinated Facility Agreement, the Subordinated Issuer Convertible Notes Purchase Agreement, the Preference Certificate Purchase Agreement, the FCT Note Purchase Agreement, the French Payment Direction Agreement, the Issuer Administration Agreement, the Issuer Back-up Administration Agreement, the Dutch Facility Agreement, the Spanish Facility Agreement, the German Facility Agreement, the International Account Bank Agreement, the Issuer Corporate Services Agreement, the Issuer Co-operation Agreement, the Issuer Security Documents, the Tax Deed of Covenant, the Refinancing Deed of Covenant, the Interest Rate Cap Documents, the Credit Support Annex, the Risk Retention Letter, the Global Deed of Termination and Release, the Issuer Fee Letters and any other agreements relating to the issuance or purchase of the Issuer Notes.

“Issuer Repeating Representations” means the representations and warranties of the Issuer and the Issuer Administrator set out in Clause 1 and Annex I (*Representations and Warranties*) of the Issuer Facility Agreement and the representations and warranties of the Issuer set out in the Issuer Note Framework Agreement save for the representations and warranties set out in the following clauses in the Issuer Note Framework Agreement: (i) Sub-Clause 5.3 (*No Consent*); (ii) Sub-Clause 5.12 (*Ownership of Shares; Subsidiary*); (iii) Sub-Clause 5.15 (*Centre of Main Interests*); (iv) Sub-Clause 5.16 (*Taxes*); (v) Sub-Clause 5.17 (*Capitalisation*); (vi) Sub-Clause 5.20 (*Beneficial Owner*); (vii) Sub-Clause 5.18 (*No Distributions*); and (viii) Sub-Clause 5.23 (*Filings*).

“Issuer Reserve Account” has the meaning specified in Clause 4.2(a) (*Establishment of Accounts*) of the Issuer Facility Agreement.

“Issuer Secured Obligations” means the aggregate of the Issuer’s Indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the Issuer Secured Parties:

- (a) whether actually or contingently, or
- (b) whether presently due or falling due at some future time,

arising under the Issuer Related Documents and the Issuer Notes, whether solely or jointly with another person, whether as principal or surety and whether or not the Issuer Secured Parties shall have been an original party to the relevant transaction and in whatever currency denominated.

“Issuer Secured Party” means each of the Parties listed at Schedule 1 (*Issuer Secured Parties*) to the Issuer Security Trust Deed.

“Issuer Security” means the security granted pursuant to the Issuer Security Documents.

“Issuer Security Documents” means the Issuer Security Trust Deed, the Issuer Accounts Deed of Charge, the Issuer Shares Pledge, the Deed of Pledge over Convertible Notes and the Issuer Declaration of Trust.

“Issuer Security Trust Deed” means the security trust deed dated on or around the Signing Date entered into by the Issuer Security Trustee and the Issuer and as further amended, restated or supplemented from time to time.

“Issuer Security Trust Deed of Accession” has the meaning specified in the Issuer Security Trust Deed.

“Issuer Security Trustee” means BNP Paribas Trust Corporation UK Limited.

“Issuer Security Trustee Fee Amount” has the meaning specified in the fee letter between the Issuer Security Trustee and the Issuer.

“Issuer Shares Pledge” means the deed of pledge of registered shares of the Issuer dated on or about the Closing Date, granted by Hertz Holdings Netherlands B.V. and Wilmington Trust SP Services (Dublin) Limited.

“Issuer Subordinated Facility Agreement” means the subordinated debt facility agreement entered into between the Issuer, Hertz Holdings Netherlands 2 B.V. and the Issuer Security Trustee dated on or about the Signing Date and as further amended, restated or supplemented from time to time.

“Joinder” has the meaning specified in Annex A of the Master Lease.

“Joinder Date” has the meaning specified in Annex A of the Master Lease.

“L/C Cash Collateral Account Collateral” means the Issuer Account Collateral with respect to the Issuer L/C Cash Collateral Account.

“L/C Cash Collateral Account Surplus” means, with respect to any Payment Date, the lesser of (a) the Available L/C Cash Collateral Account Amount and (b) the excess, if any, of the Adjusted Liquid Enhancement Amount over the Required Liquid Enhancement Amount on such Payment Date.

“L/C Cash Collateral Percentage” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Available L/C Cash Collateral Account Amount as of such date and the denominator of which is the Letter of Credit Amount as of such date.

“L/C Credit Disbursement” means an amount drawn under a Letter of Credit pursuant to a Certificate of Credit Demand.

“L/C Termination Disbursement” means an amount drawn under a Letter of Credit pursuant to a Certificate of Termination Demand.

“Lease Commencement Date” has the meaning specified in Clause 3.2 of the Master Lease.

“Lease Event of Default” has the meaning specified in Clause 9.1 of the Master Lease.

“Lease Expiration Date” has the meaning specified in Clause 3.2 of the Master Lease.

“Lease Interest Payment Deficit” means on any Payment Date an amount equal to the excess, if any, of (a) the aggregate amount of Issuer Interest Collections that would have been deposited into the Issuer Interest Collection Account if all payments of Monthly Variable Rent required to have been made under the Leases from but excluding the preceding Payment Date to and including such Payment Date were made in full over (b) the aggregate amount of Issuer Interest Collections that have been received for deposit into the Issuer Interest Collection Account from but excluding the preceding Payment Date to and including such Payment Date.

“Lease Material Adverse Effect” means, with respect to any occurrence, event or condition applicable to any party to any Master Lease:

- (a) a material adverse effect on the ability of such party to perform its obligations under such Master Lease or the applicable FleetCo Security Documents;

- (b) a material adverse effect on the applicable Lessor’s beneficial ownership interest in the Lease Vehicles or on the ability of the applicable Lessor to grant Security on any after-acquired property that would constitute FleetCo Collateral;
- (c) a material adverse effect on the validity or enforceability of such Master Lease; or
- (d) a material adverse effect on the validity, perfection or priority of the lien of the FleetCo Security Trustee in the applicable FleetCo Collateral (other than in an immaterial portion of such FleetCo Collateral), other than, in each case, a material adverse effect on any priority arising due to the existence of a Permitted Security.

“**Lease Payment Deficit**” means either a Lease Interest Payment Deficit or a Lease Principal Payment Deficit.

“**Lease Payment Deficit Notice**” has the meaning specified in Clause 5.9(b) (*Certain Instructions to the Issuer Security Trustee*) of the Issuer Facility Agreement.

“**Lease Principal Payment Carryover Deficit**” means (a) for the initial Payment Date, zero and (b) for any other Payment Date, the excess, if any, of (x) the Lease Principal Payment Deficit, if any, on the preceding Payment Date over (y) all amounts deposited into the Issuer Principal Collection Account on or prior to such Payment Date on account of such Lease Principal Payment Deficit.

“**Lease Principal Payment Deficit**” means on any Payment Date the sum of (a) the Monthly Lease Principal Payment Deficit for such Payment Date and (b) the Lease Principal Payment Carryover Deficit for such Payment Date.

“**Lease Vehicle Acquisition Schedule**” has the meaning specified in Clause 2.1(c) (*Lease Vehicle Acquisition Schedules*) of the Master Lease.

“**Lease Vehicles**” means, as of any date of determination, each vehicle (i) that has been accepted by a Lessee in accordance with Clause 2.1(d) of the Master Lease, and (ii) as of such date the Vehicle Lease Expiration Date with respect to such vehicle has not occurred since such vehicle’s most recent Vehicle Lease Commencement Date; provided that, solely with respect to the calculation and payment of Final Base Rent, any Non-Program Vehicle Special Default Payment Amount, any Program Vehicle Special Default Payment Amount, any Casualty Payment Amount, any Early Program Return Payment Amount, any Pre-VLCD Program Vehicle Depreciation Amount, any Program Vehicle Depreciation Assumption True-up Amount, any Redesignation to Program Amount or any Redesignation to Non-Program Amount, in each case with respect to any vehicle satisfying the preceding clause (i), such vehicle shall be deemed to be a ‘Lease Vehicle’ (notwithstanding the occurrence of such Vehicle Lease Expiration Date with respect thereto) until such Final Base Rent, Non-Program Vehicle Special Default Payment Amount, Program Vehicle Special Default Payment Amount, Casualty Payment Amount, Early Program Return Payment Amount, Pre-VLCD Program Vehicle Depreciation Amount, Program Vehicle Depreciation Assumption True-up Amount, Redesignation to Program Amount or Redesignation to Non-Program Amount, as applicable, has been paid by the Lessee of such vehicle (as of such Vehicle Lease Expiration Date with respect thereto), none of which, for the avoidance of doubt, shall be payable more than once with respect to any such vehicle by such Lessee.

“**Leasing Company**” means each FleetCo and each Additional Leasing Company.

“**Leasing Company Amortization Event**” means a Dutch Leasing Company Amortization Event, French Leasing Company Amortization Event, German Leasing Company Amortization Event or Spanish Leasing Company Amortization Event, as applicable.

“**Leasing Company Note**” means the Dutch Note, German Note and Spanish Note, as applicable.

“**Legacy NBV**” means, with respect to any Lease Vehicle that is an Inter-Group Transferred Vehicle, the net book value of such Inter-Group Transferred Vehicle, as recorded in any FleetCo’s or its designee’s computer systems as at the relevant purchase date taking into account the sum of all depreciation charges that accrued with respect to such Inter-Group Transferred Vehicle immediately prior to such purchase date, in each case calculated in accordance with U.S. GAAP.

“**Legal Final Payment Date**” means the one-year anniversary of the Expected Final Payment Date.

“**Legal Reservations**” means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Act 1980, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim;
- (c) the required perfection of any Issuer Security and FleetCo Security;
- (d) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and
- (e) any other matters which are set out as assumptions, qualifications or reservations as to matters of law in the Legal Opinions.

“**Lessee**” means each OpCo and each Additional Lessee, in each case in its capacity as a lessee under the Master Lease.

“**Lessee Resignation Notice**” has the meaning specified in Clause 26 (*Lessee Termination and Resignation*) of the Master Lease.

“**Lessee Resignation Notice Effective Date**” has the meaning specified in Clause 26 (*Lessee Termination and Resignation*) of the Master Lease

“**Lessor**” means each FleetCo, in its capacity as the lessor under the applicable Master Lease.

“**Letter of Credit**” means an irrevocable letter of credit, substantially in the form of Exhibit I (*Form of Letter of Credit*) of the Issuer Facility Agreement issued by an Eligible Letter of Credit Provider in favor of the Issuer Security Trustee for the benefit of the Noteholders; provided that, any Letter of Credit issued after the Closing Date not substantially in the form of Exhibit I (*Form of Letter of Credit*) of the Issuer Facility Agreement shall be subject to the written consent of the Required Noteholders.

“**Letter of Credit Amount**” means, as of any date of determination, the sum of (i) the aggregate amount available to be drawn as of such date under the Letters of Credit, as specified therein, and (ii) if the Issuer L/C Cash Collateral Account has been established and funded pursuant to Clause 4.2(a)(ii) (*Establishment of Accounts*) of the Issuer Facility Agreement, the Available L/C Cash Collateral Account Amount as of such date.

“**Letter of Credit/Cash Liquid Enhancement Amount**” means, as of any date of determination, the sum of (a) the Letter of Credit Amount and (b) the Available Reserve Account Amount.

“**Letter of Credit/Cash Liquid Enhancement Deficiency**” means, as of any date of determination, the Adjusted Letter of Credit/Cash Liquid Enhancement Amount is less than the Required Letter of Credit/Cash Liquid Enhancement Amount as of such date.

“Letter of Credit Expiration Date” means, with respect to any Letter of Credit, the expiration date set forth in such Letter of Credit, as such date may be extended in accordance with the terms of such Letter of Credit.

“Letter of Credit Liquidation Event Advance” means the amount deposited to the Issuer Reserve Account pursuant to clause 5.5(d) (*Letters of Credit*) of the Issuer Facility Agreement.

“Letter of Credit Provider” means each issuer of a Letter of Credit.

“Letter of Credit Reimbursement Agreement” means any and each reimbursement agreement providing for the reimbursement of a Letter of Credit Provider for draws under its Letter of Credit.

“Level 1 Minimum Liquidity Test Breach” shall occur on any date of determination where the Cashflow and Liquidity Forecast delivered on or prior to that date shows that Forecasted Liquidity for any two or more consecutive calendar weeks in the period covered by that Cashflow and Liquidity Forecast is or will be less than € 40,000,000.

“Level 2 Minimum Liquidity Test Breach” shall occur on any date of determination where the Cashflow and Liquidity Forecast delivered on or prior to that date shows that Forecasted Liquidity for any two or more consecutive calendar weeks falling within the first 8 weeks of the period covered by that Cashflow and Liquidity Forecast is or will be less than € 15,000,000.

“Liabilities” means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities, whatsoever, including any amounts arising directly or indirectly from a breach of contract, any reasonable legal fees and any Taxes and penalties incurred by that person, together with any irrecoverable VAT charged or chargeable in respect of any of the sums referred to in this definition.

“Light-Duty Truck Concentration Excess Amount” means, as of any date of determination, the excess, if any, of the aggregate Net Book Value of all Eligible Vehicles which are light-duty trucks as of such date (and light-duty truck shall, for the avoidance of doubt, exclude vans) over the Maximum Light-Duty Truck Amount as of such date, subject to the Concentration Excess Amount Calculation Convention.

“Liquid Enhancement Amount” means, as of any date of determination, the sum of (a) the Letter of Credit Amount, (b) the Available Reserve Account Amount as of such date and (c) Available Headroom Amount.

“Liquid Enhancement Deficiency” means, as of any date of determination, the Adjusted Liquid Enhancement Amount is less than the Required Liquid Enhancement Amount as of such date.

“Liquidation Co-ordination Agreement” means, the Dutch Liquidation Co-ordination Agreement, the French Liquidation Co-ordination Agreement, the German Liquidation Co-ordination Agreement and the Spanish Liquidation Co-ordination Agreement, as applicable.

“Liquidation Co-ordinator” means the Dutch Liquidation Co-ordinator, the French Liquidation Co-ordinator, the German Liquidation Co-ordinator, and the Spanish Liquidation Co-ordinator, as applicable.

“Liquidation Event” means, so long as such event or condition continues:

- (a) any Amortization Event with respect to the Issuer Notes described in clauses (a), (b), (d), (h) through (k), (n), (o), (p) (with respect to a failure to comply by the Administrator) or (r), (s), (t) or (v) of Clause 7.1 (*Amortization Events*) of the Issuer Facility Agreement that continues for fourteen (14) consecutive days (without double counting the cure period, if any, provided therein) after declaration thereof (whether by notice or automatic); or

- (b) any Amortization Event with respect to the Issuer Notes described in Clause 7.1(c) of the Issuer Facility Agreement, any Additional Leasing Company Liquidation Event or any Amortization Event specified in clauses (y) or (z) of Clause 7.1 (*Amortization Events*) of the Issuer Facility Agreement; or
- (c) any Amortization Event with respect to the Issuer Notes described in Clause 7.1(aa) of the Issuer Facility Agreement after declaration thereof by not less than 14 days written notice; or
- (d) the Issuer shall fail to acquire one or more Interest Rate Caps within 30 days following the Closing Date in accordance with all the requirements set out in Sub-Clause 4.4 of the Issuer Facility Agreement; or
- (e) any other event or circumstance which is expressly specified as constituting a Liquidation Event under the terms of any of the Related Document.

“**Management Investors**” means the collective reference to the officers, directors, employees and other members of the management of any Parent, Hertz or any of their respective Subsidiaries, or family members or relatives thereof, or trusts, partnerships or limited liability companies for the benefit of any of the foregoing, or any of their heirs, executors, successors and legal representatives, who at any date shall beneficially own or have the right to acquire, directly or indirectly, Capital Stock of Hertz or any Parent.

“**Manufacturer**” means each Person that has manufactured an Eligible Vehicle.

“**Manufacturer Amount**” means, as of any date of determination and with respect to any Manufacturer, the sum of:

- (a) the aggregate Net Book Value of all Eligible Vehicles manufactured by such Manufacturer as of such date; and
- (b) the aggregate amount of all Eligible Manufacturer Receivables with respect to such Manufacturer.

“**Manufacturer Concentration Excess Amount**” means, with respect to any Manufacturer as of any date of determination, the excess, if any, of the Manufacturer Amount with respect to such Manufacturer as of such date over the Maximum Manufacturer Amount with respect to such Manufacturer as of such date, subject to the Concentration Excess Amount Calculation Convention.

“**Manufacturer Event of Default**” means with respect to any Manufacturer, (i) there shall be Past Due Amounts owing to a FleetCo with respect to such Manufacturer in an amount equal to or in excess of the lesser of (x) €30 million and (y) the then outstanding aggregate amount of repurchase obligations of such Manufacturer under its Manufacturer Program in respect of all Vehicles, in each case, on an aggregate basis for all FleetCos and net of Past Due Amounts aggregating no more than €30 million, (A) that are the subject of a good faith dispute as evidenced in a writing by such FleetCo or the Manufacturer questioning the accuracy of amounts paid or payable in respect of certain Vehicles tendered for repurchase under a Manufacturer Program (as distinguished from any dispute relating to the repudiation by such Manufacturer generally of its obligations under such Manufacturer Program or the assertion by such Manufacturer of the invalidity or unenforceability as against it of such Manufacturer Program) and (B) with respect to which such FleetCo as the case may be, has provided adequate reserves as reasonably determined by such Person, (ii) the occurrence and continuance of an Event of Bankruptcy with respect to such Manufacturer; or (iii) the termination of such Manufacturer’s Manufacturer Program or the failure of such Manufacturer’s Repurchase Program or Guaranteed Depreciation Program to qualify as a Manufacturer Program.

“**Manufacturer Percentage**” means, for any Manufacturer listed in the table below, the percentage set forth opposite such Manufacturer in such table.

Manufacturer	Manufacturer Percentage
BMW	55%
Chrysler / Fiat / PSA	65%
Ford	55%
GM	35%
Honda	35%
Hyundai	15%
Jaguar / Land Rover	15%
Kia	15%
Mazda	12.5%
Mercedes	55%
Mitsubishi	15%
Nissan	55%
Renault	55%
Subaru	15%
Suzuki	15%
Toyota	55%
Volkswagen	55%
Volvo	25%
Tesla	10%
Any other individual Manufacturer	3%

“**Manufacturer Program**” means at any time any Repurchase Program or Guaranteed Depreciation Program that is in full force and effect with a Manufacturer and that, in any such case, satisfies the Required Contractual Criteria.

“**Manufacturer Receivable**” means any amount payable to a FleetCo by a Manufacturer in respect of or in connection with the disposition of a Program Vehicle; provided that, with respect to any outstanding Manufacturer Receivable payable to any FleetCo by Daimler AG, or to Spanish FleetCo by a Non-Accepting Entity (as defined in the Spanish Master Lease), such amount shall be reduced by any payables owing from such FleetCo to Daimler AG or such Non-Accepting Entity, respectively, pursuant to the terms of the related Manufacturer Program; provided further that, the maximum amount of any such reduction shall be the amount of such outstanding Manufacturer Receivable.

“**Market Value**” means, with respect to each Eligible Vehicle, as of any date of determination during a calendar month:

- (a) if the Market Value Procedures with respect to such Eligible Vehicle have been completed for such month as of such date, then
 - (i) the Monthly Third Party Mark, if any, for such Eligible Vehicle obtained in such calendar month in accordance with such Market Value Procedures; and
 - (ii) if, pursuant to the Market Value Procedures, a Monthly Third Party Mark for such Eligible Vehicle was not obtained for such calendar month (regardless of whether such value was not obtained because (A) a Monthly Third Party Mark was not obtained in undertaking the Market Value Procedures or (B) such Eligible Vehicle experienced its Vehicle Lease Commencement Date on or after the first day of such calendar month), then the relevant Servicer’s reasonable estimation of the fair market value of such Eligible Vehicle as of such date of determination; and
- (b) until the Market Value Procedures have been completed for such calendar month:
 - (i) if such Eligible Vehicle experienced its Vehicle Lease Commencement Date prior to the first day of such calendar month, the Market Value obtained in the immediately preceding calendar month, in accordance with the Market Value Procedures for such immediately preceding calendar month, and
 - (ii) if such Eligible Vehicle experienced its Vehicle Lease Commencement Date on or after the first day of such calendar month, then the relevant Servicer’s reasonable estimation of the fair market value of such Eligible Vehicle as of such date of determination.

“**Market Value Average**” means, as of any date of determination, commencing with the third Determination Date following the Closing Date, the percentage equivalent (not to exceed 100%) of a fraction, the numerator of which is the average of the Non-Program Fleet Market Value as of the three preceding Determination Dates and the denominator of which is the average of the aggregate Net Book Value of all Non-Program Vehicles as of such three preceding Determination Dates.

“**Market Value Procedures**” means, with respect to each calendar month and each Non-Program Vehicle, on or prior to the Determination Date for such calendar month, the relevant FleetCo shall use commercially reasonable efforts (or cause the relevant FleetCo Administrator to use commercially reasonable efforts) to obtain a Monthly Third Party Mark for any such Non-Program Vehicle.

“**Master Lease**” means each of the Dutch Master Lease, the French Master Lease, the German Master Lease and/or the Spanish Master Lease, as applicable.

“**Master Lease Termination Notice**” has the meaning specified in Clause 9.3.2 (*Rights of Lessor Upon Lease Event of Default*) of each Master Lease.

“**Material Adverse Effect**” means a material adverse effect on (a) the business, operations, property or condition (financial or otherwise) of Hertz and its Subsidiaries taken as a whole or (b) the validity or enforceability as to any of a FleetCo or the Issuer of any Related Documents or the rights or remedies of the Administrative Agent, the FleetCo Security Trustee, the Issuer Security Trustee or the Noteholders under the Related Documents or with respect to the Issuer Collateral, the Issuer Security, the FleetCo Collateral or the FleetCo Security, in each case taken as a whole.

“**Maximum Investor Group Principal Amount**” means the Class A Maximum Investor Group Principal Amount and the Class B Maximum Investor Group Principal Amount.

“Maximum Lease Termination Date” means, with respect to any Lease Vehicle, the earlier of (x) the last Business Day of the month that is 48 months after the month in which the Vehicle Lease Commencement Date occurs with respect to such Lease Vehicle and (y) the last Business Day of the month that is 72 months after December 31 of the calendar year prior to the model year of such Lease Vehicle.

“Maximum Light-Duty Truck Amount” means, as of any date of determination, an amount equal to the product of (a) 7.5% and (b) the aggregate Net Book Value of all Eligible Vehicles as of such date.

“Maximum Manufacturer Amount” means, as of any date of determination and with respect to any Manufacturer, an amount equal to the product of (a) the Manufacturer Percentage for such Manufacturer and (b) the total of all FleetCo AAA Components as of such date.

“Maximum Non-Investment Grade (High) Program Receivable Amount” means, as of any date of determination and with respect to any Non-Investment Grade (High) Manufacturer, an amount equal to 7.5% of the total of all FleetCo AAA Components as of such date.

“Maximum Repurchase Price” means, as of any date of determination, with respect to any Lease Vehicle that is a Program Vehicle as of such date, the Repurchase Price that would be applicable with respect to such Lease Vehicle under the terms of the related Manufacturer Program, assuming that (i) no Depreciation Charges have accrued or have been applied with respect to such Lease Vehicle under such Manufacturer Program, (ii) the Excess Damage Charges and Excess Mileage Charges with respect to such Lease Vehicle are zero, (iii) no minimum holding period applies with respect to such Lease Vehicle and (iv) all other applicable requirements for return (including the return) of such Lease Vehicles under such Manufacturer Program have been complied with.

“Maximum Spanish AAA Amount” means, as of any date of determination, an amount equal to the product of (a) 40.0% and (b) the total of all FleetCo AAA Components as of such date.

“Measurement Month” on any Determination Date, means each complete calendar month, or the smallest number of consecutive calendar months preceding such Determination Date, in which at least 1,500 vehicles were sold to unaffiliated third parties (provided that, the Issuer, in its sole discretion, may exclude salvage sales); provided, however, that no calendar month included in a single Measurement Month shall be included in any other Measurement Month.

“Minimum Profit Amount” means the Dutch Minimum Profit Amount, the French Minimum Profit Amount, the German Minimum Profit Amount or the Spanish Minimum Profit Amount, as applicable.

“Minimum Program Term End Date” means, as of any date of determination and with respect to any Lease Vehicle that is a Program Vehicle as of such date, the date determined based on the terms of the related Manufacturer Program, assuming compliance with all of the applicable requirements of such Manufacturer Program, after which either (i) the Manufacturer may become obligated to repurchase or guarantee the amount of disposition proceeds realized with respect to such Program Vehicle or (ii) the price at which the related Manufacturer is obligated to repurchase such Lease Vehicle or the amount of disposition proceeds that is guaranteed by such Manufacturer in respect of such Lease Vehicle in either case pursuant to such Manufacturer Program is first reduced by the passage of time.

“Monthly Base Rent” has the meaning specified in Clause 4.2 of each Master Lease.

“Monthly Casualty Report” has the meaning specified in Clause 4.6 of each Master Lease.

“Monthly Collateral Certificate” means a Dutch Monthly Collateral Certificate, a French Monthly Collateral Certificate, a German Monthly Collateral Certificate or a Spanish Monthly Collateral Certificate, as applicable.

“**Monthly Default Interest Amount**” means the Class A Monthly Default Interest Amount and the Class B Monthly Default Interest Amount.

“**Monthly Interest Amount**” means the Class A Monthly Interest Amount and the Class B Monthly Interest Amount.

“**Monthly Lease Principal Payment Deficit**” means on any Payment Date an amount equal to the excess, if any, of (a) the aggregate amount of Issuer Principal Collections that would have been deposited into the Issuer Principal Collection Account if all payments required to have been made under the Leases from but excluding the preceding Payment Date to and including such Payment Date were made in full over (b) the aggregate amount of Issuer Principal Collections that have been received for deposit into the Issuer Principal Collection Account from but excluding the preceding Payment Date to and including such Payment Date.

“**Monthly Noteholders’ Statement**” means the statement delivered by the Issuer to the Administrative Agent and the Issuer Security Trustee pursuant to Clause 11.2 (*Information*) of the Issuer Facility Agreement.

“**Monthly Servicing Certificate**” means a Dutch Monthly Servicing Certificate, a French Monthly Servicing Certificate, a German Monthly Servicing Certificate and/or a Spanish Monthly Servicing Certificate, as applicable.

“**Monthly Third Party Mark**” means, with respect to any Eligible Vehicle, as of any date Autovista Group or such other equivalent, reputable third party provider as is agreed by the Administrative Agent, acting on the instructions of the Required Noteholders obtains market values that can be used by a FleetCo, the market value of such Eligible Vehicle for the model class and model year of such Eligible Vehicle, based on the average equipment and the average mileage of each vehicle of such model class and model year as quoted in the Autovista Group information most recently available as of such date.

“**Monthly Variable Rent**” has the meaning specified in Clause 4.5 of the Master Lease.

“**Moody’s**” means Moody’s Investors Service.

“**Motor Third Party Liability Cover**” has the meaning specified in Clause 5.1.2 of the Master Lease.

“**MSRP**” means as of any date of determination, with respect to each Lease Vehicle, the Manufacturer’s suggested retail price for such Lease Vehicle, as determined by the Servicer in its reasonable discretion based on such Lease Vehicle’s characteristics.

“**Net Book Value**” means, with respect to any Lease Vehicle, as of any date of determination, the excess (if any) of (i) the Capitalized Cost of such Lease Vehicle over (ii) the Accumulated Depreciation with respect to such Lease Vehicle, in each case as of such date, **provided that** for the purposes of determining the purchase price of an Inter-Group Transferred vehicles, the Net Book Value shall be the Legacy NBV.

“**Net VAT Receivables**” means VAT Receivables less VAT Payables.

“**Non-conforming Lease Vehicle**” means any vehicle made available for lease by a Lessor to the applicable Lessee pursuant to a Lease Vehicle Acquisition Schedule that does not conform in all material respects to the Basic Lease Vehicle Information with respect to such vehicle.

“**Non-Extending Purchaser**” has the meaning specified in Clause 2.6(c) (*Procedures for Extension Consents*) of the Issuer Facility Agreement.

“Non-Franchisee Third Party Sublease Contractual Criteria” means, with respect to the sublease of Lease Vehicles by a Lessee to a Person other than a franchisee, the related sublease:

- (a) states in writing that it is subject to the terms and conditions of the Master Lease and is subject and subordinate in all respects to the Master Lease;
- (b) does not permit the termination date for such subleased Lease Vehicles under such sublease to exceed the Maximum Lease Termination Date with respect to such Lease Vehicle under the Master Lease;
- (c) other than renting such subleased Lease Vehicles to customers in the ordinary course of such Person’s business, prohibits such Person from subleasing such Lease Vehicles or otherwise assigning any of its rights with respect to such Lease Vehicles or assigning any of its rights or obligations in, to or under such sublease;
- (d) limits such sublessee’s use of such subleased Lease Vehicles to primarily in the Relevant Jurisdiction (which will include all normal course movements of vehicles across borders in connection with customer rentals and following any such movements until convenient to return such Lease Vehicles to the Relevant Jurisdiction, in each case in the sublessee’s course of business);
- (e) requires such sublessee to report the location of such subleased Lease Vehicles no less frequently than weekly and grant inspection rights to the applicable Lessee upon reasonable request of such Lessee;
- (f) prohibits such sublessee from using any such subleased Lease Vehicles in violation of any laws or regulations or contrary to the provisions of any applicable insurance policy;
- (g) contains an express acknowledgement and agreement from such sublessee that each such subleased Lease Vehicle is at all times the property of the applicable Lessor and that such sublessee acquires no right, title or interest in or to such Lease Vehicle except a leasehold interest with respect to such subleased Lease Vehicle, subject to the Master Lease;
- (h) allows the applicable Lessor or such Lessee, upon the occurrence of an event of default pursuant to such sublease, to enter the premises where such subleased Lease Vehicles may be located and take possession of such subleased Lease Vehicles;
- (i) contains an express covenant from such sublessee that prior to the date that is one year and one day after the payment of the latest maturing associated FleetCo Note, it will not institute against or join with any other Person in instituting against the applicable Lessor or the Issuer any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings, under any national or state bankruptcy or similar law;
- (j) states that such sublease shall terminate upon the termination of the Master Lease;
- (k) requires that the Lease Vehicles subleased under such sublease must primarily be used in the course of such Person’s daily car rental business;
- (l) is with a sublessee that is located in the same jurisdiction as the applicable Lessee;
- (m) does not conflict with any terms of the applicable Master Lease;
- (n) prohibits the transfer of title or proprietary interest in the Lease Vehicles subject to the sublease;
- (o) contains a statement of acknowledgment of the security granted to the FleetCo Security Trustee pursuant to the FleetCo Security Documents;

- (p) may only be entered into if no Leasing Company Amortization Event has occurred or is continuing immediately prior to the entry into such sublease; and
- (q) may only be entered into if, to the knowledge of the applicable Lessee immediately prior to the entry into such sublease, no Event of Bankruptcy has occurred in respect of the sublessee.

“Non-Investment Grade (High) Manufacturer” means, as of any date of determination, any Manufacturer that (a) has a Relevant DBRS Rating as of such date (i) less than “BBB(L)” from DBRS and (ii) at least “BB(L)” from DBRS, or (b) if such Manufacturer does not have a Relevant DBRS Rating as of such date, then has a DBRS Equivalent Rating of (i) less than “BBB(L)” as of such date and (ii) at least “BB(L)” as of such date; provided that, upon any withdrawal or downgrade of any rating of any Manufacturer by DBRS (or, if such Manufacturer is not rated by DBRS, any Equivalent Rating Agency), such Manufacturer may, in any FleetCo’s sole discretion, be deemed to have the rating applicable thereto immediately preceding such withdrawal or downgrade (as applicable) by DBRS (or, if such Manufacturer is not rated by DBRS, such Equivalent Rating Agency) for a period of thirty (30) days following the earlier of (i) the date on which an Authorized Officer of any FleetCo Administrator, any Lessor or any Servicer obtains actual knowledge of such withdrawal or downgrade (as applicable) and (ii) the date on which the Issuer Security Trustee notifies the FleetCo Administrators in writing of such withdrawal or downgrade (as applicable).

“Non-Investment Grade (High) Program Receivable Concentration Excess Amount” means, with respect to any Non-Investment Grade (High) Manufacturer, as of any date of determination, the excess, if any, of the Eligible Non-Investment Grade (High) Program Receivable Amount with respect to such Non-Investment Grade (High) Manufacturer as of such date over the Maximum Non-Investment Grade (High) Program Receivable Amount with respect to such Non-Investment Grade (High) Manufacturer as of such date, subject to the Concentration Excess Amount Calculation Convention.

“Non-Investment Grade (High) Program Vehicle” means, as of any date of determination, any Program Vehicle that is:

- (a) subject on the Vehicle Lease Commencement Date for such Vehicle to an agreement with a Dealer which agreement is not guaranteed by an Investment Grade Manufacturer and which Dealer has the Relevant DBRS Rating or DBRS Equivalent Rating set out in the definition of “Non-Investment Grade (High) Manufacturer” (as determined as of such date of determination); or
- (b) manufactured by a Non-Investment Grade (High) Manufacturer (as determined as of such date of determination) that is or was subject to a Manufacturer Program on the Vehicle Lease Commencement Date for such Program Vehicle,

in each case, unless it has been redesignated (and as of such date remains so designated) as a Non-Program Vehicle pursuant to Clause 2.5 (*Redesignation of Vehicles*) of the applicable Master Lease as of such date.

“Non-Investment Grade (Low) Manufacturer” means, as of any date of determination, any Manufacturer that has a Relevant DBRS Rating as of such date of less than “BB(L)” from DBRS (or, if such Manufacturer does not have a Relevant DBRS Rating as of such date, a DBRS Equivalent Rating of “BB(L)” as of such date; provided that, upon any withdrawal or downgrade of any rating of any Manufacturer by DBRS (or, if such Manufacturer is not rated by DBRS, any DBRS Equivalent Rating), such Manufacturer may, in any FleetCo’s sole discretion, be deemed to have the rating applicable thereto immediately preceding such withdrawal or downgrade (as applicable) DBRS (or, if such Manufacturer is not rated by DBRS, such Equivalent Rating Agency) for a period of thirty (30) days following the earlier of (x) the date on which any FleetCo Administrator, any FleetCo or any Servicer obtains actual knowledge of such withdrawal or

downgrade (as applicable) and (y) the date on which the Issuer Security Trustee notifies the FleetCo Administrators in writing of such withdrawal or downgrade (as applicable).

“Non-Investment Grade (Low) Program Vehicle” means, as of any date of determination, any Program Vehicle that is:

- (a) subject on the Vehicle Lease Commencement Date for such Vehicle to an agreement with a Dealer which agreement is not guaranteed by an Investment Grade Manufacturer and which Dealer has either (x) the Relevant DBRS Rating or DBRS Equivalent Rating set out in the definition of “Non-Investment Grade (Low) Manufacturer” (as determined as of such date of determination) or (y) no rating (as determined as of such date of determination); or
- (b) manufactured by a Non-Investment Grade (Low) Manufacturer (as determined as of such date of determination) that is or was subject to a Manufacturer Program on the Vehicle Lease Commencement Date for such Program Vehicle,

in each case, unless it has been redesignated (and as of such date remains so designated) as a Non-Program Vehicle pursuant to Clause 2.6 (*Redesignation of Vehicles*) of the applicable Master Lease as of such date.

“Non-Investment Grade Non-Program Vehicle” means, as of any date of determination, any Eligible Vehicle that (i) was manufactured by a Non-Investment Grade (High) Manufacturer or a Non-Investment Grade (Low) Manufacturer and (ii) is not a Non-Investment Grade (High) Program Vehicle or a Non-Investment Grade (Low) Program Vehicle, in each case as of such date.

“Non-Program Fleet Market Value” means, with respect to all Non-Program Vehicles as of any date of determination, the sum of the respective Market Values of each such Non-Program Vehicle as of such date.

“Non-Program Vehicle” means, as of any date of determination, an Eligible Vehicle that is not a Program Vehicle as of such date.

“Non-Program Vehicle 3-month Look-back Concentration Failure Percentage” means, as of any date of determination, a percentage equal to the greater of (i) the Non-Program Vehicle Rolling 3-month Look-back Average less 55% and (ii) zero.

“Non-Program Vehicle Concentration Excess Amount” means, as of any date of determination, the product of the Non-Program Vehicle 3-month Look-back Concentration Failure Percentage as of such date multiplied by the aggregate Net Book Value of all Eligible Vehicles as of such date, subject to the Concentration Excess Amount Calculation Convention.

“Non-Program Vehicle Disposition Proceeds Percentage Average” means, with respect to any Measurement Month, commencing on the third Determination Date following the Closing Date, the percentage equivalent (not to exceed 100%) of a fraction, the numerator of which is the aggregate amount of Disposition Proceeds (excluding VAT) paid or payable in respect of all Non-Program Vehicles that are sold (i) by all Fleetcos, or (ii) following the sale or disposition by all FleetCos to their relevant OpCos, by such OpCos, to unaffiliated third parties (excluding salvage sales), during such Measurement Month and the two Measurement Months preceding such Measurement Month and the denominator of which is the excess, if any, of the aggregate Net Book Values of such Non-Program Vehicles on the dates of their respective sales over the aggregate Final Base Rent with respect such Non-Program Vehicles.

“Non-Program Vehicle Report” means the report to be delivered by the Issuer pursuant to the Issuer Security Trustee pursuant to paragraph 27 (*Non-Program Vehicle Report*) of Annex 2 (*Covenants*) of the Issuer Facility Agreement.

“Non-Program Vehicle Rolling 3-month Look-back Average” means, as of any date of determination the percentage equivalent of a fraction, the numerator of which is the daily average Net Book Value of all Non-Program Vehicles during the prior three (3) calendar months and the denominator of which is the daily average Net Book Value of all Eligible Vehicles during the prior three (3) calendar months.

“Non-Program Vehicle Special Default Payment Amount” means, with respect to any Payment Date and any (i) Lease Vehicle (a) that was a Non-Program Vehicle as of its Vehicle Lease Expiration Date, (b) the Vehicle Lease Expiration Date for which occurred during the Related Month with respect to such Payment Date, (c) the Vehicle Lease Expiration Date for which did not occur due to a sale by the applicable FleetCo pursuant to the applicable Master Lease or applicable Vehicle Purchasing Agreement, and (d) that did not become a Casualty or an Ineligible Vehicle during such Related Month, an amount equal to (I) the sum of all Program Vehicle Special Default Payment Amounts payable by the Lessees on such Payment Date and the eleven (11) Payment Dates preceding such Payment Date divided by (II) the number of Program Vehicles that were turned back to Manufacturers or sold through auctions conducted by or through Manufacturers during the twelve (12) Related Months with respect to such twelve (12) Payment Dates and (ii) any other Lease Vehicle, zero.

“Non-RCC Compliant Eligible Vehicle” means, as at any date of determination, a Non-Program Vehicle that is owned by a FleetCo and that such FleetCo acquired from an Auction Seller without being required to comply with the Required Contractual Criteria provided that certain conditions were met in accordance with and pursuant to the applicable Master Lease.

“Note Register” has the meaning set out in Clause 2.6 (*Note Register*) of the Issuer Note Framework Agreement.

“Noteholder” means the Class A Noteholders and the Class B Noteholders, as applicable.

“Noteholder Statement AUP” has the meaning specified in paragraph 6 (*Noteholder Statement AUP*) of Annex 2 (*Covenants*) of the Issuer Facility Agreement.

“Notice of Reduction” means a notice in the form of Annex G to a Letter of Credit.

“Officer’s Certificate” means (i) with respect to any Person, a certificate signed by an authorized officer of such Person and (ii) with respect to any Affiliate of Hertz, a certificate signed by an Authorized Officer of such Affiliate.

“Official Body” has the meaning specified in the definition of “Change in Law”.

“OpCo” means each of Dutch OpCo, French OpCo, German OpCo and/or Spanish OpCo, as applicable.

“Operating Expense Amount” means, with respect to any Payment Date, the sum (without duplication) of (a) the aggregate amount of Carrying Charges on such Payment Date (excluding any Carrying Charges payable to the Noteholders, the Administrative Agent or the Funding Agents) and (b) the aggregate amount of FleetCo Carrying Charges, if any, payable by the Issuer on such Payment Date (excluding any Carrying Charges payable to the Noteholders).

“Opinion of Counsel” means a written and signed opinion from legal counsel who is acceptable to the Issuer Security Trustee. If acceptable to the Issuer Security Trustee, the counsel may be an employee of or counsel to Hertz or any of its Affiliates, as the case may be. For the avoidance of doubt, the term ‘Opinion of Counsel’ shall not include any opinion not bearing a handwritten signature.

“Outstanding” means in relation to the Issuer Notes or the FleetCo Notes, as of any date of determination, all of the Issuer Notes, or all of the FleetCo Notes (as applicable) that have been

issued and not redeemed or purchased and cancelled by the Issuer or the relevant FleetCo (as applicable).

“Parent” means any of HGH, Holdings, and any Other Parent, and any other Person that is a Subsidiary of HGH, Holdings, or any Other Parent and of which Hertz is a Subsidiary. As used herein, **“Other Parent”** means a Person of which Hertz becomes a Subsidiary after the Closing Date and that is designated by Hertz as an “Other Parent”; provided that, either (x) immediately after Hertz first becomes a Subsidiary of such Person, more than 50% of the Voting Stock of such Person shall be held by one or more Persons that held more than 50% of the Voting Stock of Hertz or a Parent of Hertz immediately prior to Hertz first becoming such Subsidiary or (y) such Person shall be deemed not to be an Other Parent for the purpose of determining whether a Change of Control shall have occurred by reason of Hertz first becoming a Subsidiary of such Person.

“Past Due Amounts” means, with respect to any Manufacturer, the amount that such Manufacturer shall have failed to pay when due under such Manufacturer’s Manufacturer Program with respect to an Eligible Vehicle turned in to such Manufacturer with respect to which such failure shall have continued for more than one hundred and twenty (120) days following the Due Date.

“Past Due Rent Payment” means, with respect to any Lease Payment Deficit and any Lessee, any payment of Rent or other amounts payable by such Lessee under any Lease with respect to which such Lease Payment Deficit applied, which payment occurred on or prior to the fifth Business Day after the occurrence of such Lease Payment Deficit and which payment is in satisfaction (in whole or in part) of such Lease Payment Deficit.

“Past Due Rental Payments Priorities” means the priorities of payments set forth in Clause 5.6 (*Past Due Rental Payments*) of the Issuer Facility Agreement.

“Payment Date” means, the 25th day of each calendar month, or if such day is not a Business Day, the next succeeding Business Day, with the first Payment Date being November 26, 2018.

“Payment Date Available Interest Amount” means, with respect to each Interest Period, the sum of the Daily Interest Allocations for each Deposit Date in such Interest Period.

“Payment Date Interest Amount” means, with respect to each Payment Date, the sum (without duplication) of the amounts payable pursuant to Clauses 5.3(a) through (e) (*Application of Funds in the Interest Collection Account*) of the Issuer Facility Agreement.

“Permitted Holders” means any of the following: (i) any “person” (as such term is used in Clauses 13(d) and 14(d) of the Exchange Act) whose status as a “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) constitutes or results in a Change of Control that has been consented to by Noteholders holding more than 66⅔% of the Principal Amount, and any Affiliate thereof, (ii) the Management Investors, (iii) any “group” (as such term is used in Clauses 13(d) and 14(d) of the Exchange Act) of which any of the Persons specified in clause (i) or (ii) above is a member (provided that (without giving effect to the existence of such “group” or any other “group”) one or more of such Persons collectively have beneficial ownership, directly or indirectly, of more than 50% of the total voting power of the Voting Stock of Hertz or any Parent held by such “group”), and any other Person that is a member of such “group” and (iv) any Person acting in the capacity of an underwriter in connection with a public or private offering of Capital Stock of any Parent or Hertz.

“Permitted Investment Qualifying Country” means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, the Republic of Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom or the United States of America and any other country which has a Moody’s local currency country risk ceiling of, at the time of acquisition of the relevant Permitted Investment, at least “Baa2” or “P-2” by Moody’s and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Permitted Investment, at least “BBB-” by S&P.

“Permitted Investments” means negotiable instruments or securities, payable in Euros, represented by instruments in bearer or registered in book-entry form which evidence:

- (a) obligations the full and timely payment of which are to be made by or is fully guaranteed by a Permitted Investment Qualifying Country or any agency or instrumentality of a Permitted Investment Qualifying Country, other than financial contracts whose value depends on the values or indices of asset values;
- (b) demand deposits of, time deposits in, or certificates of deposit issued by, any depository institution or trust company incorporated under the laws of a Permitted Investment Qualifying Country whose short-term debt is rated “P-1” by Moody’s and “A-1+” by S&P and subject to supervision and examination by governmental banking or depository institution authorities; provided, however, that at the earlier of (x) the time of the investment and (y) the time of the contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depository institution or trust company shall have a credit rating from S&P of “A 1+” and a credit rating from Moody’s of “P-1” in the case of certificates of deposit or short-term deposits, or a rating from S&P not lower than “AA” and a rating from Moody’s not lower than “Aa2” in the case of long-term unsecured obligations;
- (c) commercial paper having, at the earlier of (x) the time of the investment and (y) the time of the contractual commitment to invest therein, a rating from S&P of “A-1+” and a rating from Moody’s of “P-1”;
- (d) bankers’ acceptances issued by any depository institution or trust company described in paragraph (b) above;
- (e) investments in money market funds rated “AAAm” by S&P and “Aaa-mf” by Moody’s, or otherwise approved in writing by S&P or Moody’s, as applicable;
- (f) Eurodollar time deposits having a credit rating from S&P of “A 1+” and a credit rating from Moody’s of “P-1”; and
- (g) repurchase agreements involving any of the Permitted Investments described in paragraphs (a) and (f) above and the certificates of deposit described in paragraph (b) above which are entered into with a depository institution or trust company, having a commercial paper or short-term certificate of deposit rating of “A-1+” by S&P and “P-1” by Moody’s.

“Permitted Lessee” has the meaning specified in Clause 12 of each Master Lease.

“Permitted Security” means (i) Security for current taxes not delinquent or for taxes being contested in good faith and by appropriate proceedings, and with respect to which adequate reserves have been established, and are being maintained, in accordance with GAAP, (ii) mechanics’, materialmen’s, landlords’, warehousemen’s and carriers’ Security, and other Security imposed by law, securing obligations that are not more than thirty (30) days past due or are being contested in good faith and by appropriate proceedings and with respect to which adequate reserves have been established, and are being maintained, in accordance with GAAP, and (iii) Security in favor of the Issuer Security Trustee pursuant to any Issuer Related Document or in favour of the FleetCo Security Trustee pursuant to any FleetCo Related Document.

“Person” means any natural person, corporation, business trust, joint venture, association, company, partnership, limited liability company, joint stock company, corporation, trust, unincorporated organization or Governmental Authority.

“Potential Amortization Event” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute a Amortization Event.

“Potential Lease Event of Default” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute a Lease Event of Default.

“Potential Leasing Company Amortization Event” means a Dutch Potential Leasing Company Amortization Event, French Potential Leasing Company Amortization Event, German Potential Leasing Company Amortization Event or Spanish Potential Leasing Company Amortization Event, as applicable.

“Preference Certificates” means the preferred equity note certificates issued by the Issuer on or about the Closing Date.

“Preference Certificate Purchase Agreement” means the purchase agreement relating to the Preference Certificates, dated on or about the Signing Date between the Issuer and Hertz Holdings Netherlands B.V.

“Pre-VLCD Program Vehicle Depreciation Amount” means, as of any date of determination, with respect to (a) any Lease Vehicle that was a Program Vehicle as of the Vehicle Lease Commencement Date with respect to such Lease Vehicle and was not, prior to such Vehicle Lease Commencement Date, leased by a FleetCo or any Affiliate thereof to the relevant OpCo or any Affiliate thereof, an amount equal to the excess, if any, of (i) the depreciation charges scheduled to accrue pursuant to the terms of the Manufacturer Program with respect to such Lease Vehicle, if any, prior to such Vehicle Lease Commencement Date over (ii) all payments in respect of clause (i) made by the applicable Lessees to the applicable FleetCo pursuant to Clause 4.7.1 of the applicable Master Lease or Clause 4.9 of the applicable Master Lease on or prior to such date and (b) any other Lease Vehicle, zero

“Principal Amount” means, as of any date of determination, the sum of the Class A Principal Amount and the Class B Principal Amount, in each case as of such date.

“Principal Collection Account Amount” means, as of any date of determination, the amount of cash on deposit in and Permitted Investments credited to the Issuer Principal Collection Account as of such date.

“Principal Deficit Amount” means, on any date of determination, the excess, if any, of (a) the Adjusted Principal Amount on such date over (b) the Issuer Aggregate Asset Amount on such date.

“Pro Rata Share” means, with respect to each Letter of Credit issued by any Letter of Credit Provider, as of any date, the fraction (expressed as a percentage) obtained by dividing (A) the available amount under such Letter of Credit as of such date by (B) an amount equal to the aggregate available amount under all Letters of Credit as of such date; provided, that solely for purposes of calculating the Pro Rata Share with respect to any Letter of Credit Provider as of any date, if the related Letter of Credit Provider has not complied with its obligation to pay the Trustee the amount of any draw under such Letter of Credit made prior to such date, the available amount under such Letter of Credit as of such date shall be treated as reduced (for calculation purposes only) by the amount of such unpaid demand and shall not be reinstated for purposes of such calculation unless and until the date as of which such Letter of Credit Provider has paid such amount to the Trustee and been reimbursed by Hertz for such amount (provided that the foregoing calculation shall not in any manner reduce a Letter of Credit Provider’s actual liability in respect of any failure to pay any demand under any of its Letters of Credit).

“Program Maximum Term” means, as of any date of determination and with respect to any Lease Vehicle which is a Program Vehicle, the latest date determined based on the terms of the related Manufacturer Program, assuming compliance with all of the requirements of such Manufacturer Program, by which either (i) the Manufacturer/Dealer may become obliged to

repurchase or guarantee the amount of disposition proceeds realized with respect to such Program Vehicle or (ii) the price at which the related Manufacturer/Dealer is obligated to repurchase such Lease Vehicle or the amount of disposition proceeds that is guaranteed by such Manufacturer/Dealer in respect of such Lease Vehicle in either case pursuant to such Manufacturer Program is first reduced by the passage of time.

“Program Minimum Term” means, as of any date of determination and with respect to any Lease Vehicle which is a Program Vehicle, the date determined based on the terms of the related Manufacturer Program, assuming compliance with all of the requirements of such Manufacturer Program, after which either (i) the Manufacturer/Dealer may become obliged to repurchase or guarantee the amount of disposition proceeds realized with respect to such Program Vehicle or (ii) the price at which the related Manufacturer/Dealer is obligated to repurchase such Lease Vehicle or the amount of disposition proceeds that is guaranteed by such Manufacturer/Dealer in respect of such Lease Vehicle in either case pursuant to such Manufacturer Program is first reduced by the passage of time.

“Program Support Provider” means a Class A Program Support Provider and/or a Class B Program Support Provider, as applicable.

“Program Vehicle” means, as of any date of determination, an Eligible Vehicle that is (i) eligible under, and subject to, a Manufacturer Program as of such date and (ii) not designated as a Non-Program Vehicle pursuant to a Master Lease as of such date.

“Program Vehicle Depreciation Assumption True-Up Amount” means, as of any date of determination, with respect to:

- (a) any Lease Vehicle (x) that was a Program Vehicle as of the Vehicle Lease Commencement Date for such Lease Vehicle, and (y) to which an Estimation Period applied, during which one or more calendar months ended, and which Estimation Period has ended as of such date, an amount equal to:
 - (i) an amount equal to the aggregate of all Base Rent that would have been paid with respect to such Lease Vehicle calculated utilizing the Depreciation Charge that would have been applicable to such Lease Vehicle pursuant to the Manufacturer Program related to such Lease Vehicle for the period during which such Initially Estimated Depreciation Charges were utilized, had such Depreciation Charge been known, or otherwise available, to the Servicer during such period; minus
 - (ii) the aggregate of all Monthly Base Rent with respect to such Lease Vehicle paid or payable prior to such date calculated utilizing the Initially Estimated Depreciation Charges with respect to such Lease Vehicle; and
- (b) any other Lease Vehicle, zero.

“Program Vehicle Special Default Payment Amount” means, with respect to any Payment Date and any Lease Vehicle (a) that was a Program Vehicle on its Turnback Date and (b) with respect to which such Turnback Date occurred during the Related Month with respect to such Payment Date, an amount equal to the sum of the Excess Damage Charges and Excess Mileage Charges with respect to such Lease Vehicle, if any.

“Public/Product Liability Cover” has the meaning specified in Clause 5.1.2 of each Master Lease.

“Qualifying Noteholder” means, any person which is:

- (a) a bank, within the meaning of section 246(1) TCA, which is carrying on a bona fide banking business in Ireland for the purposes of section 246(3)(a) TCA;

- (b) resident for the purposes of tax corresponding to Irish corporation tax in a jurisdiction (other than Ireland) that would not result in any Taxes being required to be withheld or deducted by the Issuer or German FleetCo, as the case may be, in relation to the relevant Issuer Note as a result of such person holding such Issuer Note and does not receive payments under the relevant Issuer Note in connection with a trade or business which is carried on in Ireland by it through a branch or agency;
- (c) a qualifying company within the meaning of section 110 of the TCA;
- (d) an exempt approved scheme within the meaning of section 774 TCA;
- (e) an investment undertaking within the meaning of section 739B TCA;
- (f) a company that is incorporated in the US and taxed in the US on its worldwide income provided that such US company does not provide its commitment in connection with a trade or business carried on by it in Ireland through a branch or agency; or
- (g) a US LLC where the ultimate recipients of the interest payable to such US LLC satisfy the requirements set out in paragraph (b) above and the business conducted through such US LLC is so structured for market reasons and not for tax avoidance purposes, provided that such US LLC does not provide its commitment in connection with a trade or business carried on by it in Ireland through a branch or agency.

“Rapid Amortization Period” means the period beginning on the earlier to occur of (i) the close of business on the Business Day immediately preceding the Expected Final Payment Date and (ii) the close of business on the Business Day immediately preceding the day on which an Amortization Event has occurred with respect to the Issuer Notes, and ending upon the earlier to occur of (i) the date on which the Issuer Notes have been paid in full and (ii) the termination of the Issuer Facility Agreement.

“RCF Global Deed of Release” has the meaning specified in the Escrow Deed.

“Receivables Assignment Agreement 2010” means the receivables assignment agreement dated 30 June 2010 (as confirmed on 31 October 2014) entered into between Security Agent 2010 and German FleetCo in connection with the conclusion of a revolving facility agreement.

“Receiver” has the meaning set forth in clause 10.5 of the Issuer Security Trust Deed.

“Redesignation to Non-Program Amount” has the meaning specified in Clause 2.5(e) (*Program Vehicle to Non-Program Vehicle Redesignation Payments*) of each Master Lease.

“Redesignation to Program Amount” has the meaning specified in Clause 2.5(f) (*Non-Program Vehicle to Program Vehicle Redesignation Payments*) of each Master Lease.

“Reference Banks” means Credit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, HSBC Continental Europe, Natixis S.A., Royal Bank of Canada, BNP Paribas S.A., Lloyds Bank Plc and Barclays Bank Plc or such other four (4) banks as the Issuer and the Administrative Agent each acting reasonably from time to time agree to appoint.

“Reference Lender” means, with respect to each Investor Group, the related Funding Agent or if such Funding Agent does not have a prime rate, an Affiliate thereof designated by such Funding Agent.

“Reference Rate” means, with respect to any Interest Period, EURIBOR, as quoted at 10a.m. London time on the first day of the relevant Interest Period. If such rate is not available by 10.30 a.m. London time on such date, then the rate will be the arithmetic mean of the rates quoted by four of the Reference Banks to the relevant Funding Agent (and notified by it to the Issuer). The

quotations will be for rates which such Reference Banks quoted or would have quoted at approximately 10.00 a.m., London time, on such date. If in respect of such date the rate for that date cannot be determined in accordance with the foregoing procedures then the rate will be the rate determined by the Funding Agent having regard to comparable indices then available. The rate so calculated or determined will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001%).

“Reference Rate Replacement Event” means, in relation to a Reference Rate:

- (a) the methodology, formula or others means of determining that a Reference Rate has, in the opinion of the Required Noteholders and the Issuer Administrator materially changed;
- (b)
 - (i)
 - (A) the administrator of that Reference Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Reference Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Reference Rate;
 - (ii) the administrator of that Reference Rate publicly announces that it has ceased or will cease, to provide that Reference Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Reference Rate;
 - (iii) the supervisor of the administrator of that Reference Rate publicly announces that such Reference Rate has been or will be permanently or indefinitely discontinued; or
 - (iv) the administrator of that Reference Rate or its supervisor announces that that Reference Rate may no longer be used; or
- (c) the administrator of that Reference Rate determines that that Reference Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Required Noteholders and the Issuer Administrator) temporary; or
- (d) in the opinion of the Required Noteholders and the Issuer Administrator, that Reference Rate is otherwise no longer appropriate for the purposes of calculating interest under the Issuer Facility Agreement.

“Refinancing” means refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell or extend (including pursuant to any defeasance or discharge mechanism) and the terms “refinance,” “refinances”, “refinanced” and “refinancing” as used for any purpose in this Agreement shall have a correlative meaning.

"Refinancing Deed of Covenant" means the document so named entered into between, amongst others, the Issuer, the FleetCos, the OpCos, the Class A Committed Note Purchasers, the Class A Conduit Investors, the Class A Funding Agents, the Issuer Security Trustee and each FleetCo

Security Trustee on or around the Second Amendment Date and as further amended, restated or supplemented from time to time.

“**Registrar**” means BNP Paribas Securities Services, Luxembourg Branch.

“**Registrar International Operating Model**” means the international operating model delivered by the Registrar to the Issuer as amended from time to time.

“**Regulatory Direction**” means, in relation to any person, a direction or requirement of any Governmental Authority with whose directions or requirements such person is accustomed to comply.

“**Rejected Vehicle**” has the meaning specified in Clause 2.1(f) (*Lease Vehicle Acceptance or Nonconforming Lease Vehicle Rejection*) of each Master Lease.

“**Rejection Date**” has the meaning specified in Clause 2.1(f) (*Lease Vehicle Acceptance or Nonconforming Lease Vehicle Rejection*) of each Master Lease.

“**Related Documents**” means each of the Issuer Related Documents and the FleetCo Related Documents.

“**Related Month**” means, with respect to any date of determination, the most recently ended calendar month.

“**Relevant DBRS Rating**” means, with respect to any Person as of any date of determination: (a) if such Person has both a long term issuer rating by DBRS and a senior unsecured rating by DBRS as of such date, then the higher of such two ratings as of such date and (b) if such Person has only one of a long term issuer rating by DBRS and a senior unsecured rating by DBRS as of such date, then such rating of such Person as of such date; provided that, if such Person does not have any of such ratings as of such date, then there shall be no Relevant DBRS Rating with respect to such Person as of such date.

“**Relevant Fitch Rating**” means, with respect to any Person, (a) if such Person has both a senior unsecured rating by Fitch and a long term issuer default rating by Fitch as of such date, then the higher of such two ratings as of such date, (b) if such Person has only one of a senior unsecured rating by Fitch and a long term issuer default rating by Fitch as of such date, then such rating of such Person as of such date; provided that, if such Person does not have any of such ratings as of such date, then there shall be no Relevant Fitch Rating with respect to such Person as of such date.

“**Relevant Jurisdiction**” means:

- (a) the Netherlands in respect of Dutch FleetCo, France in respect of French FleetCo, Spain in respect of Spanish FleetCo and Germany in respect of German FleetCo; and
- (b) in relation to any other party, its jurisdiction of incorporation.

“**Relevant Moody’s Rating**” means, with respect to any Person as of any date of determination, the highest of: (a) if such Person has a long term rating by Moody’s as of such date, then such rating as of such date, (b) if such Person has a senior unsecured rating by Moody’s as of such date, then such rating as of such date and (c) if such Person has a long term corporate family rating by Moody’s as of such date, then such rating as of such date; provided that, if such Person does not have any of such ratings as of such date, then there shall be no Relevant Moody’s Rating with respect to such Person as of such date.

“**Relevant Nominating Body**” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

“Relevant Rating” means, with respect to any Equivalent Rating Agency and any Person as of any date of determination, (a) with respect to Moody’s, the Relevant Moody’s Rating with respect to such Person as of such date, (b) with respect to Fitch, the Relevant Fitch Rating with respect to such Person as of such date and (c) with respect to S&P, the Relevant S&P Rating with respect to such Person as of such date.

“Relevant S&P Rating” means, with respect to any Person as of any date of determination, the long term local issuer rating by S&P of such Person as of such date; provided that, if such Person does not have a long term local issuer rating by S&P as of such date, then there shall be no Relevant S&P Rating with respect to such Person as of such date.

“Remainder AAA Amount” means, with respect to a FleetCo as of any date of determination, the excess, if any, of:

- (a) the relevant FleetCo Aggregate Asset Amount as of such date over
- (b) the sum of such FleetCo’s:
 - (i) Eligible Investment Grade Program Vehicle Amount as of such date,
 - (ii) Eligible Investment Grade Program Receivable Amount as of such date,
 - (iii) Eligible Non-Investment Grade Program Vehicle Amount as of such date,
 - (iv) Eligible Non-Investment Grade (High) Program Receivable Amount as of such date,
 - (v) Eligible Non-Investment Grade (Low) Program Receivable Amount as of such date,
 - (vi) Eligible Investment Grade Non-Program Vehicle Amount as of such date,
 - (vii) Eligible Non-Investment Grade Non-Program Vehicle Amount as of such date,
 - (viii) Due and Unpaid Lease Payment Amount as of such date, and
 - (ix) Net VAT Receivables as of such date.

“Rent” means Base Rent and Monthly Variable Rent, collectively.

“Rental Adjustment” has the meaning specified in Clause 4 (*Rent and Lease Charges*) of the applicable Master Lease.

“Replacement Issuer Back-Up Administrator” has the meaning given to it in Clause 5.4(a) of the Issuer Back-Up Administration Agreement.

“Replacement Reference Rate” means a benchmark rate which is:

- (a) formally designated, nominated or recommended as the replacement for a Reference Rate by:
 - (i) the administrator of that Reference Rate; or
 - (ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the “Replacement Benchmark” will be the replacement under paragraph (ii) above;

- (b) in the opinion of the Required Noteholders and the Issuer Administrator, generally accepted in the international financial markets as the appropriate successor to a Reference Rate; or
- (c) in the opinion of the Required Noteholders and the Issuer Administrator, an appropriate successor to a Reference Rate.

“**Repurchase Period**” means, with respect to any Program Vehicle, the period during which such Vehicle may be turned in to the Manufacturer thereof for repurchase or sale at Auction pursuant to the applicable Manufacturer Program.

“**Repurchase Price**” with respect to any Program Vehicle:

- (a) subject to a Repurchase Program, means the price paid or payable by the Manufacturer thereof to repurchase such Program Vehicle pursuant to its Manufacturer Program; and
- (b) subject to a Guaranteed Depreciation Program means the amount which the Manufacturer thereof guarantees will be paid to the seller of such Program Vehicle by such Manufacturer and/or the related auction dealers upon the disposition of such Program Vehicle pursuant to its Manufacturer Program.

“**Repurchase Program**” means a program pursuant to which a Manufacturer or one or more of its Affiliates has agreed to repurchase Vehicles manufactured by such Manufacturer or one or more of its Affiliates during the specified Repurchase Period.

“**Required Contractual Criteria**” means the contractual criteria applicable for each Vehicle Purchasing Agreement set out in Schedule 3 (*Required Contractual Criteria for Vehicle Purchase Agreements*) to each Master Lease.

“**Required Letter of Credit/Cash Liquid Enhancement Amount**” means, as of any date of determination, an amount equal to the product of (a) 2.70% and (b) the Adjusted Principal Amount as of such date.

“**Required Liquid Enhancement Amount**” means, as of any date of determination, an amount equal to the product of (a) 4.75% and (b) the Adjusted Principal Amount as of such date.

“**Required Noteholders**” means, so long as the Issuer Notes are Outstanding, as of any date of determination, Noteholders holding more than 50% of the Principal Amount.

“**Required Reserve Account Amount**” means with respect to any date of determination, an amount equal to the greater of:

- (a) the excess, if any, of
 - (i) the Required Liquid Enhancement Amount over
 - (ii) the sum of the Letter of Credit Amount and the Available Headroom Amount, in each case, as of such date,excluding from the calculation of such excess the amount available to be drawn under any Defaulted Letter of Credit as of such date, and
- (b) the excess, if any, of:

- (i) the sum of the Adjusted Asset Coverage Threshold Amount and the Available Reserve Account Amount over
- (ii) the Issuer Aggregate Asset Amount, in each case as of such date.

“**Required Reserve Advance Amount**” means with respect to any date of determination, the excess, if any, of

- (iii) the Required Liquid Enhancement Amount, as of such date, over
- (iv) the Adjusted Letter of Credit/Cash Liquid Enhancement Amount, as of such date.

“**Required Supermajority Noteholders**” means, as of any date of determination, (i) for so long as any Class A Notes are Outstanding, Class A Noteholders holding more than 66 $\frac{2}{3}$ % of the Class A Principal Amount and (ii) if no Class A Notes are Outstanding as of such date of determination, then Class B Noteholders holding more than 66 $\frac{2}{3}$ % of the Class B Principal Amount.

“**Requirement of Law**” or “**Requirements of Law**” means, with respect to any Person or any of its property (other than its Subsidiaries), the certificate of incorporation or articles of association and by-laws, limited liability company agreement, partnership agreement or other organizational or governing documents of such Person or any of its property (other than its Subsidiaries), and any law, treaty, rule or regulation, or determination of any arbitrator or Governmental Authority, in each case applicable to or binding upon such Person or any of its property (other than its Subsidiaries) or to which such Person or any of its property (other than its Subsidiaries) is subject, whether national, state or local.

“**Reserve Account Collateral**” means the Issuer Account Collateral with respect to the Issuer Reserve Account.

“**Reserve Account Deficiency Amount**” means, as of any date of determination, the excess, if any, of the Required Reserve Account Amount for such date over the Available Reserve Account Amount for such date.

“**Reserve Account Interest Withdrawal Shortfall**” has the meaning specified in Clause 5.4(a) (*Issuer Reserve Account Withdrawals*) of the Issuer Facility Agreement.

“**Reserve Account Legal Final Withdrawal Shortfall**” has the meaning specified in Clause 5.4(a) (*Issuer Reserve Account Withdrawals*) of the Issuer Facility Agreement.

“**Reserve Account Principal Withdrawal Shortfall**” has the meaning specified in Clause 5.4(a) (*Issuer Reserve Account Withdrawals*) of the Issuer Facility Agreement.

“**Reserve Account Surplus**” means, as of any date of determination, the excess, if any, of the Available Reserve Account Amount (after giving effect to any deposits thereto and withdrawals and releases therefrom on such date) over the Required Reserve Account Amount, in each case, as of such date.

“**Resigning Lessee**” has the meaning specified in Clause 26 (*Lessee Termination and Resignation*) of each Master Lease.

“**Restricted Lender**” is:

- (a) a Person that falls within the definition of Disqualified Party; or
- (b) any other Person that Hertz determines (acting reasonably) to be a competitor of Hertz or any of its Subsidiaries *provided that* such Person has (i) been identified in a written notice delivered by the Issuer to the Administrative Agent, each Funding Agent, each Committed

Note Purchaser and each Conduit Investor (a "**Restricted Lender Notice**"), and (ii) the Administrative Agent (acting on the instructions of all Noteholders in accordance with clause 9.1(e) of the Issuer Facility Agreement) has confirmed in writing that such Person shall be a Restricted Lender and *provided further that* (A) if the Administrative Agent rejects the assertion (acting reasonably) that the Person identified in the notice is a competitor of Hertz or any of its Subsidiaries within 20 Business Days of receipt of the notice, that the Person identified in the notice shall not be a Restricted Lender and (B) if the Administrative Agent does not provide such confirmation or rejection within 20 Business Days of receipt of such notice, that Person identified in the notice shall be a Restricted Lender.

"Retention Holder" means HHN2.

"Revolving Period" means the period from and including the Closing Date to the earlier of (i) the Commitment Termination Date and (ii) the commencement of the Rapid Amortization Period.

"Risk Retention Letter" means the risk retention letter entered into between the Issuer, the Retention Holder, Hertz and the Issuer Security Trustee originally dated 26 September 2018, as amended and restated on 8 November 2019 and again on 23 December 2020 and as further amended, restated or supplemented from time to time.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

"Sale Agreement" means a specific sale arrangement (not being a Manufacturer Program) between a FleetCo and a Manufacturer or a Dealer, as the case may be, pursuant to which such FleetCo purchases Vehicles.

"Second Amendment Date" means the Second Amendment Date as defined in the amendment and restatement deed in respect of certain issuer level related documents dated 29 April 2021.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Security" means, when used with respect to any Person, any interest in any real or personal property, asset or other right held, owned or being purchased or acquired by such Person that secures payment or performance of any obligation, and shall include any mortgage, lien, pledge, encumbrance, charge, retained security title of a conditional vendor or lessor, or other security interest of any kind, whether arising under a security agreement, mortgage, lease, deed of trust, chattel mortgage, assignment, pledge, retention or security title, financing or similar statement, or notice or arising as a matter of law, judicial process or otherwise; provided that, the foregoing shall not include, as of any date of determination, any interest in or right with respect to any Vehicle that is being rented (as of such date) to any third-party customer of Hertz or any Affiliate thereof, which interest or right secures payment or performance of any obligation of such third-party customer.

"Security Agent 2010" means Crédit Agricole Corporate and Investment Bank.

"Security Trustee" means any of the Issuer Security Trustee, the Dutch Security Trustee, the French Security Trustee, the German Security Trustee and the Spanish Security Trustee (and, any two or more of the foregoing together, the "**Security Trustees**").

"Senior Credit Facilities" means:

- (a) the senior secured asset based revolving loan and term loan facility, provided under a credit agreement, dated as of June 30, 2016, among Hertz together with certain of Hertz's subsidiaries, as borrower, the several banks and financial institutions from time to time party thereto, as lenders, Barclays Bank PLC, as administrative agent and collateral agent, Credit Agricole Corporate and Investment Bank, as syndication agent, and Bank of America, N.A., Bank of Montreal, BNP Paribas, Citibank, N.A., Goldman Sachs Bank

USA, JPMorgan Chase Bank, N.A. and Royal Bank of Canada, as co-documentation agents, and the other financial institutions party thereto from time to time; and

- (b) following the Hertz 2021 Chapter 11 Effective Date:
 - (i) the USD 1,500,000,000 Exit Revolving Credit Facility provided under the Exit Revolving Credit Agreement (each as defined in the Hertz 2021 Chapter 11 Plan); and
 - (ii) the USD 1,300,000,000 Exit Term Loan Facility provided under the Exit Term Loan Credit Agreement (each as defined in the Hertz 2021 Chapter 11 Plan); and
- (c) any refinancing, successor or replacement revolving credit or term loan facility or facilities to the facilities described in sub-clauses (a) and (b) above.

“**Senior Interest Waterfall Shortfall Amount**” means, with respect to any Payment Date, the excess, if any, of (a) the sum of the amounts payable (without taking into account availability of funds) pursuant to Clauses 5.3(a) through (d) (*Application of Funds in the Issuer Interest Collection Account*) of the Issuer Facility Agreement on such Payment Date over (b) the sum of (i) the Payment Date Available Interest Amount with respect to the Interest Period ending on such Payment Date and (ii) the aggregate amount of all deposits into the Issuer Interest Collection Account with proceeds of the Issuer Reserve Account, each Letter of Credit and each Issuer L/C Cash Collateral Account, in each case made since the immediately preceding Payment Date; provided that, the amount calculated pursuant to the preceding clause (b)(ii) shall be calculated on a pro forma basis and prior to giving effect to any withdrawals from the Issuer Principal Collection Account for deposit into the Issuer Interest Collection Account on such Payment Date.

“**Service Vehicle**” means any Vehicle which is not intended to be rented to a customer of OpCo as part of its daily rental business including, without limitation, Vehicles which are:

- (a) used by an OpCo for transportation of either its customers or vehicles; and
- (b) provided to employees in their personal activities or activities related to the rental business.

“**Servicer**” means each of the Dutch Servicer, the French Servicer, the German Servicer and/or the Spanish Servicer, as applicable.

“**Servicer Default**” has the meaning specified in Clause 9.6 of each Master Lease.

“**Servicer Records**” has the meaning specified in Clause 6.7 (*Servicer Records and Servicer Reports*) of each Master Lease.

“**Servicer Report**” has the meaning specified in Clause 6.7 (*Servicer Records and Servicer Reports*) of each Master Lease.

“**Servicing Standard**” means servicing that is performed with the promptness, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances and that:

- (a) taken as a whole (i) is usual and customary in the daily motor vehicle rental, fleet leasing and/or equipment rental or leasing industry or (ii) to the extent not usual and customary in any such industry, reflects changed circumstances, practices, technologies, tactics, strategies or implementation methods and, in each case, is behaviour that any Servicer or its Affiliates would undertake were such Servicer the owner of the Lease Vehicles and that would not reasonably be expected to have a Lease Material Adverse Effect with respect to the applicable Lessor;

- (b) with respect to any Lessor or any Lessee, would enable the applicable Servicer to cause such Lessor or such Lessee to comply in all material respects with all the duties and obligations of such Lessor or such Lessee, as applicable, under the applicable Master Lease; and
- (c) with respect to any Lessor or any Lessee, causes the applicable Servicer, such Lessor and/or such Lessee to remain in compliance with all Requirements of Law, except to the extent that failure to remain in such compliance would not reasonably be expected to result in a Lease Material Adverse Effect with respect to such Lessor.

“**Signing Date**” means 25 September 2018.

“**Spain Concentration Excess Amount**” means, as of any date of determination, the excess, if any, of the aggregate amount of the Spanish AAA Components as of such date over the Maximum Spanish AAA Amount as of such date, subject to the Concentration Excess Amount Calculation Convention.

“**Spain Concentration Limit**” means the percentage of FleetCo AAA Components which are Spanish AAA Components not exceeding forty (40) per cent.

“**Spanish Amendment and Restatement Deed**” means the amendment and restatement deed entered into, by amongst others, Spanish FleetCo, Spanish OpCo and the Spanish Security Trustee dated on or about the Third Amendment Date.

“**Specified Cost Clause**” means Clauses 3.5 (*Increased or Reduced Costs, etc.*), 3.6 (*Funding Losses*), 3.7 (*Increased Capital Costs*) and/or 3.8 (*Taxes*) of the Issuer Facility Agreement.

“**Specified Office**” means, in relation to the Registrar or any FleetCo Registrar, any office notified in accordance with the Issuer Note Framework Agreement or the relevant FleetCo Note Framework Agreement, as applicable.

“**Subordinated Issuer Convertible Notes**” means the Notes (as defined in the Subordinated Issuer Convertible Notes Purchase Agreement).

“**Subordinated Issuer Convertible Notes Purchase Agreement**” means the subordinated notes purchase agreement relating to €100,000, 12.00 per cent. subordinated convertible notes issued by the Issuer, dated on or about the Signing Date between the Issuer and Hertz Holdings Netherlands B.V.

“**Subordinated Issuer Debt**” means:

- (a) the Subordinated Notes;
- (b) the Subordinated Issuer Convertible Notes; and
- (c) the Preference Certificates.

“**Subordinated Notes**” means a subordinated variable funding note issued by the Issuer in accordance with the Issuer Subordinated Facility Agreement.

“**Subordinated Noteholder**” means HHN2.

“**Subordinated Utilization Request**” has the meaning specified in Clause 1.1 of the Issuer Subordinated Facility Agreement.

“**Sub-Servicer**” has the meaning specified in Clause 6.7 (*Sub-Servicers*) of each Master Lease.

“**Subsidiary**” of any Person means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other equity interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person or (ii) one or more Subsidiaries of such Person.

“**Supplement**” means a supplement to the Dutch Note Framework Agreement, French Facility Agreement, Spanish Note Framework Agreement or German Note Framework Agreement, as applicable, complying (to the extent applicable) with the terms of Clause 12 of the Dutch Note Framework Agreement, French Facility Agreement, Spanish Note Framework Agreement or German Note Framework Agreement, as applicable.

“**TARGET Day**” means a day on which the TARGET System is operating.

“**TARGET System**” means the Trans-European Automated Real-Time, Gross Settlement Express Transfer (TARGET) System or any successor thereto.

“**Tax**” or “**Taxes**” means any tax, levy, duty, impost, assessment or other charge of whatsoever nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Tax Authority**” means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function.

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under the Related Documents.

“**Tax Deed of Covenant**” means the deed of covenant dated on or about the Signing Date entered into by, among others, the Issuer, the FleetCos, the OpCos, the Securitization Company Shareholders (as defined in the deed of covenant), the Subordinated Noteholders, the FCT, the FCT Management Company and the Issuer Security Trustee and as further amended, restated or supplemented from time to time.

“**Term**” has the meaning specified in Clause 3.2 (*Term*) of each Master Lease.

“**TCA**” means the Taxes Consolidation Act 1997 (as amended) of Ireland.

“**THC Guarantee and Indemnity**” means the guarantee and indemnity dated on or about the Third Amendment Date granted by The Hertz Corporation to the Issuer Security Trustee.

“**Third Amendment Date**” means the Third Amendment Date as defined in the amendment and restatement deed in respect of certain issuer level related documents dated 21 December 2021.

“**Top Two Non-Investment Grade Manufacturers**” means, with respect to a FleetCo, the two Manufacturers designated as such by such FleetCo.

“**Transfer Date**” has the meaning specified in Clause 4.1 of the Issuer Back-Up Administration Agreement.

“**Transferee Lessee**” has the meaning specified in Clause 2.2(b) (*Intra-Lease Transfers*) of each Master Lease.

“**Transferor Lessee**” has the meaning specified in Clause 2.2(b) (*Intra-Lease Transfers*) of each Master Lease.

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

“**Trust Indenture Act**” means the Trust Indenture Act of 1939, as amended.

“**Turnback Date**” means, with respect to any Lease Vehicle that is a Program Vehicle, the date on which such Lease Vehicle is accepted for return by a Manufacturer or its agent pursuant to its Manufacturer Program.

“**UK Asset Report**” means a monthly report as then required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation in the form of the applicable ESMA reporting template equivalent to Annex 9 to the ESMA Reporting Templates.

“**UK Investor Report**” means a monthly report as then required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation in the form of the applicable ESMA reporting template equivalent to Annex 12 to the ESMA Reporting Templates.

“**UK Retention Requirement Law**” means the UK Securitisation Regulation.

“**UK Securitisation Regulation**” means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018. “**U.S. GAAP**” means generally accepted accounting principles in the United States of America, used in all calculations relating to Lease Vehicles.

“**US Risk Retention Rule**” means 17 C.F.R. Clause 246.

“**VAT**” means:

- (a) any tax imposed in compliance with (but subject to the derogations from) the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and Sixth Council directive of 17 May 1977 on the harmonization of the laws of member states relating to turnover taxes-common system of value added tax: uniform basis of assessment (EC Directive 77/388); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or elsewhere.

“**VAT Payables**” in relation to each FleetCo means, at the time of calculation, and in relation to each VAT Week of that FleetCo, the aggregate on the Friday of the immediately preceding VAT Week of the output tax of that FleetCo attributable to that preceding VAT Week, including but not limited to amounts of output tax which relate to Vehicles sold and amounts not referable to the sales of Vehicles;

“**VAT Receivables**” in relation to each FleetCo means, at the time of calculation and in relation to each VAT Week of that FleetCo, the aggregate on the Friday of the immediately preceding VAT Week of amounts:

- (a) which constitute input tax of that FleetCo, including but not limited to amounts in respect of purchased Vehicles and amounts not referable to the purchases of Vehicles; and
- (b) in respect of which that FleetCo is entitled to credit or repayment from the relevant Tax Authority; and

- (c) which that FleetCo has paid during the preceding VAT Week, provided that any such amount which appears in an invoice relating to (or which otherwise forms part of a greater amount payable by that FleetCo for) the purchase of a Vehicle by that FleetCo shall only be treated as paid for these purposes as and when the balance of that invoice (or the balance of that greater amount) is also paid.

“**VAT Week**” means the period of seven (7) days commencing on Monday and ending on Sunday.

“**Vehicle**” means a passenger automobile, van, minibus or light-duty truck.

“**Vehicle Concentration Excess Amount**” means, as of any date of determination, the sum of (i) the Spain Concentration Excess Amount as of such date, if any, (ii) the Non-Program Vehicle Concentration Excess Amount as of such date, if any, and (iii) the Light-Duty Truck Concentration Excess Amount as of such date, if any..

“**Vehicle Funding Date**” has the meaning specified in Clause 3.1(a) (*Vehicle Lease Commencement Date*) of each Master Lease.

“**Vehicle Lease Commencement Date**” has the meaning specified in Clause 3.1(a) (*Vehicle Lease Commencement Date*) of each Master Lease.

“**Vehicle Lease Expiration Date**” has the meaning specified in Clause 3.1(b) (*Vehicle Term for Lease Vehicles*) of each Master Lease.

“**Vehicle Purchasing Agreement**” means an agreement pursuant to which a FleetCo or German OpCo purchases Vehicles from a Manufacturer, Dealer or Auction Seller including, without limitation, Manufacturer Programmes, Sale Agreements and New Sale and Repurchase Agreements.

“**Vehicle Term**” has the meaning specified in Clause 3.1(b) (*Vehicle Term for Lease Vehicles*) of each Master Lease.

“**VIN**” means vehicle identification number.

“**Voting Stock**” means, with respect to any Person, shares of Capital Stock entitled to vote generally in the election of directors to the board of directors or equivalent governing body of such Person.

“**Waiver Agreement**” the waiver agreement dated 22 May 2020 as amended from time to time and most recently on 31 March 2021.

1.2 DUTCH DEFINITIONS

“**Dutch AAA Component**” means each of:

- (a) the Dutch Eligible Investment Grade Program Vehicle Amount;
- (b) the Dutch Eligible Investment Grade Program Receivable Amount;
- (c) the Dutch Eligible Non-Investment Grade Program Vehicle Amount;
- (d) the Dutch Eligible Non-Investment Grade (High) Program Receivable Amount;
- (e) the Dutch Eligible Non-Investment Grade (Low) Program Receivable Amount;
- (f) the Dutch Eligible Investment Grade Non-Program Vehicle Amount;
- (g) the Dutch Eligible Non-Investment Grade Non-Program Vehicle Amount;

- (h) the Eligible Due and Unpaid Lease Payment Amount under the Dutch Master Lease;
- (i) the Dutch Net VAT Receivables; and
- (j) the Remainder AAA Amount with respect to Dutch Fleetco.

“**Dutch AAA Select Component**” means each Dutch AAA Component other than the Eligible Due and Unpaid Lease Payment Amount.

“**Dutch Acceleration Notice**” has the meaning given to it in Sub-Clause 6.3 (*Dutch Acceleration Notice*) of the Dutch Security Trust Deed.

“**Dutch Account Bank**” means BNP Paribas, Netherlands Branch or, as the case may be, any other Acceptable Bank which would be subsequently appointed as Dutch Account Bank pursuant to the terms of the International Account Bank Agreement.

“**Dutch Account Mandates**” means the signature authorities relating to a Dutch Account, as amended from time to time in accordance with the International Account Bank Agreement.

“**Dutch Accounts**” means the accounts established and maintained in the name of Dutch FleetCo.

“**Dutch Administration Agreement**” means the Dutch administration agreement entered into between Dutch FleetCo, the Dutch Administrator and the Dutch Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**Dutch Administrator**” means Hertz Automobielen Nederland B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Chamber of Commerce under number 34049337.

“**Dutch Administrator Default**” has the meaning specified in Sub-Clause 9.2 (*Term of Agreement; Removal of Dutch Administrator*) of the Dutch Administration Agreement.

“**Dutch Advance**” has the meaning given to “Advance” in clause 2.3(a) of the Dutch Facility Agreement.

“**Dutch Aggregate Asset Amount**” means, as of any date of determination, the amount equal to the sum of each of the following with respect to Dutch FleetCo:

- (a) the aggregate Net Book Value of all Dutch Eligible Vehicles as of such date;
- (b) the aggregate amount of all Dutch Manufacturer Receivables as of such date;
- (c) the Due and Unpaid Lease Payment Amount in respect of the Dutch Master Lease as of such date; and
- (d) the Dutch Net VAT Receivables as of such date.

“**Dutch Back-Up Administration Agreement**” means the Dutch back-up administration agreement entered into between Dutch FleetCo, the Dutch Administrator, the Dutch Back-Up Administrator and the Dutch Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**Dutch Back-Up Administrator**” means TMF SFS Management B.V.

“**Dutch Back-Up Servicing Fee**” has the meaning given to it in Sub-Clause 5.1(a) (*Compensation*) of the Dutch Back-Up Administration Agreement.

“**Dutch Bank Account Pledge Agreement**” means the public deed of pledge over credit rights arising from bank accounts entered into on or about the Signing Date between Dutch FleetCo as Pledgor and the Dutch Security Trustee and as may be amended, restated or supplemented from time to time.

“**Dutch Carrying Charges**” means, for any Payment Date, without duplication, the sum of:

- (a) the Dutch Monthly Servicing Fee payable by Dutch FleetCo to the Dutch Servicer pursuant to the Dutch Master Lease on such Payment Date;
- (b) all reasonable out-of-pocket costs and expenses of Dutch FleetCo incurred in connection with the Dutch Note;
- (c) all fees, expenses and other amounts payable by Dutch FleetCo under the Dutch Related Documents;
- (d) any accrued Dutch Carrying Charges that remain unpaid as of the immediately preceding Payment Date (after giving effect to all distributions in respect of such Payment Date);
- (e) the Dutch Percentage of the Carrying Charges; and
- (f) one twelfth of the Dutch Percentage of the Issuer Minimum Profit Amount.

“**Dutch Class A Adjusted Advance Rate**” means, as of any date of determination, with respect to any Dutch AAA Select Component, a percentage equal to the greater of (A) (i) the Dutch Class A Baseline Advance Rate for such Dutch AAA Select Component, minus (ii) the Class A Concentration Excess Advance Rate Adjustment for such Dutch AAA Select Component minus (iii) the Class A MTM/DT Advance Rate Adjustment for such Dutch AAA Select Component; and (B) zero.

“**Dutch Class A Baseline Advance Rate**” means, with respect to each Dutch AAA Select Component, the percentage set forth opposite such Dutch AAA Select Component in the following table (provided that for the Dutch AAA Select Component related to Vehicles subleased to a Fleetco from another jurisdiction as per clause 5.2.2 (D) and 5.2.2 (E) of the Dutch Master Lease, the percentage shall be the lower of (i) the percentage set forth opposite such Dutch AAA Select Component in the below table and (ii) the percentage set forth opposite such Fleetco AAA Select Component in the table related to the Fleetco Class A Baseline Advance Rate with respect to the Fleetco where it is subleased):

Dutch AAA Component	Dutch Class A Baseline Advance Rate
Dutch Eligible Investment Grade Program Vehicle Amount	77.5%
Dutch Eligible Investment Grade Program Receivable Amount	77.5%
Dutch Eligible Non-Investment Grade Program Vehicle Amount	67.25%
Dutch Eligible Non-Investment Grade (High) Program Receivable Amount	67.25%

Dutch AAA Component	Dutch Class A Baseline Advance Rate
Dutch Eligible Non-Investment Grade (Low) Program Receivable Amount	0%
Dutch Eligible Investment Grade Non-Program Vehicle Amount, provided that where the relevant Dutch Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the Dutch Master Lease, the following Dutch Class A Baseline Advance Rate shall apply to such subleased Vehicles:	70%
- Dutch Eligible Vehicles subleased to France:	70%
- Dutch Eligible Vehicles subleased to Spain:	60.5%
- Dutch Eligible Vehicles subleased to Germany:	68.25%
Dutch Eligible Non-Investment Grade Non-Program Vehicle Amount, provided that where the relevant Dutch Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the Dutch Master Lease, the following Dutch Class A Baseline Advance Rate shall apply to such subleased Vehicles:	67.25%
- Dutch Eligible Vehicles subleased to France:	67.25%
- Dutch Eligible Vehicles subleased to Spain:	52.5%
- Dutch Eligible Vehicles subleased to Germany:	57.75%
Dutch Net VAT Receivables	97%
Remainder AAA Amount	0%

“**Dutch Class A Blended Advance Rate**” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Dutch Class A Blended Advance Rate Weighting Numerator and the denominator of which is the Dutch Class A Blended Advance Rate Weighting Denominator, in each case as of such date.

“**Dutch Class A Blended Advance Rate Weighting Denominator**” means, as of any date of determination, an amount equal to the sum of each Dutch AAA Select Component, in each case as of such date.

“**Dutch Class A Blended Advance Rate Weighting Numerator**” means, as of any date of determination, an amount equal to the sum of an amount with respect to each Dutch AAA Select Component equal to the product of such Dutch AAA Select Component and the Dutch Class A Adjusted Advance Rate with respect to such Dutch AAA Select Component, in each case as of such date.

“**Dutch Class B Adjusted Advance Rate**” means, as of any date of determination, with respect to any Dutch AAA Select Component, a percentage equal to the greater of (A) (i) the Dutch Class B Baseline Advance Rate for such Dutch AAA Select Component, minus (ii) the Class B Concentration Excess Advance Rate Adjustment for such Dutch AAA Select Component minus

(iii) the Class B MTM/DT Advance Rate Adjustment for such Dutch AAA Select Component; and (B) zero.

“Dutch Class B Baseline Advance Rate” means, with respect to each Dutch AAA Select Component, the percentages agreed between the Issuer and the Class B Noteholders at the time the Class B Notes are first issued, which agreed percentages for the avoidance of doubt shall not require the consent of the Class A Noteholders.

“Dutch Class B Blended Advance Rate” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Dutch Class B Blended Advance Rate Weighting Numerator and the denominator of which is the Dutch Class B Blended Advance Rate Weighting Denominator, in each case as of such date.

“Dutch Class B Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of each Dutch AAA Select Component, in each case as of such date.

“Dutch Class B Blended Advance Rate Weighting Numerator” means, as of any date of determination, an amount equal to the sum of an amount with respect to each Dutch AAA Select Component equal to the product of such Dutch AAA Select Component and the Dutch Class B Adjusted Advance Rate with respect to such Dutch AAA Select Component, in each case as of such date.

“Dutch Collateral” means all of the assets which from time to time are, or are expressed to be, the subject of the Dutch Security.

“Dutch Collection Account” means the collection account in the name of Dutch FleetCo into which Dutch Collections shall be deposited.

“Dutch Collection Account Reserve Ledger” means the ledger so named maintained in the Dutch Collection Account.

“Dutch Collections” means all payments on or in respect of the Dutch Collateral.

“Dutch Commitment Termination Date” means 1 October 2048.

“Dutch Daily Collection Report” has the meaning specified in Sub-Clause 5.1(a) (*Daily Collection Reports*) of the Dutch Facility Agreement.

“Dutch Daily Interest Allocation” means, on each Dutch Deposit Date, an amount equal to the aggregate amount of Dutch Interest Collections deposited into the Dutch Transaction Account on such date.

“Dutch Daily Interest Amount” means, for any day in an Interest Period, an amount equal to the result of:

- (g) the product of (i) the Dutch Note Rate for such Interest Period and (ii) the Dutch Note Principal Amount as of the close of business on such date; divided by
- (h) 30.

“Dutch Daily Principal Allocation” means, on each Dutch Deposit Date, an amount equal to the aggregate amount of Dutch Principal Collections deposited into the Dutch Transaction Account on such date.

“Dutch Decrease” has the meaning specified in Sub-Clause 2.4 (*Procedure for Decreasing the Dutch Note Principal Amount*) of the Dutch Facility Agreement.

“Dutch Deed of Non-Possessory Pledge of Vehicles” means the deed of non-possessory pledge of vehicles dated on or about the Signing Date, entered into by Dutch FleetCo as Pledgor in respect of the Dutch Vehicles and the Dutch Security Trustee and as may be amended, restated or supplemented from time to time.

“Dutch Deed of Pledge of Receivables” means the deed of pledge of receivables dated on or about the Signing Date, entered into by Dutch FleetCo as Pledgor and the Dutch Security Trustee and as may be amended, restated or supplemented from time to time.

“Dutch Deposit Date” has the meaning specified in Sub-Clause 7.1 (*Allocations with Respect to the Dutch Note*) of the Dutch Facility Agreement.

“Dutch Eligible Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Non-Program Vehicle owned by Dutch FleetCo in respect of the Dutch Vehicles for which the Disposition Date has not occurred as of such date.

“Dutch Eligible Investment Grade Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to Dutch FleetCo in respect of the Dutch Vehicles, as of such date by all Investment Grade Manufacturers.

“Dutch Eligible Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Program Vehicle owned by Dutch FleetCo in respect of the Dutch Vehicles for which the Disposition Date has not occurred as of such date.

“Dutch Eligible Non-Investment Grade (High) Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to Dutch FleetCo in respect of the Dutch Vehicles, as of such date by all Non-Investment Grade (High) Manufacturers.

“Dutch Eligible Non-Investment Grade (Low) Program Receivable Amount” means, as of any date of determination, the sum of all Manufacturer Receivables payable to Dutch FleetCo in respect of the Dutch Vehicles, as of such date by all Non-Investment Grade (Low) Manufacturers.

“Dutch Eligible Non-Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value of each Non-Investment Grade Non-Program Vehicle owned by Dutch FleetCo in respect of the Dutch Vehicles for which the Disposition Date has not occurred as of such date.

“Dutch Eligible Non-Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Non-Investment Grade (High) Program Vehicle and each Non-Investment Grade (Low) Program Vehicle, in each case, owned by Dutch FleetCo in respect of the Dutch Vehicles and for which the Disposition Date has not occurred as of such date.

“Dutch Eligible Vehicles” means the Eligible Vehicles owned by Dutch FleetCo in respect of the Dutch Vehicles.

“Dutch Enforcement Notice” has the meaning specified in Sub-Clause 6.1 (*Dutch Enforcement Notice*) of the Dutch Security Trust Deed.

“Dutch Facility Agreement” means the VFN issuance facility agreement entered into between Dutch FleetCo, the Dutch Noteholder and the Dutch Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“Dutch FleetCo” means Stuurgroep Fleet (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the

Netherlands, having its official seat in Amsterdam, the Netherlands, and its office at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34275100.

“Dutch FleetCo Corporate Services Agreement” means the corporate services agreement between Dutch FleetCo and the Dutch FleetCo Corporate Services Provider dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“Dutch FleetCo Corporate Services Fee Letter” has the meaning given to it in Sub-Clause 1.1 of the Dutch FleetCo Corporate Services Agreement.

“Dutch FleetCo Corporate Services Provider” means Intertrust Management B.V.

“Dutch Initial Principal Amount” means €101,650,000.00.

“Dutch Interest Collections” means on any date of determination, all Dutch Collections which represent payments of Monthly Variable Rent under the Dutch Master Lease plus any amounts earned on Permitted Investments in the Dutch Collection Account that are available for distribution on such date and any indemnity amounts received by the Dutch FleetCo from any Related Document.

“Dutch Leasing Company Amortization Event” has the meaning given to it in Sub-Clause 10.1 of the Dutch Facility Agreement.

“Dutch Legal Final Payment Date” means the one-year anniversary of the Dutch Commitment Termination Date.

“Dutch Liquidation Co-ordination Agreement” means the liquidation co-ordination agreement entered into between (among others) Dutch FleetCo, the Dutch Liquidation Co-ordinator and the Dutch Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“Dutch Liquidation Co-ordinator” means KPMG S.A..

“Dutch Manufacturer Receivables” means the Manufacturer Receivables owing to Dutch FleetCo in respect of Dutch Vehicles only.

“Dutch Master Lease” means the Dutch Master Lease and Servicing Agreement, dated on or about the Signing Date between, among others, Dutch FleetCo, as lessor thereunder and Dutch OpCo, as lessee and servicer and as may be amended, restated or supplemented from time to time.

“Dutch Master Lease Payment Default” means the occurrence of any event described in Sub-Clause 9.1.1 of the Dutch Master Lease.

“Dutch Maximum Principal Amount” means € 210,000,000, as such amount may be increased or reduced from time to time pursuant to written agreement between the Dutch Noteholder and Dutch FleetCo, provided that no such reduction shall cause the Dutch Maximum Principal Amount to be less than the Dutch Note Principal Amount.

“Dutch Minimum Profit Amount” means, on an annual basis, an amount equal to five per cent. (5%) of Dutch Servicing Fee payable under the Dutch Master Lease as the local GAAP profit before tax.

“Dutch Monthly Administration Fee” has the meaning specified in Clause 4 (*Compensation*) of the Dutch Administration Agreement.

“**Dutch Monthly Collateral Certificate**” has the meaning specified in Sub-Clause 5.1(d) (*Dutch Monthly Collateral Certificate*) of the Dutch Facility Agreement.

“**Dutch Monthly Interest**” means, with respect to any Payment Date, an amount equal to the sum of:

- (a) the Dutch Daily Interest Amount for each day in the Interest Period related to such Payment Date; plus
- (b) all previously due and unpaid amounts described in paragraph (a) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this paragraph (b) at the Dutch Note Rate).

“**Dutch Monthly Servicing Certificate**” has the meaning specified in Sub-Clause 5.1(c) (*Monthly Servicing Certificate*) of the Dutch Facility Agreement.

“**Dutch Monthly Servicing Fee**” has the meaning specified in Clause 6.6 (*Servicer’s Monthly Fee*) of the Dutch Master Lease.

“**Dutch Note Framework Agreement**” means the note framework agreement entered into between Dutch FleetCo and the Dutch Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**Dutch Net VAT Receivables**” means the Net VAT Receivables owing to Dutch FleetCo.

“**Dutch Note Principal Amount**” means, when used with respect to any date, an amount equal to the result of: (i) the Dutch Initial Principal Amount, plus (ii) the principal amount of the portion of all Dutch Advances funded by the Dutch Noteholder on or prior to such date, minus (iii) the amount of principal payments (whether pursuant to a Dutch Decrease, a redemption or otherwise) made to such Dutch Noteholder pursuant to the Dutch Facility Agreement.

“**Dutch Note Rate**” means, for any Interest Period, the rate, as determined by the Issuer in its reasonable discretion, reflecting (i) the Dutch Percentage of the Carrying Charges payable by the Issuer for such Interest Period and (ii) the proportion of interest costs by the Issuer for such Interest Period attributable to Dutch FleetCo (based on the Dutch Class A Blended Advance Rate).

“**Dutch Note Register**” has the meaning specified in Sub-Clause 2.6 (*Dutch Note Register*) of the Dutch Note Framework Agreement.

“**Dutch Note Repurchase Amount**” means, as of any date of determination, the sum of the Dutch Note Principal Amount plus all accrued and unpaid interest thereon and any fees in respect thereof then due and payable to the Dutch Noteholder.

“**Dutch Noteholder**” means the Issuer.

“**Dutch Note**” means each variable funding rental car asset backed note issued by Dutch FleetCo pursuant to and in accordance with the Dutch Note Framework Agreement and the Dutch Facility Agreement.

“**Dutch OpCo**” means Hertz Automobielen Nederland B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34049337.

“**Dutch Percentage**” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the Dutch Note Principal Amount as of such date and the denominator

of which is the sum of the Dutch Note Principal Amount, the French Facility Principal Amount, the German Note Principal Amount and the Spanish Note Principal Amount, in each case as of such date.

“Dutch Potential Leasing Company Amortization Event” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute a Dutch Leasing Company Amortization Event.

“Dutch Predecessor Administrator Work Product” has the meaning given to it in Sub-Clause 6.4 (*Reliance on Prior Work Product*) of the Dutch Back-Up Administration Agreement.

“Dutch Principal Collections” means any Dutch Collections other than Dutch Interest Collections.

“Dutch Priority of Payments” means the priority of payments applicable to the payments owed by Dutch FleetCo under the Dutch Related Documents set out in Sub-Clauses 7.3 (*Application of Dutch Interest Collections*) and 7.4 (*Application of Dutch Principal Collections*) of the Dutch Facility Agreement.

“Dutch Qualifying Noteholder” means:

- (a) a holder of Dutch Note to which a payment under this Agreement and the Note can be made without a Tax Deduction imposed by the Netherlands based on Dutch domestic law; or
- (b) a Dutch Treaty Noteholder.

“Dutch Registrar” means the Dutch Administrator.

“Dutch Related Document Actions” has the meaning specified in Sub-Clause 9.24(c) (*Actions under the Dutch Related Documents and Manufacturer Programs*) of the Dutch Facility Agreement.

“Dutch Related Documents” means, collectively, the Dutch Facility Agreement, the Dutch FleetCo Corporate Services Fee Letter, the Dutch FleetCo Corporate Services Agreement, the Dutch Note Framework Agreement, the Dutch Administration Agreement, the Dutch Back-Up Administration Agreement, the Dutch Liquidation Co-ordination Agreement, the Dutch Security Documents, the Dutch Master Lease, the Tax Deed of Covenant, the THC Guarantee and Indemnity and any other agreements relating to the issuance or the purchase of the Dutch Note.

“Dutch Repeating Representations” means the representations and warranties of Dutch FleetCo set out in Clause 8 (*Representations and Warranties*) of the Dutch Facility Agreement save for: (i) Sub-Clause 8.3 (*No Consent*); (ii) Sub-Clause 8.12 (*Ownership of Limited Liability Company Interests*); (iii) Sub-Clause 8.20 (*Stamp Taxes*); (iv) Sub-Clause 8.21 (*Capitalisation*); (v) Sub-Clause 8.22 (*No Distributions*); and (vi) Sub-Clause 8.23 (*Beneficial Owner*).

“Dutch Repurchase Date” has the meaning specified in Sub-Clause 11.1 (*Optional Repurchase of the Dutch Note*) of the Dutch Facility Agreement.

“Dutch Required Reserve Advance” means an amount as agreed between the Dutch Security Trustee (acting on the instructions of Required Noteholders) and the Dutch Liquidation Co-ordinator and notified to the Issuer and the Dutch FleetCo.

“Dutch Reserve Advance” has the meaning given to "Reserve Advance" in clause 2.3(a) of the Dutch Facility Agreement.

“Dutch Secured Obligations” means the aggregate of Dutch FleetCo's Indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the Dutch Secured Parties:

- (a) whether actually or contingently; or
- (b) whether presently due or falling due at some future time,

arising under the Dutch Related Documents and the Dutch Note, whether solely or jointly with another person, whether as principal or surety and whether or not the Dutch Secured Parties shall have been an original party to the relevant transaction and in whatever currency denominated.

“**Dutch Secured Party**” means each of the Parties listed at Schedule 1 (*Dutch Secured Parties*) to the Dutch Security Trust Deed.

“**Dutch Security**” means the security interests granted to the Dutch Security Trustee pursuant to the Dutch Security Documents.

“**Dutch Security Documents**” means the Dutch Security Trust Deed, Dutch Deed of Non-Possessory Pledge of Vehicles, the Dutch Deed of Pledge of Receivables and the Dutch Shares Pledge.

“**Dutch Security Trust Deed**” means the security trust deed dated on or about the Signing Date entered into between the Issuer Security Trustee, the Dutch Security Trustee, Dutch FleetCo and the Dutch Secured Parties named therein as may be amended, restated or supplemented from time to time.

“**Dutch Security Trustee**” means BNP Paribas Trust Corporation UK Limited.

“**Dutch Servicer**” means Hertz Automobielen Nederland B.V., in its capacity as servicer under the Dutch Master Lease.

“**Dutch Servicing Fee**” means €240,000 per annum or such other adjusted amount notified to the Lessor and the Dutch Security Trustee by the Dutch Servicer based on the reasonable costs and expenses incurred in connection with the provision of services in accordance with the Dutch Master Lease.

“**Dutch Shares Pledge**” means the deed of pledge of registered shares of Dutch FleetCo dated on or about the Closing Date, entered into by Dutch FleetCo, Stuurgroep Holland B.V. and the Dutch Security Trustee.

“**Dutch Supplemental Documents**” means the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to the Dutch Master Lease, in each case solely to the extent to which such schedules and documents relate to Lease Vehicles or otherwise relate to and/or constitute Dutch Collateral.

“**Dutch Transaction Account**” means the transaction account in the name of Dutch FleetCo from which withdrawals are made in accordance with Clause 7 (*Applications and Distributions*) of the Dutch Facility Agreement.

“**Dutch Transfer Date**” has the meaning specified in Sub-Clause 4.1 (*Transfer of Administrative Obligations*) of the Dutch Back-Up Administration Agreement.

“**Dutch Treaty Noteholder**” means a holder of Dutch Note which:

- (a) is treated as a resident of a Treaty State for the purposes of the Treaty;
- (b) does not carry on a business in the Netherlands through a permanent establishment with which that holder’s participation in the Dutch Note is effectively connected; and

- (c) fulfils any conditions which must be fulfilled under the double taxation agreement for residents of that Treaty State to obtain full exemption from tax imposed by the Netherlands on interest payable to that holder in respect of an advance under this Agreement and the Dutch Note.

“**Dutch Vehicle Documents**” means the registration documents (including, without limitation, the ascription code (*tenaamstellingscode*)), keys and spare keys to the Dutch Vehicles.

“**Dutch Vehicles**” means all Vehicles owned by Dutch FleetCo and which are leased pursuant to the Dutch Master Lease (which, for the avoidance of doubt, excludes any Spanish Vehicles).

“**RDW**” means the Netherlands Vehicle Authority (*Rijksdienst voor het Wegverkeer*).

“**RDW Register**” means the register referred to in article 42 of the Act on the Traffic Regulations (*Wegenverkeerswet 1994*).

“**RTL Agreement**” has the meaning given in Sub-Clause 5.1.5(b)(ii) of the Dutch Master Lease.

“**RTL Register**” means the *Register Tenaamstelling Leasemaatschappijen*, the secondary register maintained by the RDW.

“**Treaty State**” means a jurisdiction having a double taxation agreement (a “**Treaty**”) with the Netherlands which makes provision for full exemption from a tax imposed by the Netherlands on interest.

1.3 FRENCH DEFINITIONS

“**AMF**” means the *Autorité des Marchés Financiers*.

“**FCT**” means the French mutual securitisation fund (*fonds commun de titrisation*) named FCT Yellow Car, established by the FCT Management Company and BNP Paribas S.A. (in its capacity as initial custodian of the FCT) on the FCT Establishment Date.

“**FCT Account**” means the segregated EUR denominated bank account opened with the FCT Account Bank in the name of the FCT, the details of which are set out in Sub-Clause 4.2 (*Opening and Identification of the FCT Account*) of the FCT Account Bank Agreement.

“**FCT Account Bank**” means BNP Paribas Securities Services or, as the case may be, any other Acceptable Bank which would be subsequently appointed as FCT Account Bank pursuant to the terms of the FCT Regulations and the FCT Account Bank Agreement.

“**FCT Account Bank Agreement**” means the account bank agreement relating to the FCT Account entered into between the FCT and the FCT Account Bank on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**FCT Account Bank Termination Event**” has the meaning set out in Sub-Clause 7.5 (*Termination of Appointment*) of the FCT Account Bank Agreement.

“**FCT Available Cash**” has the meaning ascribed to it in Clause 13 (*The Assets of the FCT*) of the FCT Regulations.

“**FCT Commitment Termination Date**” means 1 October 2048.

“**FCT Custodian**” means BNP Paribas Securities Services, in its capacity as custodian (*dépositaire*) of the assets of the FCT pursuant to the FCT Regulations or, as the case may be, any other institution which would be subsequently appointed as custodian in accordance with the terms of the FCT Regulations.

“**FCT Establishment Date**” has the meaning given to it in Recital A of the FCT Regulations.

“**FCT Financing Fee**” has the meaning given to it in Clause 27 (*FCT Fees*) of the FCT Regulations.

“**FCT Increase Request**” has the meaning given to it in Sub-Clause 5.1 (*FCT Increase Requests*) of the FCT Note Purchase Agreement.

“**FCT Management Company**” means Eurotitrisation, a *société anonyme* incorporated under the laws of France, duly licensed as a portfolio management company (*société de gestion de portefeuille*) under number GP 14000029 authorized to manage alternative investment funds, having its registered office at 12, rue James Watt 93200, Saint-Denis, France, registered with the Trade and Companies Registry of Bobigny (*Registre du Commerce et des Sociétés de Bobigny*) under number B 352 458 368 or, as the case may be, any other institution which would be subsequently appointed as management company in accordance with the terms of the FCT Regulations.

“**FCT Management Company Covenants**” has the meaning given to it in Clause 14 (*FCT Management Company Covenants*) of the FCT Note Purchase Agreement.

“**FCT Management Company Representations**” has the meaning given to it in Sub-Clause 13.1 (*FCT Management Company Representations and Warranties*) of the FCT Note Purchase Agreement.

“**FCT Minimum Required Selling Price**” means, on any date of determination, the purchase price payable to the FCT by any acquirer of the French Facility Receivables which provides the FCT with sufficient funds, together with the FCT’s temporarily available cash (if any), to pay, on

any date of determination, all amounts due in respect of principal, interest and other amounts due to the FCT Noteholder and the holders of FCT Residual Units and repay, on any date of determination, all sums due by the FCT under the French Related Documents to which the FCT is a party.

“**FCT Note**” means the variable funding note issued on the Closing Date by the FCT to the Issuer as FCT Noteholder pursuant to the FCT Note Purchase Agreement.

“**FCT Noteholder**” means, with respect to the FCT Note, the Issuer or such subsequent holder of the FCT Note in whose name such FCT Note is registered in the FCT Register.

“**FCT Noteholder Available Commitment**” means, on any date of determination, the FCT Noteholder Total Commitment minus the FCT Principal Amount Outstanding as at such date.

“**FCT Noteholder Representations**” has the meaning given to it in Sub-Clause 13.2 (*The FCT Noteholder Representations and Warranties*) of the FCT Note Purchase Agreement.

“**FCT Noteholder Total Commitment**” means an amount equal to the figure set out opposite the FCT Noteholder’s name in Schedule 7 (*Commitment*) to the FCT Note Purchase Agreement, as such amount may be increased or decreased from time to time in accordance with clause 3 (*Increase and Decrease in FCT Noteholder Commitments*) of the FCT Note Purchase Agreement.

“**FCT Note Conditions**” means, the conditions of the FCT Note as set out in Schedule 2 (*FCT Note Conditions*) of the FCT Note Purchase Agreement, as the same may from time to time be modified in accordance with the provisions of the FCT Note Purchase Agreement and the FCT Regulations.

“**FCT Note Increase**” means, with respect to any requested increase of the FCT Principal Amount Outstanding, the amount made available by the Issuer to the FCT in accordance with Sub-Clause 5.1 (*FCT Increase Requests*) of the FCT Note Purchase Agreement.

“**FCT Note Purchase Agreement**” means the note purchase agreement in respect of the FCT Note entered into on or about the Signing Date between, *inter alios*, the Issuer (as Noteholder) and the FCT Management Company representing the FCT (as may be amended, restated or supplemented from time to time).

“**FCT Note Rate**” means, for any Interest Period, the rate, as determined by the Issuer in its reasonable discretion, reflecting (i) the French Percentage of the Carrying Charges payable by the Issuer for such Interest Period and (ii) the proportion of interest costs by the Issuer for such Interest Period attributable to French FleetCo (based on the French Class A Blended Advance Rate).

“**FCT Parties**” means the FCT Management Company, the FCT Custodian and the FCT Servicer.

“**FCT Paying Agency Agreement**” means the paying agency agreement entered into on or about the Signing Date between, *inter alios*, the FCT and BNP Paribas Securities Services as FCT Paying Agent (as may be amended, restated or supplemented from time to time).

“**FCT Paying Agent**” has the meaning given to it in the FCT Paying Agency Agreement.

“**FCT Principal Amount Outstanding**” means, on any day, in connection with the FCT Note Purchase Agreement, the initial principal amount of the FCT Note plus the aggregate amount of any FCT Note Increases less the aggregate amount of any redemptions of the FCT Note made or to be made by the FCT, in each case on or prior to that day (as such amount may be written up or down in the FCT Register by the FCT Registrar from time to time, where such adjustments are made in order to reflect any FCT Note Increases or redemptions of the FCT Note).

“**FCT Priority of Payments**” means the priority order of payments specified in Clause 24 (*Priority of Payments*) of the FCT Regulations.

“**FCT Register**” has the meaning given to it in Sub-Clause 17.1 (*FCT Register of the FCT Note*) of the FCT Note Purchase Agreement.

“**FCT Registrar**” means BNP Paribas Securities Services.

“**FCT Regulations**” means the regulations governing the FCT initially entered into between the FCT Management Company and BNP Paribas S.A. (in its capacity as initial custodian of the FCT) on 10 June 2008 in accordance with Articles L. 214-24, I.- and II.-, L.214-166-1 to L. 214-175, L.214-175-1 to L.214-175-7, L. 214-180 to L. 214-186, L. 231-7 and R.214-217 to D.214-240 of the French *Code monétaire et financier* as amended and/or supplemented from time to time, including as amended and restated on or about the Effective Time, and as from the Effective Time, the custodian shall be BNP Paribas Securities Services.

“**FCT Residual Units**” mean one hundred (100) residual units issued by the FCT on 24 July 2008 which are held as follows on the Signing Date: ninety-nine (99) by the Issuer and one (1) by HHN2.

“**FCT Servicer**” means the French Lender or such subsequent servicer which may be appointed as servicer of the FCT by the FCT Management Company pursuant to the relevant terms of the FCT Transfer and Servicing Agreement.

“**FCT Statutory Auditor**” means Deloitte, in its capacity as statutory auditor of the FCT pursuant to the FCT Regulations or, as the case may be, any other institution which would be subsequently appointed as statutory auditor in accordance with the terms of the FCT Regulations.

“**FCT Transfer and Servicing Agreement**” means the transfer and servicing agreement entered into between the FCT Management Company, the French Security Trustee, the FCT Custodian and the FCT Servicer on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**FCT Transfer Deed**” means the transfer deed (*acte de cession de créances*) in the form of the schedule to the FCT Transfer and Servicing Agreement, to be delivered on the Closing Date by the French Lender to the FCT Management Company, acting in the name and on behalf of the FCT in accordance with the relevant provisions of the FCT Transfer and Servicing Agreement.

“**French AAA Component**” means each of:

- (a) the French Eligible Investment Grade Program Vehicle Amount;
- (b) the French Eligible Investment Grade Program Receivable Amount;
- (c) the French Eligible Non-Investment Grade Program Vehicle Amount;
- (d) the French Eligible Non-Investment Grade (High) Program Receivable Amount;
- (e) the French Eligible Non-Investment Grade (Low) Program Receivable Amount;
- (f) the French Eligible Investment Grade Non-Program Vehicle Amount;
- (g) the French Eligible Non-Investment Grade Non-Program Vehicle Amount;
- (h) the Eligible Due and Unpaid Lease Payment Amount under the French Master Lease;
- (i) the French Net VAT Receivables; and
- (j) the Remainder AAA Amount with respect to French FleetCo.

“**French AAA Select Component**” means each French AAA Component other than the Eligible Due and Unpaid Lease Payment Amount.

“**French Acceleration Notice**” has the meaning given to it in Sub-Clause 6.3 (*French Acceleration Notice*) of the French Security Trust Deed.

“**French Account Bank**” means BNP Paribas S.A. or, as the case may be, any other Acceptable Bank which would be subsequently appointed as French Account Bank pursuant to the terms of the French Account Bank Agreement.

“**French Account Bank Agreement**” means the account bank agreement entered into by French FleetCo, the French Account Bank, the French Security Trustee and the French Administrator on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**French Account Mandates**” means the signature authorities relating to a French Account, as amended from time to time in accordance with the French Account Bank Agreement.

“**French Accounts**” means the accounts established and maintained in the name of French FleetCo.

“**French Administration Agreement**” means the French administration agreement entered into between French FleetCo, the French Administrator and the French Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**French Administrator**” means Hertz France S.A.S., a company incorporated as a *société par actions simplifiée* under the laws of France, registered with the Commercial and Company Registry of Versailles under number 377839667, whose registered office is at 1/3 avenue Westphalie, Immeuble Futura 3, 78180 Montigny Le Bretonneux, France.

“**French Administrator Default**” has the meaning specified in Sub-Clause 9.2 (*Term of Agreement; Removal of French Administrator*) of the French Administration Agreement.

“**French Administrator Termination Notice**” has the meaning given to it in Sub-Clause 1.3 (*French Back-Up Administrator*) of the French Account Bank Agreement.

“**French Aggregate Asset Amount**” means, as of any date of determination, the amount equal to the sum of each of the following with respect to French FleetCo:

- (a) the aggregate Net Book Value of all French Eligible Vehicles as of such date;
- (b) the aggregate amount of all French Manufacturer Receivables as of such date;
- (c) the Due and Unpaid Lease Payment Amount in respect of the French Master Lease as of such date; and
- (d) the French Net VAT Receivables as of such date.

“**French Back-Up Administration Agreement**” means the French back-up administration agreement entered into between French FleetCo, the French Administrator, the French Back-Up Administrator and the French Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**French Back-Up Administrator**” means TMF SFS Management B.V..

“**French Back-Up Servicing Fee**” has the meaning given to it in Sub-Clause 6.1(a) (*Compensation*) of the French Back-Up Administration Agreement.

“French Bank Account Pledge Agreement” means the French bank account pledge agreement entered into on or about the Signing Date between French FleetCo as Pledgor and the French Security Trustee (as may be amended, restated or supplemented from time to time).

“French Carrying Charges” means, for any Payment Date, without duplication, the sum of:

- (a) the French Monthly Servicing Fee payable by French FleetCo to the French Servicer pursuant to the French Master Lease on such Payment Date;
- (b) all reasonable out-of-pocket costs and expenses of French FleetCo incurred in connection with the French Facility;
- (c) all fees, expenses and other amounts payable by French FleetCo under the French Related Documents (including for the avoidance of doubt the FCT Financing Fee);
- (d) any accrued French Carrying Charges that remain unpaid as of the immediately preceding Payment Date (after giving effect to all distributions in respect of such Payment Date);
- (e) the French Percentage of the Carrying Charges (provided that the Issuer has delivered an invoice to French FleetCo in respect of such Carrying Charges); and
- (f) one twelfth of the French Percentage of the Issuer Minimum Profit Amount.

“French Class A Adjusted Advance Rate” means, as of any date of determination, with respect to any French AAA Select Component, a percentage equal to the greater of (A) (i) the French Class A Baseline Advance Rate for such French AAA Component, minus (ii) the Class A Concentration Excess Advance Rate Adjustment for such French AAA Select Component minus (iii) the Class A MTM/DT Advance Rate Adjustment for such French AAA Select Component; and (B) zero.

“French Class A Baseline Advance Rate” means, with respect to each French AAA Select Component, the percentage set forth opposite such French AAA Select Component in the following table (provided that for the French AAA Select Component related to Vehicles subleased to a Fleetco from another jurisdiction as per clause 5.2.2 (D) and 5.2.2 (E) of the French Master Lease, the percentage shall be the lower of (i) the percentage set forth opposite such French AAA Select Component in the below table and (ii) the percentage set forth opposite such Fleetco AAA Select Component in the table related to the Fleetco Class A Baseline Advance Rate with respect to the Fleetco where it is subleased):

French AAA Component	French Class A Baseline Advance Rate
French Eligible Investment Grade Program Vehicle Amount	89.75%
French Eligible Investment Grade Program Receivable Amount	89.75%
French Eligible Non-Investment Grade Program Vehicle Amount	75.25%
French Eligible Non-Investment Grade (High) Program Receivable Amount	75.25%
French Eligible Non-Investment Grade (Low) Program Receivable Amount	0%

“**French Class B Baseline Advance Rate**” means, with respect to each French AAA Select Component, the percentages agreed between the Issuer and the Class B Noteholders at the time the Class B Notes are first issued, which agreed percentages for the avoidance of doubt shall not require the consent of the Class A Noteholders.

“**French Class B Blended Advance Rate**” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the French Class B Blended Advance Rate Weighting Numerator and the denominator of which is the French Class B Blended Advance Rate Weighting Denominator, in each case as of such date.

“**French Class B Blended Advance Rate Weighting Denominator**” means, as of any date of determination, an amount equal to the sum of each French AAA Select Component, in each case as of such date.

“**French Class B Blended Advance Rate Weighting Numerator**” means, as of any date of determination, an amount equal to the sum of an amount with respect to each French AAA Select Component equal to the product of such French AAA Select Component and the French Class B Adjusted Advance Rate with respect to such French AAA Select Component, in each case as of such date.

“**French Collateral**” means all of the assets which from time to time are, or are expressed to be, the subject of the French Security.

“**French Collection Account**” means the collection account in the name of French FleetCo into which French Collections and the purchase price of French Facility Receivables shall be deposited.

“**French Collection Account Reserve Ledger**” means the ledger so named maintained in the French Collection Account.

“**French Collections**” means all payments on or in respect of the French Collateral.

“**French Commitment Termination Date**” means 1 October 2048.

“**French Daily Collection Report**” has the meaning specified in Sub-Clause 6.1(a) (*Daily Collection Reports*) of the French Facility Agreement.

“**French Daily Interest Allocation**” means, on each French Deposit Date, an amount equal to the aggregate amount of French Interest Collections deposited into the French Collection Account on such date.

“**French Daily Interest Amount**” means, for any day in an Interest Period, an amount equal to the result of:

- (a) the product of (i) the French Facility Advance Rate for such Interest Period and (ii) the French Facility Principal Amount as of the close of business on such date; divided by
- (b) 30.

“**French Daily Principal Allocation**” means, on each French Deposit Date, an amount equal to the aggregate amount of French Principal Collections deposited into the French Transaction Account on such date.

“**French Decrease**” has the meaning specified in Sub-Clause 2.4 (*Procedure for partial prepayment of the French Facility Principal Amount*) of the French Facility Agreement.

“**French Deposit Date**” has the meaning specified in Sub-Clause 8.1 (*Allocations*) of the French Facility Agreement.

“French Eligible Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Non-Program Vehicle owned by French FleetCo for which the Disposition Date has not occurred as of such date.

“French Eligible Investment Grade Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to French FleetCo, as of such date by all Investment Grade Manufacturers.

“French Eligible Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Program Vehicle owned by French FleetCo for which the Disposition Date has not occurred as of such date.

“French Eligible Non-Investment Grade (High) Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to French FleetCo, as of such date by all Non-Investment Grade (High) Manufacturers.

“French Eligible Non-Investment Grade (Low) Program Receivable Amount” means, as of any date of determination, the sum of all Manufacturer Receivables payable to French FleetCo, as of such date by all Non-Investment Grade (Low) Manufacturers.

“French Eligible Non-Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value of each Non-Investment Grade Non-Program Vehicle owned by French FleetCo for which the Disposition Date has not occurred as of such date.

“French Eligible Non-Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Non-Investment Grade (High) Program Vehicle and each Non-Investment Grade (Low) Program Vehicle, in each case, owned by French FleetCo and for which the Disposition Date has not occurred as of such date.

“French Eligible Vehicles” means the Eligible Vehicles owned by French FleetCo.

“French Enforcement Notice” has the meaning specified in Sub-Clause 6.1 (*French Enforcement Notice*) of the French Security Trust Deed.

“French Facility” means the revolving credit facility made available to French FleetCo by the French Lender subject to, and in accordance with, the relevant terms of the French Facility Agreement.

“French Facility Advance” means each advance from time to time borrowed by French FleetCo from the French Lender subject to, and in accordance with, the relevant terms of the French Facility Agreement.

“French Facility Advance Rate” means, for any Interest Period, the rate, as determined by the Issuer in its reasonable discretion, reflecting the French Percentage of the aggregate amount of interest and Carrying Charges payable by the Issuer for such Interest Period, based on the daily average French Class A Blended Advance Rate and the daily average French Facility Principal Amount for such Interest Period.

“French Facility Agreement” means the revolving credit facility agreement entered into between French FleetCo, the French Lender, the French Security Trustee and the Issuer Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“French Facility Principal Amount” means, at any date of determination, the outstanding principal amount of any French Facility Advance at such date under the French Facility Agreement.

“French Facility Receivables” means:

- (a) each and any receivable arising as a result of the French Lender’s rights as a creditor of French FleetCo (whether existing (*créances nées*), future (*créances futures*) or conditional (*créances conditionnelles*) in respect of the French Facility Advance(s) drawn down, or to be drawn down, by French FleetCo under the French Facility Agreement, subject to, and in accordance with, the relevant terms of the French Facility Agreement, increased by the amount of any and all interest accrued thereon; and
- (b) each and any receivable arising as a result of the French Lender’s rights as a creditor of French FleetCo, whether existing (*créances nées*), future (*créances futures*) or conditional (*créances conditionnelles*) which has arisen or will arise from the French Facility Agreement and which is not characterised as a receivable referred to in (a) above.

“French FleetCo” means RAC Finance S.A.S., a company incorporated as a *société par actions simplifiée* under the laws of France, registered with the Commercial and Company Registry of Beauvais under number 487581498, whose registered office is at Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1, 78180, Montigny-le-Bretonneux, 497 581 498 RCS Versailles.

“French FleetCo Corporate Services Providers” means TMF France Management Sarl and TMF France SAS.

“French Interest Collections” means on any date of determination, all French Collections which represent payments of Monthly Variable Rent under the French Master Lease plus any amounts earned on Permitted Investments in the French Collection Account that are available for distribution on such date and any indemnity amounts received by the French FleetCo from any Related Document.

“French Leasing Company Amortization Event” has the meaning given to it in Sub-Clause 11.1 (*Amortization Event*) of the French Facility Agreement.

“French Legal Final Payment Date” means the one-year anniversary of the French Commitment Termination Date.

“French Lender” means BNP Paribas S.A. in its capacity as lender under the French Facility Agreement.

“French Liquidation Co-ordination Agreement” means the liquidation co-ordination agreement entered into between (among others) French FleetCo, the French Liquidation Co-ordinator and the French Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“French Liquidation Co-ordinator” means KPMG S.A..

“French Management Services Agreement” means the management services agreement dated on or about the Signing Date between French FleetCo, French OpCo and the French FleetCo Corporate Services Providers (as may be amended, restated or supplemented from time to time).

“French Manufacturer Receivables” means the Manufacturer Receivables owing to French FleetCo.

“French Master Lease” means the French Master Lease and Servicing Agreement, dated on or about the Signing Date between, among others, French FleetCo, as lessor thereunder and French OpCo, as lessee and servicer (as may be amended, restated or supplemented from time to time).

“French Master Lease Extension Agreement” means, in relation to the French Master Lease, an agreement executed by the Lessor and the Lessee(s) thereunder which provides that the Master

Lease Scheduled Expiry Date in respect of the relevant lease entered into pursuant to the French Master Lease will be extended for a further period of five (5) calendar months from the date of such agreement.

“**French Master Lease Payment Default**” means the occurrence of any event described in Sub-Clause 9.1.1 of the French Master Lease.

“**French Master Lease Scheduled Expiration Date**” means, in relation to any Lease Vehicles leased pursuant to the French Master Lease, the date falling five (5) calendar months after:

- (a) the Vehicle Lease Commencement Date of such Lease Vehicle; or
- (b) the date on which the most recent French Master Lease Extension Agreement became effective with respect to such Lease Vehicle.

“**French Maximum Principal Amount**” means EUR 750,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 625,000,000; provided further that such amount may be increased or reduced from time to time pursuant to written agreement between the French Lender and French FleetCo, provided that no such reduction shall cause the French Maximum Principal Amount to be less than the French Facility Principal Amount.

“**French Minimum Profit Amount**” means, on an annual basis, an amount equal to five per cent. (5%) of French Servicing Fee payable under the French Master Lease as the local GAAP profit before tax.

“**French Monthly Administration Fee**” has the meaning specified in Clause 4 (*Compensation*) of the French Administration Agreement.

“**French Monthly Collateral Certificate**” has the meaning specified in Sub-Clause 6.1(d) (*French Monthly Collateral Certificate*) of the French Facility Agreement.

“**French Monthly Interest**” means, with respect to any Payment Date, an amount equal to the sum of

- (a) the French Daily Interest Amount for each day in the Interest Period related to such Payment Date; plus
- (b) all previously due and unpaid amounts described in paragraph (a) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this paragraph (b) at the French Facility Advance Rate).

“**French Monthly Servicing Certificate**” has the meaning specified in Sub-Clause 6.1(c) (*Monthly Servicing Certificate*) of the French Facility Agreement.

“**French Monthly Servicing Fee**” has the meaning specified in Clause 6.6 (*Servicer’s Monthly Fee*) of the French Master Lease.

“**French Net VAT Receivables**” means the Net VAT Receivables owing to French FleetCo.

“**French On-Going Business Pledge Agreement**” means the French *convention de nantissement de fonds de commerce* entered into between French FleetCo and the French Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**French OpCo**” means Hertz France S.A.S.

“**French Payment Direction Agreement**” means the payment direction agreement entered into by French FleetCo, the French Servicer, the French Account Bank, the FCT Noteholder, the Issuer

Administrator, the FCT and the FCT Servicer on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“French Percentage” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the French Facility Principal Amount as of such date and the denominator of which is the sum of the Dutch Note Principal Amount, the French Facility Principal Amount, the German Note Principal Amount and the Spanish Note Principal Amount, in each case as of such date.

“French Potential Leasing Company Amortization Event” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute a French Leasing Company Amortization Event.

“French Predecessor Administrator Work Product” has the meaning given to it in Sub-Clause 6.4 (*Reliance on Prior Work Product*) of the French Back-Up Administration Agreement.

“French Principal Collections” means any French Collections other than French Interest Collections.

“French Priority of Payments” means the priority of payments applicable to the payments owed by French FleetCo under the French Related Documents set out in Sub-Clauses 8.3 (*Application of French Interest Collections*) and 8.4 (*Application of French Principal Collections*) of the French Facility Agreement.

“French Qualifying Noteholder” means any holder of the FCT Note which, at the time a payment of interest is made on the FCT Note, either:

- (a) fulfils the conditions imposed by French law in order for that payment not to be subject to (or as the case may be, to be exempt from) any French withholding tax and, in particular, is not a person resident or established, and does not receive payments in respect of bank accounts opened in its name or for its benefit, in a “non-cooperative State or Territory” (*Etat ou territoire non-coopératif*) as set out in the list referred to in Article 238-0 A of the French *Code général des impôts*, as such list may be amended; or
- (b) is an entity which is entitled under a double taxation agreement in force (subject only to the completion of any necessary procedural formalities) to receive all payments under the FCT Note without any deduction or withholding for or on account of tax.

“French Receivables Pledge Agreement” means the French receivables pledge agreement relating to receivables owed by French FleetCo under the French Related Documents entered into between French FleetCo as Pledgor and the French Security Trustee, dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“French Related Document Actions” has the meaning specified in Sub-Clause 10.23(c) (*Actions under the French Related Documents and Manufacturer Programs*) of the French Facility Agreement.

“French Related Documents” means, collectively, the French Facility Agreement, the French Administration Agreement, the French Back-Up Administration Agreement, the French Liquidation Co-ordination Agreement, the French Account Bank Agreement, the French Security Documents, the French Master Lease, the French Payment Direction Agreement, the FCT Note Purchase Agreement, the FCT Account Bank Agreement, the FCT Regulations, the FCT Paying Agency Agreement, the FCT Transfer and Servicing Agreement, the Tax Deed of Covenant, the THC Guarantee and Indemnity and any other agreements relating to the French Facility.

“French Repeating Representations” means the representations and warranties of French FleetCo set out in Clause 9 (*Representations and Warranties*) of the French Facility Agreement

save for: (i) Sub-Clause 9.3 (*No Consent*); (ii) Sub-Clause 9.12 (*Ownership of Limited Liability Company Interests*); (iii) Sub-Clause 9.19 (*Stamp Taxes*); (iv) Sub-Clause 9.20 (*Capitalisation*); (v) Sub-Clause 9.21 (*No Distributions*); and (vi) Sub-Clause 9.22 (*Owner*).

"French Required Reserve Advance" means an amount as agreed between the French Security Trustee (acting on the instructions of Required Noteholders) and the French Liquidation Co-ordinator and notified to the Issuer and the French FleetCo.

"French Reserve Advance" has the meaning given to "Reserve Advance" in clause 2.3(a) (*Advances*) of the French Facility Agreement.

"French Secured Obligations" means the aggregate of French FleetCo's Indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the French Security Trustee:

- (a) whether actually or contingently; or
- (b) whether presently due or falling due at some future time,

arising under the French Related Documents and the French Facility, whether solely or jointly with another person, whether as principal or surety and whether or not the French Security Trustee shall have been an original party to the relevant transaction and in whatever currency denominated.

"French Secured Party" means each of the Parties listed at Schedule 1 (*French Secured Parties*) to the French Security Trust Deed.

"French Securities Account" has the meaning given to it in Schedule 1 of the French Account Bank Agreement.

"French Security" means the security interests granted to the French Security Trustee pursuant to the French Security Documents.

"French Security Documents" means the French Security Trust Deed, the French Vehicle Pledge Agreement, the French Receivables Pledge Agreement, the French Bank Account Pledge Agreement, the French On-Going Business Pledge Agreement and the French Shares Pledge.

"French Security Trust Deed" means the security trust deed dated on or about the Signing Date entered into between the Issuer Security Trustee, the French Security Trustee, French FleetCo, the FCT, the FCT Servicer and the French Secured Parties named therein (as may be amended, restated or supplemented from time to time).

"French Security Trustee" means BNP Paribas Trust Corporation UK Limited.

"French Servicer" means Hertz France S.A.S., in its capacity as servicer under the French Master Lease.

"French Servicing Fee" means €400,000 per annum or such other adjusted amount notified to the Lessor by the French Servicer based on the reasonable costs and expenses incurred in connection with the provision of services in accordance with the French Master Lease.

"French Shares Pledge" means the French pledge agreement in respect of shares in French FleetCo entered into between Hertz France S.A.S. as Pledgor, French FleetCo and the French Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

"French Supplemental Documents" means the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to the French Master

Lease, in each case solely to the extent to which such schedules and documents relate to Lease Vehicles or otherwise relate to and/or constitute French Collateral.

“French Third Party Holder” means Hertz France S.A.S.

“French Transaction Account” means the transaction account in the name of French FleetCo from which withdrawals are made in accordance with Clause 8 (*Applications and Distributions*) of the French Facility Agreement.

“French Transfer Date” has the meaning specified in Sub-Clause 4.1 (*Transfer of Administrative Obligations*) of the French Back-Up Administration Agreement.

“French Vehicle Pledge Agreement” means the French vehicle pledge agreement entered into between French FleetCo as Pledgor, the French Security Trustee and the French Third Party Holder dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“French Vehicles” means all Vehicles owned by French FleetCo and which are leased pursuant to the French Master Lease.

“French Vehicle Documents” means the registration documents, keys and spare keys to the French Vehicles.

“INSEE” means the *Institut national de la statistique et des études économiques*.

1.4 GERMAN DEFINITIONS

“**Carport Service Provider**” means each carport service provider contracted by German OpCo so as to provide carports for each of the Relevant Vehicles delivered from the Manufacturer/Dealers by freight carriers before such Vehicles are delivered to premises rented by German OpCo from third party landlords;

“**German AAA Component**” means each of:

- (a) the German Eligible Investment Grade Program Vehicle Amount;
- (b) the German Eligible Investment Grade Program Receivable Amount;
- (c) the German Eligible Non-Investment Grade Program Vehicle Amount;
- (d) the German Eligible Non-Investment Grade (High) Program Receivable Amount;
- (e) the German Eligible Non-Investment Grade (Low) Program Receivable Amount;
- (f) the German Eligible Investment Grade Non-Program Vehicle Amount;
- (g) the German Eligible Non-Investment Grade Non-Program Vehicle Amount;
- (h) the Eligible Due and Unpaid Lease Payment Amount under the German Master Lease; and
- (i) the Remainder AAA Amount with respect to German FleetCo.

“**German AAA Select Component**” means each German AAA Component other than the Eligible Due and Unpaid Lease Payment Amount.

“**German Acceleration Notice**” has the meaning given to it in Sub-Clause 6.3 (*German Acceleration Notice*) of the German Security Trust Deed.

“**German Account Bank**” means BNP Paribas, Dublin Branch or, as the case may be, any other Acceptable Bank which would be subsequently appointed as German Account Bank pursuant to the terms of the International Account Bank Agreement.

“**German Account Mandates**” means the signature authorities relating to a German Account, as amended from time to time in accordance with the International Account Bank Agreement.

“**German Account Pledge Agreement**” means the account pledge agreement between German FleetCo and the German Security Trustee.

“**German Accounts**” means the accounts established and maintained in the name of German FleetCo.

“**German Administration Agreement**” means the German administration agreement entered into between German FleetCo, the German Administrator and the German Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**German Administrator**” means Hertz Europe Limited in its capacity as the German administrator under the German Administration Agreement.

“**German Administrator Default**” has the meaning specified in Sub-Clause 9.2 (*Term of Agreement; Removal of German Administrator*) of the German Administration Agreement.

“**German Advance**” has the meaning given to “Advance” in clause 2.3(a) (*Advances*) of the German Facility Agreement.

“**German Aggregate Asset Amount**” means, as of any date of determination, the amount equal to the sum of each of the following with respect to German FleetCo:

- (a) the aggregate Net Book Value of all German Eligible Vehicles as of such date;
- (b) the aggregate amount of all German Manufacturer Receivables as of such date; and
- (c) the Due and Unpaid Lease Payment Amount in respect of the German Master Lease as of such date.

“**German Back-Up Administration Agreement**” means the German back-up administration agreement entered into between German FleetCo, the German Administrator, the German Back-Up Administrator and the German Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“**German Back-Up Administrator**” means TMF SFS Management B.V.

“**German Back-Up Servicing Fee**” has the meaning given to it in Sub-Clause 6.1(a) (*Compensation*) of the German Back-Up Administration Agreement.

“**German Carrying Charges**” means, for any Payment Date, without duplication, the sum of:

- (a) the German Monthly Servicing Fee payable by German FleetCo to the German Servicer pursuant to the German Master Lease on such Payment Date;
- (b) all reasonable out-of-pocket costs and expenses of German FleetCo incurred in connection with the German Note;
- (c) all fees, expenses and other amounts payable by German FleetCo under the German Related Documents;
- (d) any accrued German Carrying Charges that remain unpaid as of the immediately preceding Payment Date (after giving effect to all distributions in respect of such Payment Date);
- (e) the German Percentage of the Carrying Charges; and
- (f) one twelfth of the German Percentage of the Issuer Minimum Profit Amount.

“**German Class A Adjusted Advance Rate**” means, as of any date of determination, with respect to any German AAA Select Component, a percentage equal to the greater of (A) (i) the German Class A Baseline Advance Rate for such German AAA Component, minus (ii) the Class A Concentration Excess Advance Rate Adjustment for such German AAA Select Component minus (iii) the Class A MTM/DT Advance Rate Adjustment for such German AAA Select Component; and (B) zero.

“**German Class A Baseline Advance Rate**” means, with respect to each German AAA Select Component, the percentage set forth opposite such German AAA Select Component in the following table (provided that for the German AAA Select Component related to Vehicles subleased to a Fleetco from another jurisdiction as per clause 5.2.2 (D) and 5.2.2 (E) of the German Master Lease and Servicing Agreement, the percentage shall be the lower of (i) the percentage set forth opposite such German AAA Select Component in the below table and (ii) the percentage set forth opposite such Fleetco AAA Select Component in the table related to the Fleetco Class A Baseline Advance Rate with respect to the Fleetco where it is subleased):

German AAA Component	German Class A Baseline Advance Rate
German Eligible Investment Grade Program Vehicle Amount	74.75%
German Eligible Investment Grade Program Receivable Amount	74.75%
German Eligible Non-Investment Grade Program Vehicle Amount	57.75%
German Eligible Non-Investment Grade (High) Program Receivable Amount	57.75%
German Eligible Non-Investment Grade (Low) Program Receivable Amount	0%
German Eligible Investment Grade Non-Program Vehicle Amount, provided that where the relevant German Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the German Master Lease, the following German Class A Baseline Advance Rate shall apply to such subleased Vehicles:	68.25%
- German Eligible Vehicles subleased to France:	68.25%
- German Eligible Vehicles subleased to Spain:	60.5%
- German Eligible Vehicles subleased to the Netherlands:	68.25%
German Eligible Non-Investment Grade Non-Program Vehicle Amount, provided that where the relevant German Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the German Master Lease, the following German Class A Baseline Advance Rate shall apply to such subleased Vehicles:	57.75%
- German Eligible Vehicles subleased to France:	57.75%
- German Eligible Vehicles subleased to Spain:	52.5%
- German Eligible Vehicles subleased to the Netherlands:	57.75%
German Net VAT Receivables	100%
Remainder AAA Amount	0%

“**German Class A Blended Advance Rate**” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the German Class A Blended

Advance Rate Weighting Numerator and the denominator of which is the German Class A Blended Advance Rate Weighting Denominator, in each case as of such date.

“German Class A Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of each German AAA Select Component, in each case as of such date.

“German Class A Blended Advance Rate Weighting Numerator” means, as of any date of determination, an amount equal to the sum of an amount with respect to each German AAA Select Component equal to the product of such German AAA Select Component and the German Class A Adjusted Advance Rate with respect to such German AAA Select Component, in each case as of such date.

“German Class B Adjusted Advance Rate” means, as of any date of determination, with respect to any German AAA Select Component, a percentage equal to the greater of (A) (i) the German Class B Baseline Advance Rate for such German AAA Component, minus (ii) the Class B Concentration Excess Advance Rate Adjustment for such German AAA Select Component minus (iii) the Class B MTM/DT Advance Rate Adjustment for such German AAA Select Component; and (B) zero.

“German Class B Baseline Advance Rate” means, with respect to each German AAA Select Component, the percentages agreed between the Issuer and the Class B Noteholders at the time the Class B Notes are first issued, which agreed percentages for the avoidance of doubt shall not require the consent of the Class A Noteholders.

“German Class B Blended Advance Rate” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the German Class B Blended Advance Rate Weighting Numerator and the denominator of which is the German Class B Blended Advance Rate Weighting Denominator, in each case as of such date.

“German Class B Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of each German AAA Select Component, in each case as of such date.

“German Class B Blended Advance Rate Weighting Numerator” means, as of any date of determination, an amount equal to the sum of an amount with respect to each German AAA Select Component equal to the product of such German AAA Select Component and the German Class B Adjusted Advance Rate with respect to such German AAA Select Component, in each case as of such date.

“German Collateral” means all of the assets which from time to time are, or are expressed to be, the subject of the German Security.

“German Collection Account (Irish Branch)” means the collection account in the name of German FleetCo with BNP Paribas, Dublin Branch in Ireland, into which certain German Collections shall be deposited.

“German Collection Account” has the meaning given to it in Sub-Clause 6.1(a) (*Establishment of German Collection Account*) of the German Facility Agreement.

“German Collection Account Reserve Ledger” means the ledger so named maintained in the German Collection Account.

“German Collections” means all payments on or in respect of the German Collateral.

“German Commitment Termination Date” means 1 October 2048.

“German Custodian” means PS-Fleet Lead Logistics GmbH with registered number HRA 4365 in the Commercial Register (Handelsregister) of the Local Court (Amtsgericht) of Wiesbaden, a company with limited liability incorporated in Germany, whose registered office is at Am Klingenberg 6, 65396 Wiesbaden, Germany.

“German Custody Agreement” means the custody agreement between German OpCo and the German Custodian dated 5 April 2012, as amended and restated from time to time.

“German Daily Collection Report” has the meaning specified in Sub-Clause 5.1(a) (*Daily Collection Reports*) of the German Facility Agreement.

“German Daily Interest Allocation” means, on each German Deposit Date, an amount equal to the aggregate amount of German Interest Collections deposited into the German Transaction Account on such date.

“German Daily Interest Amount” means, for any day in an Interest Period, an amount equal to the result of:

(a) the product of (i) the German Note Rate for such Interest Period and (ii) the German Note Principal Amount as of the close of business on such date; divided by

(b) 30.

“German Daily Principal Allocation” means, on each German Deposit Date, an amount equal to the aggregate amount of German Principal Collections deposited into the German Transaction Account on such date.

“German Decrease” has the meaning specified in Sub-Clause 2.4 (*Procedure for Decreasing the German Note Principal Amount*) of the German Facility Agreement.

“German Deposit Date” has the meaning specified in Sub-Clause 7.1 (*Allocations with Respect to the German Note*) of the German Facility Agreement.

“German Eligible Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Non-Program Vehicle owned by German FleetCo for which the Disposition Date has not occurred as of such date.

“German Eligible Investment Grade Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to German FleetCo, as of such date by all Investment Grade Manufacturers.

“German Eligible Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Program Vehicle owned by German FleetCo for which the Disposition Date has not occurred as of such date.

“German Eligible Non-Investment Grade (High) Program Receivable Amount” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to German FleetCo, as of such date by all Non-Investment Grade (High) Manufacturers.

“German Eligible Non-Investment Grade (Low) Program Receivable Amount” means, as of any date of determination, the sum of all Manufacturer Receivables payable to German FleetCo, as of such date by all Non-Investment Grade (Low) Manufacturers.

“German Eligible Non-Investment Grade Non-Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value of each Non-Investment Grade Non-Program Vehicle owned by German FleetCo for which the Disposition Date has not occurred as of such date.

“German Eligible Non-Investment Grade Program Vehicle Amount” means, as of any date of determination, the sum of the Net Book Value as of such date of each Non-Investment Grade (High) Program Vehicle and each Non-Investment Grade (Low) Program Vehicle, in each case, owned by German FleetCo and for which the Disposition Date has not occurred as of such date.

“German Eligible Vehicles” means the Eligible Vehicles owned by German FleetCo.

“German Enforcement Notice” has the meaning specified in Sub-Clause 6.1 (*German Enforcement Notice*) of the German Security Trust Deed.

“German Facility Agreement” means the VFN issuance facility agreement entered into between German FleetCo, the German Noteholder and the German Security Trustee dated on or about the Signing Date and as may be amended, restated or supplemented from time to time.

“German FleetCo” means Hertz Fleet Limited, with registered number 412465, a company with limited liability incorporated in Ireland with its principal place of business in Ireland, whose registered office is at Hertz Europe Service Centre, Swords Business Park, Swords, Co. Dublin, Ireland.

“German FleetCo Corporate Services Agreement” means the corporate services agreement between German FleetCo and the German FleetCo Corporate Services Provider dated on or about 13 September 2018 and as may be amended, restated or supplemented from time to time.

“German FleetCo Corporate Services Provider” means Wilmington Trust SP Services (Dublin) Limited.

“German FleetCo Irish Account Pledge Agreement” means the Irish bank account pledge agreement entered into on or about the Signing Date between German FleetCo as Pledgor and the German Security Trustee (as may be amended, restated or supplemented from time to time).

“German FleetCo Shares Pledge” means the deed of pledge of registered shares of German FleetCo dated on or about the Closing Date, granted by Hertz Holdings Netherlands B.V.

“German Initial Principal Amount” means €219,090,850.28.

“German Interest Collections” means on any date of determination, all German Collections which represent payments of Monthly Variable Rent under the German Master Lease plus any amounts earned on Permitted Investments in the German Collection Account that are available for distribution on such date and any indemnity amounts received by the German FleetCo from any Related Document.

“German Leasing Company Amortization Event” has the meaning given to it in Sub-Clause 10.1(p)(i) of the German Facility Agreement.

“German Legal Final Payment Date” means the one-year anniversary of the German Commitment Termination Date.

“German Liquidation Co-ordination Agreement” means the liquidation co-ordination agreement entered into between (among others) German FleetCo, the German Liquidation Co-ordinator and the German Security Trustee dated on or about the Signing Date.

“German Liquidation Co-ordinator” means KPMG S.A..

“German Manufacturer Receivables” means the Manufacturer Receivables owing to German FleetCo.

“German Master Fleet Purchase Agreement” means the German master fleet purchase agreement, dated on or around the Signing Date, as may be amended, restated or supplemented from time to time, among German FleetCo, German OpCo and the German Security Trustee.

“German Master Lease” means the German Master Lease and Servicing Agreement, dated on or about the Signing Date, as may be amended, restated or supplemented from time to time, between, among others, German FleetCo, as lessor thereunder and German OpCo, as lessee and servicer.

“German Master Lease Payment Default” means the occurrence of any event described in Sub-Clause 9.1.1 (*Events of Default*) of the German Master Lease.

“German Maximum Principal Amount” means EUR 750,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 625,000,000; provided further that such amount may be increased or reduced from time to time pursuant to written agreement between the German Noteholder and German FleetCo, provided that no such reduction shall cause the German Maximum Principal Amount to be less than the German Note Principal Amount.

“German Minimum Profit Amount” means €10,000 per annum.

“German Monthly Administration Fee” has the meaning specified in Clause 4 (*Compensation*) of the German Administration Agreement.

“German Monthly Collateral Certificate” has the meaning specified in Sub-Clause 5.1(d) (*German Monthly Collateral Certificate*) of the German Facility Agreement.

“German Monthly Interest” means, with respect to any Payment Date, an amount equal to the sum of:

- (a) the German Daily Interest Amount for each day in the Interest Period related to such Payment Date; plus
- (b) all previously due and unpaid amounts described in paragraph (a) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this paragraph (b) at the German Note Rate).

“German Monthly Servicing Certificate” has the meaning specified in Sub-Clause 5.1(c) (*Monthly Servicing Certificate*) of the German Facility Agreement.

“German Monthly Servicing Fee” has the meaning specified in Clause 6.6(a) (*Servicer’s Monthly Fee*) of the German Master Lease.

“German Note Framework Agreement” means the note framework agreement entered into between German FleetCo and the German Security Trustee dated on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“German Note Principal Amount” means, when used with respect to any date, an amount equal to the result of: (i) the German Initial Principal Amount, plus (ii) the principal amount of the portion of all German Advances funded by the German Noteholder on or prior to such date, minus (iii) the amount of principal payments (whether pursuant to a German Decrease, a redemption or otherwise) made to such German Noteholder pursuant to the German Facility Agreement.

“German Note Rate” means, for any Interest Period, the rate, as determined by the Issuer in its reasonable discretion, reflecting (i) the German Percentage of the Carrying Charges payable by the Issuer for such Interest Period and (ii) the proportion of interest costs by the Issuer for such Interest Period attributable to German FleetCo (based on the German Class A Blended Advance Rate).

“**German Note Register**” has the meaning specified in Sub-Clause 2.6 (*German Note Register*) of the German Note Framework Agreement.

“**German Note Repurchase Amount**” means, as of any date of determination, the sum of the German Note Principal Amount plus all accrued and unpaid interest thereon and any fees in respect thereof then due and payable to the German Noteholder.

“**German Noteholder**” means the Issuer.

“**German Note**” means each variable funding rental car asset backed note issued by German FleetCo pursuant to and in accordance with the German Note Framework Agreement and the German Facility Agreement.

“**German OpCo**” means Hertz Autovermietung GmbH, with registered number HRB 52255 in the Commercial Register (*Handelsregister*) of the Local Court (*Amtsgericht*) of Frankfurt am Main, a company with limited liability incorporated in Germany with its principal place of business in Germany, whose registered office is at Ginnheimer Straße 4, 65670 Eschborn, Germany.

“**German Parallel Debt**” has the meaning given to it in Sub-Clause 3.2 (*Parallel Debt*) of the German Parallel Debt Agreement.

“**German Parallel Debt Agreement**” means the parallel debt agreement dated the Signing Date, as may be amended, restated, supplemented from time to time, entered into by German FleetCo and the German Security Trustee in order to create a valid security interest under German law.

“**German Percentage**” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the German Note Principal Amount as of such date and the denominator of which is the sum of the Dutch Note Principal Amount, the French Facility Principal Amount, the German Note Principal Amount and the Spanish Note Principal Amount, in each case as of such date.

“**German Potential Leasing Company Amortization Event**” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute a German Leasing Company Amortization Event.

“**German Predecessor Administrator Work Product**” has the meaning given to it in Sub-Clause 6.4 (*Reliance on Prior Work Product*) of the German Back-Up Administration Agreement.

“**German Principal Collections**” means any German Collections other than German Interest Collections.

“**German Priority of Payments**” means the priority of payments applicable to the payments owed by German FleetCo under the German Related Documents set out in Sub-Clauses 7.3 (*Application of German Interest Collections*) and 7.4 (*Application of German Principal Collections*) of the German Facility Agreement.

“**German Receivables Assignment Agreement**” means the receivables assignment agreement dated on or about the Signing Date, as may be amended, restated, supplemented from time to time, entered into between German FleetCo and the German Security Trustee.

“**German Registrar**” means the German Administrator.

“**German Related Document Actions**” has the meaning specified in Sub-Clause 9.24(c) (*Actions under the German Related Documents and Manufacturer Programs*) of the German Facility Agreement.

“German Related Documents” means, collectively, the German Facility Agreement, the German Note Framework Agreement, the German Administration Agreement, the German Back-Up Administration Agreement, the German Liquidation Co-ordination Agreement, the German Security Documents, the German Master Lease, the German Master Fleet Purchase Agreement, the German FleetCo Corporate Services Agreement, the Tax Deed of Covenant, the THC Guarantee and Indemnity and any other agreements relating to the issuance or the purchase of the German Note.

“German Repeating Representations” means the representations and warranties of German FleetCo set out in Clause 8 (*Representations and Warranties*) of the German Facility Agreement save for: (i) Sub-Clause 8.3 (*No Consent*); (ii) Sub-Clause 8.12 (*Ownership of Limited Liability Company Interests*); (iii) Sub-Clause 8.20 (*Stamp Taxes*); (iv) Sub-Clause 8.21 (*Capitalisation*); (v) Sub-Clause 8.22 (*No Distributions*); and (vi) Sub-Clause 8.23 (*Beneficial Owner*).

“German Repurchase Date” has the meaning specified in Sub-Clause 11.1 (*Optional Redemption of the German Note*) of the German Facility Agreement.

“German Required Reserve Advance” means an amount as agreed between the German Security Trustee (acting on the instructions of Required Noteholders) and the German Liquidation Co-ordinator and notified to the Issuer and the German FleetCo.

“German Reserve Advance” has the meaning given to “Reserve Advance” in clause 2.3(a) (*Advances*) of the German Facility Agreement.

“German Secured Obligations” means the aggregate of German FleetCo’s Indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the German Secured Parties:

- (a) whether actually or contingently; or
- (b) whether presently due or falling due at some future time,

arising under the German Related Documents and the German Note, whether solely or jointly with another person, whether as principal or surety and whether or not the German Secured Parties shall have been an original party to the relevant transaction and in whatever currency denominated.

“German Secured Party” means each of the Parties listed at Schedule 1 (*FleetCo Secured Parties*) to the German Security Trust Deed.

“German Security” means the security interests granted to the German Security Trustee pursuant to the German Security Documents.

“German Security Documents” means the German Security Trust Deed, the German Account Pledge Agreement, the German Parallel Debt Agreement, the German Security Transfer Agreement, the German FleetCo Shares Pledge, the German FleetCo Irish Account Pledge Agreement and the German Receivables Assignment Agreement.

“German Security Transfer Agreement” means the security transfer agreement dated on or about the Signing Date, as may be amended, restated, supplemented from time to time, entered into between German FleetCo and the German Security Trustee.

“German Security Trust Deed” means the security trust deed dated on or about the Signing Date, as may be amended, restated, supplemented from time to time, entered into between the Issuer Security Trustee, the German Security Trustee, German FleetCo and the German Secured Parties named therein.

“German Security Trustee” means BNP Paribas Trust Corporation UK Limited.

“**German Servicer**” means Hertz Autovermietung GmbH, in its capacity as servicer under the German Master Lease.

“**German Supplemental Documents**” means the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to the German Master Lease, in each case solely to the extent to which such schedules and documents relate to Lease Vehicles or otherwise relate to and/or constitute German Collateral.

“**German Transaction Account**” means the transaction account in the name of German FleetCo from which withdrawals are made in accordance with Clause 7 (*Applications and Distributions*) of the German Facility Agreement.

“**German Transfer Date**” has the meaning specified in Sub-Clause 4.1 (*Transfer of Administrative Obligations*) of the German Back-Up Administration Agreement.

“**German Vehicle Documents**” means, in respect of both Program Vehicles and Non-Program Vehicles, the radio code/spare key, warranty/servicing booklet, German Vehicle Certificate I (*Zulassungsbescheinigung Teil I – “Kfz-Schein”*), German Vehicle Certificate II (*Zulassungsbescheinigung Teil II – “Kfz-Brief”*), invoice of Manufacturer/Dealer and the title transfer offer.

“**German Vehicles**” means all Vehicles owned by German FleetCo.

“**Initial Purchase Price**” means, in relation to a Vehicle, the purchase price or other consideration payable by German OpCo to the Supplier for the purchase by German OpCo of such Vehicle, as provided in the relevant Vehicle Purchasing Agreement;

“**New Sale and Repurchase Agreement**” means each Original Sale and Repurchase Agreement as amended by and pursuant to the relevant Supplemental Agreement (including the Required Contractual Criteria);

“**Onward Purchase Price**” means the purchase price payable by German FleetCo to German OpCo for a Relevant Vehicle which, for the avoidance of doubt, shall be equal to (i) the Initial Purchase Price and (if necessary) calculated by way of break-down of the aggregate price for each type of Vehicles subject to the respective Purchase Offer;

“**Original Sale and Repurchase Agreement**” means any Vehicle Purchasing Agreement entered into by the Supplier and German OpCo pursuant to which the Supplier has agreed to sell certain vehicles to German OpCo and to subsequently repurchase such vehicles from German OpCo in certain circumstances;

“**Purchase Offer**” has the meaning given to it in Sub-Clause 2.1 of the German Master Fleet Purchase Agreement;

“**Related Rights**” means, in connection with any Relevant Vehicle, all rights of the owner thereof including, without limitation, any rights to the benefit of any warranties or guarantees given by the manufacturer or seller of the Relevant Vehicle, excluding, however, any rights relating to volume rebates and discounts set forth in Sub-Clause 2.6 of each Supplemental Agreement;

“**Relevant Vehicle**” means any Vehicle (a) purchased by German OpCo from the Supplier under a Vehicle Purchasing Agreement and (b) subsequently sold by German OpCo to German FleetCo (and whereby legal title to such vehicle is transferred from German OpCo to German FleetCo under the German Master Fleet Purchase Agreement).

“**Supplemental Agreement**” means each supplemental agreement to be entered into in respect of an Original Sale and Repurchase Agreement between German FleetCo, German OpCo and a Supplier;

“**Supplier**” has the meaning given to such term in recital (A) of the German Master Fleet Purchase Agreement.

“**Title Transfer Offer**” has the meaning given in Sub-Clause 3.4 of the German Master Fleet Purchase Agreement.

1.5 SPANISH DEFINITIONS

“**Spanish AAA Component**” means each of:

- (a) the Spanish Eligible Investment Grade Program Vehicle Amount;
- (b) the Spanish Eligible Investment Grade Program Receivable Amount;
- (c) the Spanish Eligible Non-Investment Grade Program Vehicle Amount;
- (d) the Spanish Eligible Non-Investment Grade (High) Program Receivable Amount;
- (e) the Spanish Eligible Non-Investment Grade (Low) Program Receivable Amount;
- (f) the Spanish Eligible Investment Grade Non-Program Vehicle Amount;
- (g) the Spanish Eligible Non-Investment Grade Non-Program Vehicle Amount;
- (h) the Eligible Due and Unpaid Lease Payment Amount under the Spanish Master Lease;
- (i) the Spanish Net VAT Receivables; and
- (j) the Remainder AAA Amount with respect to Spanish FleetCo.

“**Spanish AAA Select Component**” means each Spanish AAA Component other than the Eligible Due and Unpaid Lease Payment Amount.

“**Spanish Acceleration Notice**” has the meaning given to it in Sub-Clause 6.3 (*Spanish Acceleration Notice*) of the Spanish Security Trust Deed.

“**Spanish Account Bank**” means BNP Paribas, Spanish Branch or, as the case may be, any other Acceptable Bank which would be subsequently appointed as Spanish Account Bank.

“**Spanish Account Letter of Acknowledgement**” means the letter of acknowledgement in respect of the Spanish Accounts signed by the Spanish Account Bank, the Spanish Security Trustee and Spanish FleetCo on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“**Spanish Account Mandates**” means the signature authorities relating to a Spanish Account, as amended from time to time.

“**Spanish Accounts**” means the accounts established and maintained in the name of Spanish FleetCo.

“**Spanish Administration Agreement**” means the Spanish administration agreement entered into between Spanish FleetCo, the Spanish Administrator and the Spanish Security Trustee dated on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“**Spanish Administrator**” means Hertz de España, S.L., a limited liability company incorporated and existing under the laws of the Kingdom of Spain, with registered office at calle Jacinto Benavente 2, Edificio B, 3^o planta, Las Rozas, Madrid (Spain) and Spanish Tax Id number B-28121549.

“**Spanish Administrator Default**” has the meaning specified in Sub-Clause 9.2 (*Term of Agreement; Removal of Spanish Administrator*) of the Spanish Administration Agreement.

“**Spanish Advance**” has the meaning given to “Advance” in clause 2.3(a) (*Advances*) of the Spanish Facility Agreement.

“**Spanish Aggregate Asset Amount**” means, as of any date of determination, the amount equal to the sum of each of the following with respect to Spanish FleetCo:

- (k) the aggregate Net Book Value of all Spanish Eligible Vehicles as of such date;
- (l) the aggregate amount of all Spanish Manufacturer Receivables as of such date;
- (m) the Due and Unpaid Lease Payment Amount in respect of the Spanish Master Lease as of such date; and
- (n) the Spanish Net VAT Receivables as of such date.

“**Spanish Back-Up Administration Agreement**” means the Spanish back-up administration agreement entered into between Spanish FleetCo, the Spanish Administrator, the Spanish Back-Up Administrator and the Spanish Security Trustee dated on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“**Spanish Back-Up Administrator**” means TMF SFS Management B.V.

“**Spanish Back-Up Servicing Fee**” has the meaning given to it in Sub-Clause 6.1(a) (*Compensation*) of the Spanish Back-Up Administration Agreement.

“**Spanish Bank Account Pledge Agreement**” means the public deed of pledge over credit rights arising from bank accounts entered into on or about the Signing Date, as may be amended, restated, supplemented from time to time, between Spanish FleetCo as Pledgor and the Spanish Security Trustee.

“**Spanish Carrying Charges**” means, for any Payment Date, without duplication, the sum of:

- (a) the Spanish Monthly Servicing Fee payable by Spanish FleetCo to the Spanish Servicer pursuant to the Spanish Master Lease on such Payment Date;
- (b) all reasonable out-of-pocket costs and expenses of Spanish FleetCo incurred in connection with the Spanish Note;
- (c) all fees, expenses and other amounts payable by Spanish FleetCo under the Spanish Related Documents;
- (d) any accrued Spanish Carrying Charges that remain unpaid as of the immediately preceding Payment Date (after giving effect to all distributions in respect of such Payment Date);
- (e) the Spanish Percentage of the Carrying Charges; and
- (f) one twelfth of the Spanish Percentage of the Issuer Minimum Profit Amount.

“**Spanish Class A Adjusted Advance Rate**” means, as of any date of determination, with respect to any Spanish AAA Select Component, a percentage equal to the greater of (A) (i) the Spanish Class A Baseline Advance Rate for such Spanish AAA Component, minus (ii) the Class A Concentration Excess Advance Rate Adjustment for such Spanish AAA Select Component minus (iii) the Class A MTM/DT Advance Rate Adjustment for such Spanish AAA Select Component; and (B) zero.

“**Spanish Class A Baseline Advance Rate**” means, with respect to each Spanish AAA Select Component, the percentage set forth opposite such Spanish AAA Select Component in the

following table (provided that for the Spanish AAA Select Component related to Vehicles subleased to a Fleetco from another jurisdiction as per clause 5.2.2 (D) and 5.2.2 (E) of the Spanish Master Lease and Servicing Agreement, the percentage shall be the lower of (i) the percentage set forth opposite such Spanish AAA Select Component in the below table and (ii) the percentage set forth opposite such Fleetco AAA Select Component in the table related to the Fleetco Class A Baseline Advance Rate with respect to the Fleetco where it is subleased):

Spanish AAA Component	Spanish Class A Baseline Advance Rate
Spanish Eligible Investment Grade Program Vehicle Amount	87.5%
Spanish Eligible Investment Grade Program Receivable Amount	87.5%
Spanish Eligible Non-Investment Grade Program Vehicle Amount	52.5%
Spanish Eligible Non-Investment Grade (High) Program Receivable Amount	0%
Spanish Eligible Investment Grade Non-Program Vehicle Amount, provided that where the relevant Spanish Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the Spanish Master Lease, the following Spanish Class A Baseline Advance Rate shall apply to such subleased Vehicles:	60.5%
- Spanish Eligible Vehicles subleased to France:	60.5%
- Spanish Eligible Vehicles subleased to Germany:	60.5%
- Spanish Eligible Vehicles subleased to the Netherlands:	60.5%
Spanish Eligible Non-Investment Grade Non-Program Vehicle Amount, provided that where the relevant Spanish Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the Spanish Master Lease, the following Spanish Class A Baseline Advance Rate shall apply to such subleased Vehicles:	52.5%
- Spanish Eligible Vehicles subleased to France:	52.5%
- Spanish Eligible Vehicles subleased to Germany:	52.5%
- Spanish Eligible Vehicles subleased to the Netherlands:	52.5%
Spanish Net VAT Receivables,	97.25%
Remainder AAA Amount	0%

“**Spanish Class A Blended Advance Rate**” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Spanish Class A Blended Advance Rate Weighting Numerator and the denominator of which is the Spanish Class A Blended Advance Rate Weighting Denominator, in each case as of such date.

“**Spanish Class A Blended Advance Rate Weighting Denominator**” means, as of any date of determination, an amount equal to the sum of each Spanish AAA Select Component, in each case as of such date.

“**Spanish Class A Blended Advance Rate Weighting Numerator**” means, as of any date of determination, an amount equal to the sum of an amount with respect to each Spanish AAA Select Component equal to the product of such Spanish AAA Select Component and the Spanish Class A Adjusted Advance Rate with respect to such Spanish AAA Select Component, in each case as of such date.

“**Spanish Class B Adjusted Advance Rate**” means, as of any date of determination, with respect to any Spanish AAA Select Component, a percentage equal to the greater of (A) (i) the Spanish Class B Baseline Advance Rate for such Spanish AAA Component, minus (ii) the Class B Concentration Excess Advance Rate Adjustment for such Spanish AAA Select Component minus (iii) the Class B MTM/DT Advance Rate Adjustment for such Spanish AAA Select Component; and (B) zero.

“**Spanish Class B Baseline Advance Rate**” means, with respect to each Spanish AAA Select Component, the percentages agreed between the Issuer and the Class B Noteholders at the time the Class B Notes are first issued, which agreed percentages for the avoidance of doubt shall not require the consent of the Class A Noteholders.

“**Spanish Class B Blended Advance Rate**” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Spanish Class B Blended Advance Rate Weighting Numerator and the denominator of which is the Spanish Class B Blended Advance Rate Weighting Denominator, in each case as of such date.

“**Spanish Class B Blended Advance Rate Weighting Denominator**” means, as of any date of determination, an amount equal to the sum of each Spanish AAA Select Component, in each case as of such date.

“**Spanish Class B Blended Advance Rate Weighting Numerator**” means, as of any date of determination, an amount equal to the sum of an amount with respect to each Spanish AAA Select Component equal to the product of such Spanish AAA Select Component and the Spanish Class B Adjusted Advance Rate with respect to such Spanish AAA Select Component, in each case as of such date.

“**Spanish Collateral**” means all of the assets which from time to time are, or are expressed to be, the subject of the Spanish Security.

“**Spanish Collection Account**” means the collection account in the name of Spanish FleetCo into which Spanish Collections shall be deposited.

“**Spanish Collection Account Reserve Ledger**” means the ledger so named maintained in the Spanish Collection Account.

“**Spanish Collections**” means all payments on or in respect of the Spanish Collateral.

“**Spanish Commitment Termination Date**” means 1 October 2048.

“**Spanish Daily Collection Report**” has the meaning specified in Sub-Clause 5.1(a) (*Daily Collection Reports*) of the Spanish Facility Agreement.

“**Spanish Daily Interest Allocation**” means, on each Spanish Deposit Date, an amount equal to the aggregate amount of Spanish Interest Collections deposited into the Spanish Transaction Account on such date.

“**Spanish Daily Interest Amount**” means, for any day in an Interest Period, an amount equal to the result of:

- (a) the product of (i) the Spanish Note Rate for such Interest Period and (ii) the Spanish Note Principal Amount as of the close of business on such date; divided by
- (b) 30.

“**Spanish Daily Principal Allocation**” means, on each Spanish Deposit Date, an amount equal to the aggregate amount of Spanish Principal Collections deposited into the Spanish Transaction Account on such date.

“**Spanish Decrease**” has the meaning specified in Sub-Clause 2.4(a) (*Procedure for Decreasing the Spanish Note Principal Amount*) of the Spanish Facility Agreement.

“**Spanish Deposit Date**” has the meaning specified in Sub-Clause 7.1 (*Allocations with Respect to the Spanish Note*) of the Spanish Facility Agreement.

“**Spanish Eligible Investment Grade Non-Program Vehicle Amount**” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Non-Program Vehicle owned by Spanish FleetCo in respect of the Spanish Vehicles for which the Disposition Date has not occurred as of such date.

“**Spanish Eligible Investment Grade Program Receivable Amount**” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to Spanish FleetCo in respect of the Spanish Vehicles, as of such date by all Investment Grade Manufacturers.

“**Spanish Eligible Investment Grade Program Vehicle Amount**” means, as of any date of determination, the sum of the Net Book Value as of such date of each Investment Grade Program Vehicle owned by Spanish FleetCo in respect of the Spanish Vehicles for which the Disposition Date has not occurred as of such date.

“**Spanish Eligible Non-Investment Grade (High) Program Receivable Amount**” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to Spanish FleetCo in respect of the Spanish Vehicles, as of such date by all Non-Investment Grade (High) Manufacturers.

“**Spanish Eligible Non-Investment Grade (Low) Program Receivable Amount**” means, as of any date of determination, the sum of all Manufacturer Receivables payable to Spanish FleetCo in respect of the Spanish Vehicles, as of such date by all Non-Investment Grade (Low) Manufacturers.

“**Spanish Eligible Non-Investment Grade Non-Program Vehicle Amount**” means, as of any date of determination, the sum of the Net Book Value of each Non-Investment Grade Non-Program Vehicle owned by Spanish FleetCo in respect of the Spanish Vehicles for which the Disposition Date has not occurred as of such date.

“**Spanish Eligible Non-Investment Grade Program Vehicle Amount**” means, as of any date of determination, the sum of the Net Book Value as of such date of each Non-Investment Grade (High) Program Vehicle and each Non-Investment Grade (Low) Program Vehicle, in each case, owned by Spanish FleetCo in respect of the Spanish Vehicles and for which the Disposition Date has not occurred as of such date.

“**Spanish Eligible Vehicles**” means the Eligible Vehicles owned by Spanish FleetCo in respect of the Spanish Vehicles.

“**Spanish Enforcement Notice**” has the meaning specified in Sub-Clause 6.1 (*Spanish Enforcement Notice*) of the Spanish Security Trust Deed.

“**Spanish Facility Agreement**” means the VFN issuance facility agreement entered into between Spanish FleetCo, the Spanish Noteholder and the Spanish Security Trustee dated on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“**Spanish FleetCo**” means Stuurgroep Fleet (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34275100. Stuurgroep Fleet (Netherlands) B.V. is acting through its Spanish branch, STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA, whose registered office is at calle Jacinto Benavente, 2, Edificio B, 3ª planta, Las Rozas de Madrid, Madrid (Spain) and registered with the Commercial Registry of Madrid under Volume 37748, Book M-672439, Folio 1.

“**Spanish Initial Principal Amount**” means €178,226,305.33.

“**Spanish Interest Collections**” means on any date of determination, all Spanish Collections which represent payments of Monthly Variable Rent under the Spanish Master Lease plus any amounts earned on Permitted Investments in the Spanish Collection Account that are available for distribution on such date and any indemnity amounts received by the Spanish FleetCo from any Related Document.

“**Spanish Leasing Company Amortization Event**” has the meaning given to it in Sub-Clause 10.1(o)(i) of the Spanish Facility Agreement.

“**Spanish Legal Final Payment Date**” means the one-year anniversary of the Spanish Commitment Termination Date.

“**Spanish Liquidation Co-ordination Agreement**” means the liquidation co-ordination agreement entered into between (among others) Spanish FleetCo, the Spanish Liquidation Co-ordinator and the Spanish Security Trustee dated on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“**Spanish Liquidation Co-ordinator**” means KPMG S.A..

“**Spanish Manufacturer Receivables**” means the Manufacturer Receivables owing to Spanish FleetCo in respect of Spanish Vehicles only.

“**Spanish Master Lease**” means the Spanish Master Lease and Servicing Agreement, dated on or about the Signing Date between, among others, Spanish FleetCo, as lessor thereunder and Spanish OpCo, as lessee and servicer and as may be amended, restated, supplemented from time to time.

“**Spanish Master Lease Payment Default**” means the occurrence of any event described in Sub-Clause 9.1.1 (*Events of Default*) of the Spanish Master Lease.

“**Spanish Maximum Principal Amount**” means EUR 750,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 625,000,000; provided further that such amount may be increased or reduced from time to time pursuant to written agreement between the Spanish Noteholder and Spanish FleetCo, provided that no such reduction shall cause the Spanish Maximum Principal Amount to be less than the Spanish Note Principal Amount.

“**Spanish Minimum Profit Amount**” means, on an annual basis, an amount equal to five per cent. (5%) of Spanish Servicing Fee payable under the Spanish Master Lease as the local GAAP profit before tax.

“**Spanish Monthly Administration Fee**” has the meaning specified in Clause 4 (*Compensation*) of the Spanish Administration Agreement.

“**Spanish Monthly Collateral Certificate**” has the meaning specified in Sub-Clause 5.1(d) (*Monthly Collateral Certificate*) of the Spanish Facility Agreement.

“**Spanish Monthly Interest**” means, with respect to any Payment Date, an amount equal to the sum of:

- (a) the Spanish Daily Interest Amount for each day in the Interest Period related to such Payment Date; plus
- (b) all previously due and unpaid amounts described in paragraph (a) with respect to prior Interest Periods (together with interest on such unpaid amounts required to be paid in this paragraph (b) at the Spanish Note Rate).

“**Spanish Monthly Servicing Certificate**” has the meaning specified in Sub-Clause 5.1(c) (*Monthly Servicing Certificate*) of the Spanish Facility Agreement.

“**Spanish Monthly Servicing Fee**” has the meaning specified in Clause 6.6(a) (*Servicer’s Monthly Fee*) of the Spanish Master Lease.

“**Spanish Note Framework Agreement**” means the note framework agreement entered into between Spanish FleetCo and the Spanish Security Trustee dated on or about the Signing Date and as may be amended, restated, supplemented from time to time.

“**Spanish Net VAT Receivables**” means the Net VAT Receivables owing to Spanish FleetCo.

“**Spanish Note Principal Amount**” means, when used with respect to any date, an amount equal to the result of: (i) the Spanish Initial Principal Amount, plus (ii) the principal amount of the portion of all Spanish Advances funded by the Spanish Noteholder on or prior to such date, minus (iii) the amount of principal payments (whether pursuant to a Spanish Decrease, a redemption or otherwise) made to such Spanish Noteholder pursuant to the Spanish Facility Agreement.

“**Spanish Note Rate**” means, for any Interest Period, the rate, as determined by the Issuer in its reasonable discretion, reflecting (i) the Spanish Percentage of the Carrying Charges payable by the Issuer for such Interest Period and (ii) the proportion of interest costs by the Issuer for such Interest Period attributable to Spanish FleetCo (based on the Spanish Class A Blended Advance Rate).

“**Spanish Note Register**” has the meaning specified in Sub-Clause 2.6 (*Spanish Note Register*) of the Spanish Note Framework Agreement.

“**Spanish Note Repurchase Amount**” means, as of any date of determination, the sum of the Spanish Note Principal Amount plus all accrued and unpaid interest thereon and any fees in respect thereof then due and payable to the Spanish Noteholder.

“**Spanish Noteholder**” means the Issuer.

“**Spanish Note**” means each variable funding rental car asset backed note issued by Spanish FleetCo pursuant to and in accordance with the Spanish Note Framework Agreement and the Spanish Facility Agreement.

“**Spanish OpCo**” means Hertz de España, S.L., a limited liability company incorporated and existing under the laws of the Kingdom of Spain, with registered office at calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (Spain) and Spanish Tax Id number B-28121549.

“**Spanish Percentage**” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the Spanish Note Principal Amount as of such date and the denominator of which is the sum of the Dutch Note Principal Amount, the French Facility Principal Amount, the German Note Principal Amount and the Spanish Note Principal Amount, in each case as of such date.

“**Spanish Potential Leasing Company Amortization Event**” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute a Spanish Leasing Company Amortization Event.

“**Spanish Predecessor Administrator Work Product**” has the meaning given to it in Sub-Clause 6.4 (*Reliance on Prior Work Product*) of the Spanish Back-Up Administration Agreement.

“**Spanish Pledge over Credit Rights**” means the public deed of pledge over credit rights dated on or around the Signing Date between Spanish FleetCo as Pledgor and the Spanish Security Trustee and as may be amended, restated, supplemented from time to time.

“**Spanish Pledge over VAT Receivables**” means the public deed of pledge over credit rights arising from VAT Receivables dated on or around the Signing Date between Spanish FleetCo as Pledgor and the Spanish Security Trustee and as may be amended, restated, supplemented from time to time.

“**Spanish Principal Collections**” means any Spanish Collections other than Spanish Interest Collections.

“**Spanish Priority of Payments**” means the priority of payments applicable to the payments owed by Spanish FleetCo under the Spanish Related Documents set out in Sub-Clauses 7.3 (*Application of Spanish Interest Collections*) and 7.4 (*Application of Spanish Principal Collections*) of the Spanish Facility Agreement.

“**Spanish Registrar**” means the Spanish Administrator.

“**Spanish Related Document Actions**” has the meaning specified in Sub-Clause 9.24(c) (*Actions under the Spanish Related Documents and Manufacturer Programs*) of the Spanish Facility Agreement.

“**Spanish Related Documents**” means, collectively, the Spanish Facility Agreement, the Spanish Note Framework Agreement, the Spanish Administration Agreement, the Spanish Back-Up Administration Agreement, the Spanish Liquidation Co-ordination Agreement, the Spanish Security Documents, the Spanish Master Lease, the Spanish Third Party Holding Agreement, the Spanish Transfer Agreement, the Tax Deed of Covenant, the THC Guarantee and Indemnity and any other agreements relating to the issuance or the purchase of the Spanish Note.

“**Spanish Repeating Representations**” means the representations and warranties of Spanish FleetCo set out in Clause 8 (*Representations and Warranties*) of the Spanish Facility Agreement save for: (i) Sub-Clause 8.3 (*No Consent*); (ii) Sub-Clause 8.12 (*Ownership of Limited Liability Company Interests*); (iii) Sub-Clause 8.19 (*Stamp Taxes*); (iv) Sub-Clause 8.20 (*Capitalisation*); (v) Sub-Clause 8.21 (*No Distributions*); and (vi) Sub-Clause 8.22 (*Beneficial Owner*).

“**Spanish Repurchase Date**” has the meaning given to it in Sub-Clause 11.1 (*Optional Redemption of the Spanish Note*) of the Spanish Facility Agreement.

"**Spanish Required Reserve Advance**" means an amount as agreed between the Spanish Security Trustee (acting on the instructions of Required Noteholders) and the Spanish Liquidation Co-ordinator and notified to the Issuer and the Spanish FleetCo.

"**Spanish Reserve Advance**" has the meaning given to "Reserve Advance" in clause 2.3(a) (*Advances*) of the Spanish Facility Agreement.

"**Spanish Secured Obligations**" means the aggregate of Spanish FleetCo's Indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the Spanish Secured Parties:

- (a) whether actually or contingently; or
- (b) whether presently due or falling due at some future time,

arising under the Spanish Related Documents and the Spanish Note, whether solely or jointly with another person, whether as principal or surety and whether or not the Spanish Secured Parties shall have been an original party to the relevant transaction and in whatever currency denominated.

"**Spanish Secured Party**" means each of the Parties listed at Schedule 1 (*Spanish Secured Parties*) to the Spanish Security Trust Deed.

"**Spanish Security**" means the security interests granted to the Spanish Security Trustee pursuant to the Spanish Security Documents.

"**Spanish Security Documents**" means the Spanish Security Trust Deed, the Spanish Vehicle Pledge Agreement, the Spanish Bank Account Pledge Agreement, the Spanish Pledge over Credit Rights, the Spanish Pledge over VAT Receivables, the Spanish Third Party Holding Agreement and the Dutch Shares Pledge.

"**Spanish Security Trust Deed**" means the security trust deed dated on or about the Signing Date entered into between the Issuer Security Trustee, the Spanish Security Trustee, Spanish FleetCo and the Spanish Secured Parties named therein and as may be amended, restated, supplemented from time to time.

"**Spanish Security Trustee**" means BNP Paribas Trust Corporation UK Limited.

"**Spanish Servicer**" means Hertz de España, S.L., in its capacity as servicer under the Spanish Master Lease.

"**Spanish Servicing Fee**" means €400,000 per annum or such other adjusted amount notified to the Lessor by the Spanish Servicer based on the reasonable costs and expenses incurred in connection with the provision of services in accordance with the Spanish Master Lease.

"**Spanish Supplemental Documents**" means the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to the Spanish Master Lease, in each case solely to the extent to which such schedules and documents relate to Lease Vehicles or otherwise relate to and/or constitute Spanish Collateral.

"**Spanish Third Party Holder**" means Hertz de España, S.L.

"**Spanish Third Party Holding Agreement**" means the Spanish third party holding agreement dated on or around the Signing Date entered into by the Spanish Security Trustee and the Spanish Third Party Holder and as may be amended, restated, supplemented from time to time.

“**Spanish Transaction Account**” means the transaction account in the name of Spanish FleetCo from which withdrawals are made in accordance with Clause 7 (*Applications and Distributions*) of the Spanish Facility Agreement.

“**Spanish Transfer Agreement**” means the sale and purchase agreement dated on or around the Signing Date entered into by the Spanish Third Party Holder and Spanish FleetCo and as may be amended, restated, supplemented from time to time.

“**Spanish Transfer Date**” has the meaning specified in Sub-Clause 4.1 (*Transfer of Administrative Obligations*) of the Spanish Back-Up Administration Agreement.

“**Spanish Vehicle Pledge Agreement**” means the Spanish vehicle pledge agreement dated on or around the Signing Date entered into between Spanish FleetCo as Pledgor, the Spanish Security Trustee and the Spanish Third Party Holder and as may be amended, restated, supplemented from time to time.

“**Spanish Vehicle Documents**” means the registration documents, keys and spare keys to the Spanish Vehicles.

“**Spanish Vehicles**” means all Vehicles owned by Spanish FleetCo and which are leased pursuant to the Spanish Master Lease (which, for the avoidance of doubt, excludes any Dutch Vehicles).

2 PRINCIPLES OF INTERPRETATION AND CONSTRUCTION

2.1 Knowledge

References in any Related Document to the expression “actual knowledge” or “so far as a person is aware” or “to the best of the knowledge, information and belief of a person” or any similar expression in respect of any matter shall be deemed to refer to the actual knowledge of directors and senior officers of the person, together with the knowledge which such persons could have had if they had made all reasonable enquiries.

Subject to the provisions of the Issuer Security Trust Deed, Dutch Security Trust Deed, French Security Trust Deed, German Security Trust Deed and Spanish Security Trust Deed relating to the awareness of certain events by the Issuer Security Trustee, Dutch Security Trustee, French Security Trustee, German Security Trustee and Spanish Security Trustee, as the case may be, the Issuer Security Trustee, Dutch Security Trustee, French Security Trustee, German Security Trustee and Spanish Security Trustee are taken not to be aware of anything until an officer or employee of the Issuer Security Trustee, Dutch Security Trustee, French Security Trustee, German Security Trustee and Spanish Security Trustee, as the case may be (or a related entity of the Issuer Security Trustee, Dutch Security Trustee, French Security Trustee, German Security Trustee and Spanish Security Trustee, as the case may be), having day to day responsibility for the administration or management of the transactions contemplated by the Related Documents has actual knowledge of sufficient facts to ascertain that thing.

2.2 Interpretation

Any reference in any Related Document to:

- (a) a “**Related Document**” or any other agreement or instrument is a reference to that Related Document, or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced;
- (b) an “**asset**” includes present and future reserves and property;
- (c) “**continuing**”, means, in relation to a Liquidation Event, Amortization Event, Issuer Administrator Default, FleetCo Administrator Default, Manufacturer Event of Default, Lease Event of Default, Subordinated Note Event of Default, Dutch Master Lease Payment Default, French Master Lease Payment Default, German Master Lease Payment Default, Spanish Master Lease Payment Default, Servicer Termination Event or any Potential Amortization Event, such circumstance or event has occurred and has not been remedied or waived;
- (d) “**including**” shall be construed as a reference to “**including without limitation**”, so that any list of items or matters appearing after the word “**including**” shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word “**including**”;
- (e) a “**law**” shall be construed as any law (including common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, bye law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court, in each case, as amended, modified, codified, re-enacted or replaced, in whole or in part, and in effect from time to time;
- (f) a “**month**” is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next succeeding calendar month except that:
 - (i) if any such numerically corresponding day is not a Business Day, such period shall end on the immediately succeeding Business Day to occur in that next

succeeding calendar month or, if none, it shall end on the immediately preceding Business Day; and

- (ii) if there is no numerically corresponding day in that next succeeding calendar month, that period shall end on the last Business Day in that next succeeding calendar month,

and references to “months” shall be construed accordingly;

- (g) “principal” shall, where applicable, include premium;
- (h) “repay”, “redeem” and “pay” shall each include both of the others and “repaid”, “repayable” and “repayment”, “redeemed”, “redeemable” and “redemption” and “paid”, “payable” and “payment” shall be construed accordingly;
- (i) a “successor” of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any document or to which, under such laws, such rights and obligations have been transferred;
- (j) a “wholly owned subsidiary” of a company or corporation shall be construed as a reference to any company or corporation which has no other members except that other company or corporation and that other company’s or corporation’s wholly owned subsidiaries or persons acting on behalf of that other company or corporation or its wholly owned subsidiaries;
- (k) “Euro”, “Euros”, “EUR” or “€” is a reference to the official currency of the European Union;
- (l) “Sterling”, “pounds”, “GBP” or “£” is a reference to the official currency of the United Kingdom;
- (m) the “date hereof” is a reference to the original date of the Related Document; and
- (n) a Person include such Person’s permitted successors and assigns. Any reference in any Related Document, where it relates to a Dutch entity, to:
 - (i) a necessary action to authorise, where applicable, includes without limitation:
 - (A) any action required to comply with the Dutch Works Council Act (*Wet op de ondernemingsraden*); and
 - (B) obtaining unconditional positive advice (*advies*) from each competent works council;
 - (ii) a winding-up, administration or dissolution includes a Dutch entity being:
 - (A) declared bankrupt (*failliet verklaard*);
 - (B) dissolved (*ontbonden*);
 - (iii) a moratorium includes *surseance van betaling* and granted a moratorium includes *surseance verleend*;
 - (iv) a liquidator includes a *curator*;
 - (v) an administrator includes a *bewindvoerder*;

- (vi) a receiver or an administrative receiver does not include a *curator* or *bewindvoerder*; and
 - (vii) an attachment includes a *beslag*.
- (o) Any reference in any Related Document, where it relates to a Spanish entity, to:
- (i) a winding-up, administration or dissolution includes, without limitation, insolvency (*concurso de acreedores*, irrespective of whether it is considered voluntary *-voluntario-* or compulsory *-necesario-*), any notice to a competent court pursuant to Article 583 of the Recast Spanish Insolvency Law, the application to file for insolvency ("*solicitud de concurso*"), court resolution declaring the insolvency proceeding ("*auto de declaración de concurso*"), liquidation, refinancing agreement (*acuerdo colectivo de refinanciación* or any arrangement in accordance with articles 598 et seq. and articles 609 et seq. of the reinstated version of the Spanish Insolvency Law (*Texto Refundido de la Ley Concursal*), approved by the Royal Legislative Decree 1/2020, of 5 May and as amended from time to time), moratorium or suspension of payments, controlled management (*intervención administrativa o judicial*), general settlement with creditors ("*convenio judicial con acreedores*"), reorganisation or similar laws affecting the rights of creditors generally, and a winding-up in accordance with the articles of the Title X of the Royal Legislative Decree 1/2010 dated 2 July, approving the consolidated text of Spanish Corporate Enterprises Law (*Real Decreto Legislativo 1/2010 de 2 de Julio por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) as amended from time to time;
 - (ii) a "winding-up", "administration" or "dissolution" includes, without limitation, *disolución, liquidación, procedimiento concursal* or any other similar proceedings;
 - (iii) a receiver, administrative receiver, administrator, trustee, custodian, sequestrator, conservator or similar officer includes, without limitation, *administración concursal, administrador concursal* or any other person performing the same function;
 - (iv) creditors process means an executor attachment (*embargo ejecutivo*) or a conservatory attachment (*embargo preventivo*); and
 - (v) a corporate being "unable to pay its debts" includes that person being in a state of *insolvencia* or *concurso*, or which cash situation does not enable them to face their current payment obligations; or is unable or admits inability to pay its debts as they fall due.
- (p) Any reference in any Related Document, where it relates to a German entity, "Insolvency" means that such person is in a situation of illiquidity (*Zahlungsunfähigkeit*) according to Section 17 German Insolvency Code, over indebtedness (*berschuldung*) according to section 19 German Insolvency Code or pending illiquidity (*Drohende Zahlungsunfähigkeit*) according to Section 18 of the German Insolvency Code.
- (q) Any reference in any Related Document, where it relates to French entity:
- (i) "Insolvent" means in respect of any entity who is resident in France or who has its centre of main interests (as such term is used in Article 3(1) of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast)) in France, that:
 - (A) such person is in a position of suspension of payments (cessation des paiements) within the meaning of L.631-1 of the French Code de commerce;

(B) such person admits in writing its inability to pay its debts as they fall due or otherwise states it is insolvent; or

(C) such Person suspends payment of its debts to creditors generally or announces its intention to do so.

(ii) "Insolvency Proceedings" means:

(A) in respect of any entity who is resident in France or who has its centre of main interests (as such term is used in Article 3(1) of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast)) in France, that any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, dissolution, the opening of proceedings for

(B) a "mandat ad hoc", "procédure de conciliation", "procédure de sauvegarde", "procédure de sauvegarde accélérée", "procédure de sauvegarde financière accélérée", "procédure de redressement judiciaire", "procédure de liquidation judiciaire" as set out under "LIVRE VI" of the French Code de commerce; or

(C) a procédure d'alerte in accordance with articles L. 234-1 of the Commercial Code.

2.3 Other agreements

Any reference to the Master Definitions and Constructions Agreement or any other agreement or document shall be construed as a reference to the Master Definitions and Constructions Agreement or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, modified, varied, novated, supplemented or replaced.

2.4 Statutes and Treaties

Any reference to a statute or treaty shall be construed as a reference to such statute or treaty as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted.

2.5 Schedules

Any Schedule of, or Annex or Exhibit to a Related Document forms an integral and essential part of such agreement and shall have the same force and effect as if the provisions of such Schedule, Annex or Exhibit were set out in the body of such Related Document. Any reference to a Related Document shall include any such Schedule, Annex or Exhibit.

2.6 Headings

Clause, Part, Schedule, Paragraph and Clause headings and any tables of contents are for ease of reference only and shall not affect the construction of any Related Document and shall in no way modify or restrict any of the terms or provisions of any Related Document.

2.7 Clauses

Except as otherwise specified in a Related Document, reference in a Related Document to:

(a) a "Clause" shall be construed as a reference to a Clause of such document;

(b) a "Sub-Clause" shall be construed as a reference to a Sub-Clause of such document;

- (c) a “**Part**” shall be construed as a reference to a Part of such document;
- (d) a “**Schedule**” shall be construed as a reference to a Schedule of such document;
- (e) a “**Paragraph**” shall be construed as a reference to a Paragraph of a Schedule of such document; and
- (f) “**this Agreement**” or “**this Deed**”, as the case may be, shall be construed as a reference to such document together with any Schedules thereto.

2.8 Number

Save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

2.9 Time of the Essence; Time of Day

Any date or period specified in any document may be postponed or extended by mutual agreement between the applicable parties, but as regards any date or period originally fixed or so postponed or extended, time shall be of the essence. Reference to any time of day is a reference to such time in London unless otherwise stated.

2.10 Spelling Conventions

For the avoidance of doubt, any words importing an American English spelling variety shall have the same meaning and legal effect as though the British English spelling variety had been used.

2.11 Validity

If any obligations of a party to a Related Document or provisions of a Related Document are subject to or contrary to any mandatory principles of applicable law, compliance with such obligations and/or provisions of the Related Document shall be deemed to be subject to such mandatory principles (or waived) to the extent necessary to be in compliance with such law.

Notwithstanding any term of any Related Document, the consent of any Person who is not a party hereto is not required to rescind or vary this Master Definitions and Constructions Agreement at any time.

3 COMMON TERMS

3.1 Contractual recognition of bail-in

- (a) Notwithstanding any other term of any Related Document or any other agreement, arrangement or understanding between the parties, each party acknowledges and accepts that any liability of any party to any other party under or in connection with the Related Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:
 - (i) any Bail-In Action in relation to any such liability, including (without limitation):
 - (A) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (B) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and

(C) a cancellation of any such liability; and

(ii) a variation of any term of any Related Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

(b) In this Clause 3.1:

"**Article 55 BRRD**" means Article 55 of Directive 2014/59/EU] establishing a framework for the recovery and resolution of credit institutions and investment firms.

"**Bail-In Action**" means the exercise of any Write-down and Conversion Powers.

"**Bail-In Legislation**" means in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time.

"**EEA Member Country**" means any member state of the European Union, Iceland, Liechtenstein and Norway.

"**EU Bail-In Legislation Schedule**" means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

"**Resolution Authority**" means any body which has authority to exercise any Write- down and Conversion Powers.

"**Write-down and Conversion Powers**" means: in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule.

3.2 Chain of Instructions

Each of the Issuer Security Trustee, each FleetCo Security Trustee and each Class A Noteholder agree that, where any Relevant Document requires a FleetCo Security Trustee to be instructed by the Issuer Security Trustee (or allows the Issuer Security Trustee to instruct the FleetCo Security Trustee) in respect of any matter and in respect of such matter the Issuer Security Trustee would then be required to be instructed by the Class A Noteholders (or the Class A Noteholders would be permitted to instruct the Issuer Security Trustee in respect of such matter), the Class A Noteholders may provide instructions directly to the relevant FleetCo Security Trustee, by way of written notice copying the Issuer Security Trustee and confirming that they represent the requisite Required Noteholders on such matter. Where such instruction is provided by the Class A Noteholders, the FleetCo Security Trustee shall be entitled to rely on such instruction as if it were provided by the Issuer Security Trustee and shall not be required to make any further enquiries as to the authenticity of the instruction.

3.3 Non-Petition – Issuer

Notwithstanding anything to the contrary herein or in any Issuer Related Document to which the Issuer is a party, only the Issuer Security Trustee may pursue the remedies available under the general law or under the Issuer Security Trust Deed to enforce this Agreement, the Issuer Security or an Issuer Note and no other Person shall be entitled to proceed directly against the Issuer in respect hereof (unless the Issuer Security Trustee, having become bound to proceed in accordance with the terms of the Issuer Related Documents, fails or neglects to do so). Each of HHN2 and Wilmington Trust SP Services (Dublin) Limited hereby agrees with and acknowledges to each of the Issuer and the Issuer Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer (other than serving a written demand subject to the terms of the Issuer Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to the Issuer, provided that, the Issuer Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Issuer Related Documents and Issuer Security Documents.

3.4 Non-Petition – Dutch FleetCo

Notwithstanding anything to the contrary herein or in any Dutch Related Document to which the Dutch FleetCo is a party, only the Dutch Security Trustee may pursue the remedies available under the general law or under the Dutch Security Trust Deed to enforce this Agreement, the Dutch Security or a Dutch Note and no other Person shall be entitled to proceed directly against the Dutch FleetCo in respect hereof (unless the Dutch Security Trustee, having become bound to proceed in accordance with the terms of the Dutch Related Documents, fails or neglects to do so). HHN2 hereby agrees with and acknowledges to each of Dutch FleetCo and the Dutch Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against the Dutch for the purpose of obtaining payment of any amount due from Dutch FleetCo (other than serving a written demand subject to the terms of the Dutch Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to the Issuer, provided that, the Dutch Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Dutch Related Documents and Dutch Security Documents.

3.5 Non-Petition – Spanish FleetCo

Notwithstanding anything to the contrary herein or in any Spanish Related Document to which the Spanish FleetCo is a party, only the Spanish Security Trustee may pursue the remedies available under the general law or under the Spanish Security Trust Deed to enforce this Agreement, the Spanish Security or a Spanish Note and no other Person shall be entitled to proceed directly against the Spanish FleetCo in respect hereof (unless the Spanish Security Trustee, having become bound to proceed in accordance with the terms of the Spanish Related Documents, fails or neglects to do so). HHN2 hereby agrees with and acknowledges to each of Spanish FleetCo and the Spanish Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against the Spanish FleetCo for the purpose of obtaining payment of any amount due from the Spanish FleetCo (other than serving a written demand subject to the terms of the Spanish Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Spanish FleetCo, provided that, the Spanish Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Spanish Related Documents and Spanish Security Documents.

3.6 Non-Petition – German FleetCo

Notwithstanding anything to the contrary herein or in any German Related Document to which German FleetCo is a party, only the German Security Trustee may pursue the remedies available under the general law or under the German Security Trust Deed to enforce this Agreement, the German Security or a German Note and no other Person shall be entitled to proceed directly

against the German FleetCo in respect hereof (unless the German Security Trustee, having become bound to proceed in accordance with the terms of the Issuer Related Documents, fails or neglects to do so). HHN2 hereby agrees with and acknowledges to each of German FleetCo and the German Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against German FleetCo for the purpose of obtaining payment of any amount due from German FleetCo (other than serving a written demand subject to the terms of the German Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to German FleetCo, provided that, the German Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant German Related Documents and German Security Documents.

3.7 Non-Petition – French FleetCo

Notwithstanding anything to the contrary herein or in any French Related Document to which French FleetCo is a party, only the French Security Trustee may pursue the remedies available under the general law or under the French Security Trust Deed to enforce this Agreement, the French Security or a French Note and no other Person shall be entitled to proceed directly against French FleetCo in respect hereof (unless the French Security Trustee, having become bound to proceed in accordance with the terms of the French Related Documents, fails or neglects to do so). HHN2 hereby agrees with and acknowledges to each of the French FleetCo and the French Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against French FleetCo for the purpose of obtaining payment of any amount due from French FleetCo (other than serving a written demand subject to the terms of the French Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to French FleetCo, provided that, the French Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant French Related Documents and French Security Documents.

3.8 Non-Petition – Gresham Receivables (No. 32) UK Limited

Notwithstanding anything to the contrary herein or in any Issuer Related Document to which Gresham Receivables (No. 32) UK Limited (“Gresham”) is expressed to be a party, each party to this Agreement hereby agrees with and acknowledges to Gresham, that neither it nor any person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Gresham until the date following two years and one day after all notes and commercial paper issued by Gresham (or the Person(s) issuing notes and commercial paper as part of a conduit arrangement with Gresham) have been redeemed in full and all of Gresham’s obligations and liabilities (whether actual or contingent) arising or incurred under or in connection with such asset-backed commercial paper programme or any other notes programme established by it have been discharged in full.

3.9 Limited Recourse – Gresham Receivables (No. 32) UK Limited

Notwithstanding any other provision of this Agreement, each party hereto agrees and acknowledges with Gresham that:

- (a) it will only have recourse in respect of any amount, claim or obligation due or owing to it by Gresham (the “**Claims**”) to the extent of available funds pursuant to the asset-backed commercial paper notes issuance programme (the “**Programme Documents**”) of which

Gresham is a part subject to and in accordance with the terms thereof and after all other prior ranking claims in respect thereof have been satisfied and discharged in full;

- (b) following the application of funds following enforcement of the security interests created over Gresham's assets under the relevant Programme Documents, subject to and in accordance with the provisions relating to the application of funds specified therein, Gresham will have no assets available for payment of its obligations under such documents and this Agreement other than as provided for pursuant to the Programme Documents and any Claims will accordingly be extinguished to the extent of any shortfall; and
- (c) the obligations of Gresham under the Programme Documents and this Agreement will not be obligations or responsibilities of, or guaranteed by, any other person or entity.

3.10 Corporate Obligation – Gresham Receivables (No. 32) UK Limited

Notwithstanding any other provision of this Agreement, no recourse under any obligation, covenant or agreement of Gresham contained in this Agreement shall be had against any shareholder, member, officer, director, employee or agent of Gresham, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is a corporate obligation of Gresham, and that no personal liability shall attach to or be incurred by the shareholders, members, officers, directors, employees or agency of Gresham, as such, or any of them under or by reason of any of the obligations, covenants or agreements of Gresham contained in this Agreement or implied therefrom and that any and all personal liability for breaches by Gresham of any of such obligations, covenants or agreements, either at law or by statute or constitution of every such shareholder, member, officer, director, employee or agent is hereby expressly waived as a condition of an in consideration for the execution of this Agreement.

3.11 Non-Petition – Matchpoint Finance Plc

Each party agrees that it shall not institute against, or join any Person in instituting against, Matchpoint Finance plc (“**Matchpoint**”) any bankruptcy, examinership, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any bankruptcy or similar law of any jurisdiction, for two (2) years and one day after (i) the latest maturing commercial paper note of any series (as set out in the Programme Documents (as defined below) of Matchpoint) or (ii) the latest maturing medium term note of Matchpoint, if any, is paid in full. This Clause shall survive termination of this Agreement and the termination of each Transaction Document to which Matchpoint is a party to

3.12 Limited Recourse – Matchpoint Finance Plc

The obligations of Matchpoint under this Agreement are solely the corporate obligations of Matchpoint and are payable solely to the extent of available funds pursuant to the Programme Documents. No recourse shall be had for the payment of any amount owing by Matchpoint under this Agreement or for the payment by Matchpoint of any fee in respect hereof or any other obligation or claim of or against Matchpoint arising out of or based upon this Agreement, against any employee, director, officer, member, manager or affiliate of Matchpoint; provided, however, that the foregoing shall not relieve any such person or entity of any liability they might have as a result of fraudulent acts or omissions committed by them. Each party agrees that Matchpoint shall be liable for any claims that it may have against Matchpoint only to the extent that Matchpoint has funds available for such purpose in accordance with the programme documents in respect of its Euro 20,000,000,000 asset-backed commercial paper notes issuance programme (“Programme Documents”) and that, to the extent that any such claims remain unpaid after the application of such funds in accordance with the Programme Documents such claims shall be extinguished. The provisions of this Clause 3.12 will survive the termination of this Agreement and the termination of each Transaction Document to which Matchpoint is a party.

3.13 Non-Petition – Irish Ring Receivables Purchaser Designated Activity Company

Notwithstanding anything to the contrary herein or in any Issuer Related Document to which Irish Ring Receivables Purchaser Designated Activity Company (“**Irish Ring**”) is expressed to be a party, each party to this Deed hereby agrees with and acknowledges to Irish Ring, that neither it nor any person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Irish Ring until the date following two years and one day after all notes and commercial paper issued by Irish Ring (or the Person(s) issuing notes and commercial paper as part of a conduit arrangement with Irish Ring) have been redeemed in full and all of Irish Ring’s obligations and liabilities (whether actual or contingent) arising or incurred under or in connection with such asset-backed commercial paper programme or any other notes programme established by it have been discharged in full.

3.14 Limited Recourse – Irish Ring Receivables Purchaser Designated Activity Company

Notwithstanding any other provision of this Deed, each party hereto agrees and acknowledges with Irish Ring that:

- (a) it will only have recourse in respect of any amount, claim or obligation due or owing to it by Irish Ring (the “**Claims**”) to the extent of available funds pursuant to the asset-backed commercial paper notes issuance programme (the “**Programme Documents**”) of which Irish Ring is a part subject to and in accordance with the terms thereof and after all other prior ranking claims in respect thereof have been satisfied and discharged in full;
- (b) following the application of funds following enforcement of the security interests created over Irish Ring’s assets under the relevant Programme Documents, subject to and in accordance with the provisions relating to the application of funds specified therein, Irish Ring will have no assets available for payment of its obligations under such documents and this Agreement other than as provided for pursuant to the Programme Documents and any Claims will accordingly be extinguished to the extent of any shortfall; and
- (c) the obligations of Irish Ring under the Programme Documents and this Agreement will not be obligations or responsibilities of, or guaranteed by, any other person or entity.

3.15 Corporate Obligation – Irish Ring Receivables Purchaser Designated Activity Company

Notwithstanding any other provision of this Deed, no recourse under any obligation, covenant or agreement of Irish Ring contained in this Agreement shall be had against any shareholder, member, officer, director, employee or agent of Irish Ring, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is a corporate obligation of Irish Ring, and that no personal liability shall attach to or be incurred by the shareholders, members, officers, directors, employees or agency of Irish Ring, as such, or any of them under or by reason of any of the obligations, covenants or agreements of Irish Ring contained in this Deed or implied therefrom and that any and all personal liability for breaches by Irish Ring of any of such obligations, covenants or agreements, either at law or by statute or constitution of every such shareholder, member, officer, director, employee or agent is hereby expressly waived as a condition of an in consideration for the execution of this Deed.

3.16 Limited Recourse and Non-Petition – Managed and Enhanced Tap (Magenta) Funding S.T.

Each of the parties hereto (other than the Replacement VFN Noteholder) acting for itself hereby acknowledges and agrees that:

- (a) all sums due or owing to any party from or by the Replacement VFN Noteholder hereunder shall be payable by the Replacement VFN Noteholder in accordance with the Compartment Order of Priority, and provided that all liabilities of the Replacement VFN Noteholder required to be paid in priority thereto and a pro rata amount of all amounts to

be paid *pari passu* therewith pursuant to the Compartment Order of Priority, have been paid, discharged and/or otherwise provided for in full;

- (b) it shall not be entitled to take any steps or proceedings which would result in the Compartment Order of Priority not being observed;
- (c) it shall not to take any action or proceedings against the Replacement VFN Noteholder to recover any amounts payable by the Replacement VFN Noteholder to it hereunder;
- (d) pursuant to article L. 214-175-III of the French Code monétaire et financier, any claim it may have against the Replacement VFN Noteholder subject to the Compartment Order of Priority and any statutory priority of payment; and
- (e) pursuant to article L.214-175-III of the French Code monétaire et financier, neither the Compartment nor Managed and Enhanced Tap (Magenta) Funding S.T. is subject to the provisions of Book VI of the French Code de commerce relating to insolvency proceedings.

Where:

“Compartment Order of Priority” means the following order of priority, with no sum being applied to an item with a lower ranking in the order of priority until all items with a higher ranking have been paid in full:

- i. *Firstly*: on a *pro rata* and *pari passu* basis, (i) to transfer to the ABCP Programme Account (as defined in the Common Terms Agreement) such amounts as are required to pay or to provide for the *pro rata* share of ABCP Programme Expenses (as defined in the Common Terms Agreement) allocated to the Replacement VFN Noteholder, as determined by the Calculation Agent (as defined in the Common Terms Agreement), and (ii) to pay or to provide for any commitment fees under any Transaction Specific Liquidity Facility Agreement entered into by the Replacement VFN Noteholder;
- ii. *Secondly*: to the payment or the provisioning on a *pro rata* and *pari passu* basis of the following:
 - 1. to transfer to the ABCP Programme Account such amounts as are required to finance the amounts due (whether in respect of interest capital or discount) under the CP Notes (as defined in the Common Terms Agreement) issued by Managed and Enhanced Tap (Magenta) Funding S.T. to re-finance the Replacement VFN Noteholder as determined by the Calculation Agent;
 - 2. the payment of the subscription price of the applicable VFN by the Replacement VFN Noteholder;
 - 3. the payment of the principal and interest amounts of any advances made available to the Replacement VFN Noteholder under Transaction Specific Liquidity Facilities (as defined in the Common Terms Agreement) which are due to be paid on such day and were drawn under the circumstances set out in Clauses 6.2.1 or 6.2.2 of the ABCP Programme Master Framework Agreement (as defined in the Common Terms Agreement); and
 - 4. to the Repo Counterparty (as defined in the Common Terms Agreement), the amounts (if any) due under a Repo Agreement (as defined in the Common Terms Agreement) in respect of the Repurchase Price of Eligible Assets (as such terms are defined in the Common Terms Agreement).

- iii. Thirdly: to pay or to provide for any increased costs under any Transaction Specific Liquidity Facility Agreement entered into by the Replacement VFN Noteholder;
- iv. Fourthly: on any date other than the date the Replacement VFN Noteholder is liquidated, any surplus funds shall be paid to the ABCP Programme Account; and
- v. Fifthly: on the date the Replacement VFN Noteholder is liquidated, any surplus funds shall be distributed to the shareholders.

“Common Terms Agreement” means the agreement entitled “Definitions, Interpretation and Common Terms Agreement” entered into on 12 March 2010 between Managed and Enhanced Tap (MAGENTA) Funding S.T., Eurotitrisation and Natixis S.A., as amended from time to time.

“Transaction Specific Liquidity Facility Agreement” means the facility agreement entered into by the Acceding Senior Noteholder with Natixis S.A. as liquidity bank for an amount of EUR 117,300,000.

3.17 Notices

Any notice or communication by any party hereto to another, whether pursuant to any Related Document or for any purpose that is otherwise ancillary to such Related Document, shall be in writing and delivered in person or mailed by first-class mail (registered or certified, return receipt requested), e-mail, facsimile (other than in the case of the Issuer Security Trustee or any FleetCo Security Trustee) or overnight air courier guaranteeing next day delivery to the relevant address listed below:

Issuer and FCT Noteholder:

INTERNATIONAL FLEET FINANCING NO.2 B.V.

Address: Fourth Floor

3 George's Dock

IFSC

Dublin 1, Ireland

Telephone: [*]

Fax: [*]

Email: [*]

Dutch OpCo, Dutch Lessee, Dutch Administrator and Dutch Servicer:

HERTZ AUTOMOBIELEN NEDERLAND B.V.

Address: Scorpius 120,

2132 LR Hoofddorp The Netherlands

Email: [*] / [*]

Attention: Bryn Davies / Falguni Bagchi

Dutch FleetCo and Dutch Lessor:

STUURGROEP FLEET (NETHERLANDS) B.V.

Address: Scorpius 120,

2132 LR Hoofddorp

The Netherlands

Email: [*] / [*]

Attention: Bryn Davies / Falguni Bagchi

With a copy to the board of directors:

INTERTRUST MANAGEMENT B.V.

Address: Basisweg 10,

1043 AP Amsterdam

The Netherlands

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Kristina Adamovich

French OpCo, French Lessee, French Administrator and French Servicer:

HERTZ FRANCE S.A.S.

Address: 1/3 avenue Westphalie, Immeuble Futura 3

78180 Montigny Le Bretonneux

France

Email: [*] / [*]

Attention: Bryn Davies / Falguni Bagchi

French FleetCo and French Lessor:

RAC FINANCE S.A.S.

Address:

Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Email: [*] / [*]

Attention: Bryn Davies / Falguni Bagchi

With a copy to:

TMF France Management SARL, President

Attention: Mrs. Alina Jouot Guralnik

Email: [*]

Spanish OpCo, Spanish Lessee, Spanish Administrator and Spanish Servicer:

HERTZ DE ESPANA SL

Address: Calle Jacinto Benavente, 2, Edificio B, 3ª planta
Las Rozas de Madrid, Madrid

Spain

Telephone: [*]

Email: [*]; [*]; [*]

Attention: Nuria Serrano Gómez / Bryn Davies / Falguni Bagchi

Spanish FleetCo and Spanish Lessor:

STUURGROEP FLEET (NETHERLANDS) B.V., SPANISH BRANCH

Address: Calle Jacinto Benavente, 2, Edificio B, 3ª planta
Las Rozas de Madrid, Madrid

Spain

Telephone: [*]

Email: [*]; [*]; [*]

Attention: Maria José Porrero Valor / Bryn Davies / Falguni Bagchi

With a copy to the board of directors:

INTERTRUST MANAGEMENT B.V.

Address: Basisweg 10,
1043 AP Amsterdam
The Netherlands

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Kristina Adamovich

German FleetCo and German Lessor:

HERTZ FLEET LIMITED

Address: Hertz Europe Service Centre
Swords Business Park, Swords, Co. Dublin
Ireland

Telephone: [*]

Fax: [*]

Email: [*] / [*]

Attention: Bryn Davies / Falguni Bagchi

With a copy to:

[*] / [*]

Attention: The Directors

German OpCo, German Lessee and German Servicer:

HERTZ AUTOVERMIETUNG GMBH

Address: Ludwig-Erhard-Strasse 12,
65760 Eschborn,

Germany

Email: [*] / [*]

Attention: Bryn Davies/Falguni Bagchi

Issuer Security Trustee and FleetCo Security Trustee:

BNP PARIBAS TRUST CORPORATION UK LIMITED

Address: 10 Harewood Avenue

London NW1 6AA

United Kingdom

Fax: [*]

Email: [*]

FCT Management Company:

EUROTITRISATION

Address: 12 rue James Watt

93200 Saint Denis

France

Telephone: [*]

Facsimile: [*]

Email: [*]

Attention: FCT Manager

FCT Custodian:

BNP PARIBAS SECURITIES SERVICES

Address: ACI: CPA05A1

Grands Moulins de Pantin

9 rue du Débarcadère

93500 Pantin

Telephone: [*] / [*]

Email: [*]

Attention: FCT Yellow CAR

FCT Registrar:

BNP PARIBAS SECURITIES SERVICES

Address: 9 rue du débarcadère

93500 Pantin

Email: [*]

Attention: Clients FCPR OPCI

FCT Paying Agent:

BNP PARIBAS SECURITIES SERVICES

Address: AFS-FCPR-FCPI processing

9, rue du débarcadère

93500 Pantin

E-mail: [*]

Attention: FCT Yellow CAR

FCT Servicer:

BNP PARIBAS S.A.

Address: ACI: CAA05B1 – 3
rue d'Antin, 75002

Paris

Telephone: [*] / [*]

Facsimile: [*]

Email: [*] / [*]

Attention: Jérôme Eschbach / Eric Moulinet

Registrar:

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH

Address: 60, avenue J.F. Kennedy

L-1855 Luxembourg

(Postal Address : L – 2085 Luxembourg)

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Corporate Trust Operations

Issuer Administrator and German Administrator:

HERTZ EUROPE LIMITED

Address: Hertz House, 11 Vine Street

Uxbridge UB8 1QE

United Kingdom

Email: [*] / [*]

Attention: Bryn Davies/Falguni Bagchi

Issuer Back-Up Administrator, Dutch Back-Up Administrator, French Back-Up Administrator, German Back-Up Administrator and Spanish Back-Up Administrator:

TMF SFS MANAGEMENT B.V.

Address: Herikerbergweg 238

1101 CM Amsterdam

The Netherlands

Telephone: [*]

Fax: [*]

Email: [*] (“Hertz Issuer Back-Up
Administrator” in subject line)

Attention: The Managing Director

Dutch Liquidation Co-ordinator, French Liquidation Co-ordinator, German Liquidation Co-ordinator and Spanish Liquidation Co-ordinator:

KPMG S.A.

Address: Tour Eqho

2 avenue Gambetta

92066 Paris La Défense Cedex

France

Telephone: [*] / [*] / [*] / [*]

Email: [*] / [*] / [*]

Attention: Pascal Bonnet/Barema Bocoum/ Rémy Boulesteix

FCT Account Bank:

BNP PARIBAS SECURITIES SERVICES

Address: 9 rue du Débarcadère

93500 Pantin

Fax: [*] (securities instruction)

Fax: [*] (cash instruction)

Email: [*] (securities instruction)

Email: [*] (cash instruction)

Hertz

THE HERTZ CORPORATION

Address: 8501 Williams Road

Estero, Florida 33928

Telephone: [*]

Fax: [*]

Attention: Treasurer

With copies to:

The Hertz Corporation

8501 Williams Road

Estero, Florida 33928

Telephone: [*]

Fax: [*]

Attention: General Counsel

The Hertz Corporation

255 Brae Boulevard

Park Ridge, NJ 07656

Telephone: [*]

Fax: [*]

Attention: Treasury Department

HIL

HERTZ INTERNATIONAL LIMITED

8501 Williams Road

Estero FL 33928

Attention: M. David Galainena

Email: [*]

Subordinated Noteholder, Subordinated Note Registrar, Convertible Notes Holder, Preference Certificate Holder:

HERTZ HOLDINGS NETHERLANDS 2 B.V.

Address: Scorpius 120,

2132 LR Hoofddorp

The Netherlands

Email: [*] / [*] / [*]

Attention: Bryn Davies/Falguni Bagchi/Mohammad Torkamanzehi

Dutch Account Bank:

BNP PARIBAS S.A., NETHERLANDS BRANCH.

Address: Herengracht 595, 1017 CE Amsterdam, the Netherlands

Telephone: [*]

Email: [*], [*]
Attention: Robbert Dooijes (Senior Cash Management Officer)

French Account Bank:

BNP PARIBAS S.A.
Address: Centre d'Affaires Ile de France Ouest
92000 Nanterre
Telephone: [*]
Fax: [*]
Email: [*]
Attention: Jean-François BENGOLD

German Account Bank (Irish Branch):

BNP PARIBAS S.A., DUBLIN BRANCH
Address: 5 George's Dock
Telephone: [*]
Email: [*]; [*]
Attention: BNPP Dublin Branch Legal Team / Emer Gallagher

Spanish Account Bank:

BNP PARIBAS S.A., SPANISH BRANCH
Address: C/ Emilio Vargas, 4 – 28043 Madrid
Telephone: [*] / [*]
Email: [*]
Attention: Departamento de Contracting: Mrs. Silvia Juarez / Mr. Fernando Sousa

Class A Conduit Investor and Class A Committed Note Purchaser:

MATCHPOINT FINANCE PLC
Address: 4th Floor
25–28 Adelaide Road
Dublin 2
Ireland
Telephone: [*]
Fax: [*]
Email: [*] / [*]
Attention: The Directors

With a copy to the Administrator:
BNP PARIBAS S.A., LONDON BRANCH
Address: 10 Harewood Avenue
London NW1 6AA
United Kingdom
Telephone: [*] / [*] / [*]
Email: [*]

Class A Funding Agent:

BNP PARIBAS S.A.
Address: Capital Markets EMEA (CIB) – Securitised Products Group
37 place du Marché Saint Honoré - 75001 Paris
France

Telephone: [*]
Email: [*]
Attention: Securitised Products Group

WEIL:

Class A Committed Note Purchaser and Class A Funding Agent:

DEUTSCHE BANK AG, LONDON BRANCH

Address: Winchester House

1 Great Winchester Street

London EC2N 2DB

United Kingdom

Telephone: [*] / [*] / [*]

Fax: [*]

Email: [*] / [*] / [*]

Attention: Gareth James/ Harlan Rothman/Natasha Bharucha

Class A Committed Note Purchaser and Class A Funding Agent:

BARCLAYS BANK PLC

Address: 5 The North Colonnade

Canary Wharf

London E14 4BB

Telephone: [*] / [*] / [*]

Fax: [*]

Email: [*] / [*] /

[*] / [*]

Attention: Sean White/ Charles Siew/ Joseph Muscari

Class A Committed Note Purchaser and Class A Funding Agent:

HSBC CONTINENTAL EUROPE

Address: 38, avenue Kléber

75116 Paris,

France

Telephone: [*] / [*] / [*]

Fax: N/A

Email: [*] / [*] /

[*]

Attention: Guillaume BOUET / Edouard de NEYRIEU / Pierre-Yves COUVREUR

Class A Committed Note Purchaser and Class A Conduit Investor:

MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T.

Address: 127 rue Amelot

75011 Paris

France

Telephone: [*] / [*]

Fax: [*]

Email: [*]

Attention: Sophie CHOCRON / Pascal VINCENS

Class A Funding Agent

NATIXIS S.A.

Address: 30, avenue Pierre Mendès-France

75013 Paris

France

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Caroline PEDREGNO / Frédérique PERRIER

Class A Conduit Investor:

IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY

Address: 1-2 Victoria Buildings

Haddington Road

Dublin 4
Ireland

Telephone: [*]
Fax: [*]
Email: [*]
Attention: Kathleen Athayde/ Gustavo Nicolosi

And

ROYAL BANK OF CANADA
Address: 100 Bishopsgate
London EC2N 4AA

Telephone: [*]
Fax: N/A
Email: [*]
Attention: Securitization Finance

Class A Committed Note Purchaser and Class A Funding Agent:

ROYAL BANK OF CANADA
Address: 100 Bishopsgate
London EC2N 4AA

Telephone: [*]
Fax: N/A
Email: [*]
Attention: Securitization Finance

And

ROYAL BANK OF CANADA
Address: 200 Vesey Street
New York, NY 10281 8098

Telephone: [*]
Fax: [*]
Email: [*]
Attention: Securitization Finance

With a copy to:

RBC CAPITAL MARKETS
Address: Two Little Falls Center
2571 Centerville Road, Suite 212
Wilmington, DE 19808

Telephone: [*]
Fax: [*]
Email: [*]
Attention: Securitization Finance

Class A Committed Note Purchaser and Class A Conduit Investor:

GRESHAM RECEIVABLES (NO. 32) UK LIMITED
Address: C/O Wilmington Trust Sp Services (London) Limited
Third Floor
1 King's Arms Yard
London, EC2R 7AF
United Kingdom

Telephone: [*]
Fax: N/A
Email: Transaction Team [*]
Attention: Mrs Mignon Clarke-Whelan

Class A Funding Agent:

LLOYDS BANK PLC

Address: 10 Gresham Street
London EC2V 7AE

Telephone: [*]

Fax: N/A

Email: [*]; [*]; [*]; [*]

Attention: Michael Hodgson / Vincent Fernandes / Batool Arif / Edward Leng

Class A Committed Note Purchaser, Class A Funding Agent and Class A Administrative Agent:

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

Address: 12 Place des Etats-Unis
CS 70052

92547 Montrouge Cedex

France

Telephone: [*] (Carole D'HAERYERE) or [*] (Stéphane BOITEUX)

Fax: [*]

Email: [*]; [*]; [*];

Attention: MO SECURITIZATION CACIB/CAROLE D'HAERYERE-STEPHANE BOITEUX

Wilmington Trust SP Services (Dublin) Limited:

Address: Fourth Floor

3 George's Dock

IFSC

Dublin 1, Ireland

Telephone: [*]

Fax: [*]

Email: [*]

Trustee of the Hertz Funding France Trust

SANNE TRUSTEE SERVICES LIMITED

Address: IFC 5

St. Helier

Jersey

JE1 1ST

Channel Islands

Telephone: [*]

Fax: [*]

Email: [*]

[*]

Attention: John Pendergast

and any Party by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication: (i) given in person shall be deemed delivered on the date of delivery of such notice; (ii) given by first class mail shall be deemed given five (5) days after the date that such notice is mailed; (iii) delivered by e-mail or facsimile (other than in the case of the Issuer Security Trustee or any FleetCo Security Trustee) shall be deemed given on the date of delivery of such notice; and (iv) delivered by overnight air courier shall be deemed delivered one Business Day after the date that such notice is delivered to such overnight courier, provided that any notice or communication which is received after 4.00 p.m. (in the location of the applicable

addressee) on any particular day or on a day on which commercial banks and foreign exchange markets do not settle payments in the location of the addressee shall be deemed to have been received and shall take effect from 10.00 a.m. on the next following Business Day.

Each Party hereto acknowledges that, in respect of any notice, communications, requests, instructions or demands delivered by email, the internet cannot guarantee the integrity and safety of the transferred data nor the time period in which such data is processed. The Registrar shall not therefore be liable for any operational incident and its consequences arising from the use of internet.

3.18 Service of Process

Each of the Issuer, the Subordinated Noteholder, Dutch FleetCo, Dutch OpCo, French FleetCo, French OpCo, the FCT, German FleetCo, German OpCo, Spanish FleetCo and Spanish OpCo agrees that the process by which any proceedings arising out of or in connection with this Agreement or any other Related Document may be served on it is by being delivered to Hertz Europe Limited of Hertz House, 11 Vine Street, Uxbridge, Middlesex UB8 1QE and if the appointment of a process agent by a party ceases to be effective, each such party shall immediately appoint another person in England as its process agent in respect of this Agreement and notify the other parties of the appointment and, if such party to a Related Document fails to appoint such further person, the Issuer Security Trustee may appoint another agent for this purpose. Each of the Issuer, the Subordinated Noteholder, Dutch FleetCo, Dutch OpCo, French FleetCo, French OpCo, the FCT, German FleetCo, German OpCo, Spanish FleetCo and Spanish OpCo further agrees that failure by an agent for service of process to notify such party to a Related Document of such process will not invalidate the proceedings concerned.

4 AMENDMENTS AND WAIVERS

- 4.1** Subject to Sub-Clause 4.2 and Sub-Clause 4.3 below, any term of this Agreement may be amended or waived with the consent of only the Issuer, the Issuer Administrator, the Issuer Security Trustee and the FleetCo Security Trustee and any such amendment or waiver will be binding on all of the Parties hereto.
- 4.2** An amendment or waiver which adversely affects any Party hereto (other than the Noteholders, Committed Note Purchasers, Conduit Investors and Funding Agents) may not be effected without the consent of each such adversely affected Party.
- 4.3** The Issuer may only give its consent in accordance with Sub-Clause 4.1 if it has first received the necessary consents in accordance with Annex 2 paragraph 2 (*Amendments*) of the Issuer Facility Agreement.

5 ENFORCEMENT UNDER FRENCH LAW RELATED DOCUMENTS

Unless otherwise required in the relevant French Law Related Document, in accordance with article 1344 of the French Code civil, the parties to any French Law Related Document agree that no formal notice (*mise en demeure*) shall be served by a party to another party before exercising any of its rights or legal remedies under this French Law Related Document. In particular, with respect to any payment obligation, the debtor of such payment obligation shall be due to pay when such payment obligation is due and payable and no formal notice to pay shall be served beforehand in this respect.

6 DUTCH POWER OF ATTORNEY

If an entity incorporated in the Netherlands is represented by an attorney or attorneys in connection with the signing, execution or delivery of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of the Netherlands and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers hereunto duly authorized as of the day and year first above written.

INTERNATIONAL FLEET FINANCING NO. 2 B.V.

as Issuer, Dutch Noteholder, FCT Noteholder, German Noteholder and Spanish Noteholder

By: _____

Name:

Title: Authorised Representative

HERTZ AUTOMOBIELEN NEDERLAND B.V.

as Dutch OpCo, Dutch Lessee, Dutch Administrator and Dutch Servicer

By: _____

Name:

Title:

STUURGROEP FLEET (NETHERLANDS) B.V.

as Dutch FleetCo, Dutch Lessor and, acting through its Spanish branch, Spanish FleetCo and Spanish Lessor

By: _____

Name:

Title:

HERTZ FRANCE S.A.S.

as French OpCo, French Lessee, French Administrator and French Servicer

By: _____

Name:

Title:

RAC FINANCE S.A.S.

as French FleetCo and French Lessor

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

WEIL:

HERTZ DE ESPANA SL

as Spanish OpCo, Spanish Lessee, Spanish Administrator and Spanish Servicer

By: _____

Name:

Title:

HERTZ AUTOVERMIETUNG GMBH

as German OpCo, German Lessee and German Servicer

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

SIGNED for and on behalf of **HERTZ FLEET LIMITED**
as German FleetCo and German Lessor,

by its lawfully appointed attorney: _____
(Name) (Attorney signature)

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

EUROTITRISATION S.A.

as FCT Management Company and on behalf of **FCT YELLOW CAR**

By: _____

Name:

Title:

BNP PARIBAS SECURITIES SERVICES

as FCT Custodian

By: _____

Name:

Title:

BNP PARIBAS SECURITIES SERVICES

as FCT Registrar

By: _____

Name:

Title:

BNP PARIBAS S.A.

as FCT Servicer and French Lender

By: _____

Name:

Title:

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH

as Registrar

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

HERTZ EUROPE LIMITED

as Issuer Administrator and German Administrator

By: _____

Name:

Title:

TMF SFS MANAGEMENT B.V.

as Issuer Back-Up Administrator, Dutch Back-Up Administrator, French Back-Up Administrator, German Back-Up Administrator and Spanish Back-Up Administrator

By: _____

Name:

Title:

KPMG S.A.

as Dutch Liquidation Co-ordinator, French Liquidation Co-ordinator, German Liquidation Co-ordinator and Spanish Liquidation Co-ordinator

By: _____

Name:

Title:

SIGNED for and on behalf of

BNP PARIBAS TRUST CORPORATION UK LIMITED

as Issuer Security Trustee, Dutch Security Trustee, French Security Trustee, German Security Trustee and Spanish Security Trustee

By: _____

Name:

Title:

By: _____

Name:

Title:

BNP PARIBAS SECURITIES SERVICES

as FCT Account Bank

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

THE HERTZ CORPORATION
as THC and Guarantor

By: _____

Name:

Title:

HERTZ INTERNATIONAL LIMITED
as HIL

By: _____

Name:

Title:

HERTZ HOLDINGS NETHERLANDS 2 B.V.
as Subordinated Noteholder and Subordinated Note Registrar

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

SIGNED for and on behalf of **MATCHPOINT FINANCE PUBLIC LIMITED COMPANY**
as Class A Conduit Investor and Class A Committed Note Purchaser,

by its lawfully appointed attorney:

_____ (*Matchpoint Finance Public Limited Company*
in the presence of: -

by its attorney _____)

(Witness' Signature)

(Witness' Address)

(Witness' Occupation)

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

BNP PARIBAS S.A.
as Class A Funding Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

DEUTSCHE BANK AG, LONDON BRANCH
as Class A Funding Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

DEUTSCHE BANK AG, LONDON BRANCH
as Class A Committed Note Purchaser

By: _____
Name:
Title:

By: _____
Name:
Title:

BARCLAYS BANK PLC
as Class A Committed Note Purchaser and Class A Funding Agent

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

HSBC CONTINENTAL EUROPE
as Class A Funding Agent

By: _____
Name:
Title:

MANAGED AND ENHANCED TAP (MAGENTA) FUNDING S.T.
as Class A Conduit Investor and Class A Committed Note Purchaser

By: _____
Name:
Title:

NATIXIS S.A.
as Class A Funding Agent

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY
as Class A Conduit Investor

SIGNED for and on behalf of
IRISH RING RECEIVABLES PURCHASER DESIGNATED ACTIVITY COMPANY
by its lawfully appointed attorney

Attorney Signature

Print Attorney Name

in the presence of:

Witness Signature

Print Witness Name

Witness Address

Witness Occupation

ROYAL BANK OF CANADA
as Class A Committed Note Purchaser and Class A Funding Agent

By: _____
Name:

Title:

By: _____
Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

LLOYDS BANK PLC
as Class A Funding Agent

By: _____
Name:
Title:

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Class A Committed Note Purchaser, Class A Funding Agent and Class A Administrative Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

BNP PARIBAS S.A., DUBLIN BRANCH
as Issuer Account Bank and German Account Bank (Irish Branch)

By: _____
Name:
Title:

BNP PARIBAS S.A., NETHERLANDS BRANCH
as Dutch Account Bank

By: _____
Name:
Title:

BNP PARIBAS S.A.
as French Account Bank

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

SANNE TRUSTEE SERVICES LIMITED
as trustee of the Hertz Funding France Trust

By: _____

Name:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

TMF FRANCE MANAGEMENT SARL
as TMF Sarl

By: _____
Name:
Title:

TMF FRANCE SAS
as TMF SAS

By: _____
Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

BNP PARIBAS SECURITIES SERVICES
as FCT Paying Agent

By: _____

Name:

Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

PERFORMANCE GUARANTEE AND INDEMNITY DEED

PERFORMANCE GUARANTEE AND INDEMNITY (“**Guarantee**”), dated as of December 21, 2021, by **THE HERTZ CORPORATION**, a Delaware corporation (“**Hertz**”), in favour of each of **STUURGROEP FLEET (NETHERLANDS) B.V.**, (“**Dutch FleetCo**”), **RAC FINANCE S.A.S.**, (“**French FleetCo**”); **HERTZ FLEET LIMITED** (“**German FleetCo**”); Dutch FleetCo acting through its Spanish branch, **STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPANA**, (“**Spanish FleetCo**” and together with Dutch FleetCo, French FleetCo and German FleetCo, the “**FleetCos**” or the “**Beneficiaries**”); **BNP PARIBAS TRUST CORPORATION UK LIMITED** as Issuer Security Trustee and FleetCo Security Trustee during the period (such period, the “**Hertz Guarantee Period**”) from and including the date hereof to but excluding the Guarantee Termination Date (as defined below);

Section 1. Defined Terms and Rules of Construction

(a) Except as otherwise defined, capitalized terms used herein shall have the meanings assigned to such terms in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated 25 September 2018 as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”). All Clause, Sub Clause or paragraph references herein shall refer to clauses, sub-clauses or paragraphs of this Guarantee, except as otherwise provided herein.

(b) In this Guarantee, including the preamble, recitals, attachments, schedules, annexes, exhibits and joinders hereto, unless the context otherwise requires, words and expressions used have the constructions ascribed to them in Clause 2 (*Principles of Interpretation and Construction*) of the Master Definitions and Constructions Agreement.

Section 2. Performance Guarantee.

(a) Hertz hereby irrevocably and unconditionally guarantees to the Beneficiaries, the due and punctual performance and observance by each of the Dutch Administrator, French Administrator, German Administrator and Spanish Administrator (together the “**Administrators**”) and each of the Servicers of its obligations under the Related Documents and of all of the terms, covenants, conditions, agreements and undertakings to be performed or observed by each of the Servicers and the Administrators under the Related Documents in accordance with the terms hereof and thereof including any agreement of the Servicers and the Administrators, in such capacity, to pay or deposit any money under the Related Documents (all such terms, covenants, conditions, agreements and undertakings to be performed or observed by the Servicers and the Administrators, in such capacity, being collectively referred to as the “**Guaranteed Obligations**”) and the due and punctual payment by each Lessee of all amounts to be paid by each Lessee pursuant to Clause 4 (*Rent and Lease Charges*) and Clause 13 (*Value Added Tax and Stamp Taxes*) of each Master Lease (together the “**Guaranteed Monies**”), in each case after any applicable grace periods or notice requirements, according to the terms of the Related Documents; provided, however, that Hertz shall not be liable to make any payment or deposit in respect of a Guaranteed Obligation or the Guaranteed Monies (each, a “**Guaranteed Payment Obligation**”) until five Business Days following receipt by Hertz of written notice from the relevant FleetCo that such a Guaranteed Payment Obligation is due that has not been satisfied by the Servicers, the Administrators or the Lessees (as applicable). In the event that the Servicers or the Administrators shall fail in any manner whatsoever to perform or observe any of the Guaranteed Obligations or the Lessees shall fail in any manner whatsoever to pay the Guaranteed Monies when the same shall be required to be performed or observed (after any applicable grace periods and notice requirements, according to the terms of the Related Documents, and the notice requirements set forth in the preceding sentence), then Hertz will itself duly perform or observe, or cause to be duly performed or observed, such Guaranteed Obligation, or pay such Guaranteed Monies and it shall not be a condition to the accrual of the obligation of Hertz hereunder to perform or observe any Guaranteed Obligation, or to cause such Guaranteed Obligation to be performed or observed, or to pay any Guaranteed Monies that any Beneficiary shall have first made

any request of or demand upon or given any notice to Hertz (other than the notice required pursuant to the preceding sentence) or to the applicable Administrator, Servicer or Lessee, or their successors or assigns, or have instituted any action or proceeding against Hertz or the applicable Administrator, Servicer or Lessee, or their successors or assigns in respect thereof; provided, however, that for the avoidance of doubt, nothing contained herein shall be construed to be a waiver by Hertz of the requirement that notice be provided to Hertz with respect to each Guaranteed Payment Obligation in accordance with the preceding sentence.

(b) The Guarantor irrevocably and unconditionally indemnifies, as an independent and primary obligation, each Beneficiary against, and must pay to each Beneficiary promptly on demand, amounts equal to any loss, claim, action, damage, liability, cost, charge, expense, penalty, compensation, fine or outgoing suffered, paid or incurred by each Beneficiary as a result of or in connection with (i) any obligation or liability of, or obligation or liability guaranteed by, the Guarantor under this Agreement (or which would be such an obligation or liability if enforceable, valid and not illegal) being or becoming unenforceable, invalid or illegal; (ii) any Lessee, Servicer or Administrator failing, or being unable, to pay any Guaranteed Monies or any of the Servicers or Administrators failing, or being unable, to perform any of the Guaranteed Obligations provided, however, that Hertz shall not be liable to make any payment or deposit in respect of a Guaranteed Obligation or the Guaranteed Monies until five Business Days following receipt by Hertz of written notice from the relevant FleetCo that such a Guaranteed Payment Obligation is due that has not been satisfied by the Servicers, the Administrators or the Lessees (as applicable); or (iii) any Guaranteed Monies (or money which would be Guaranteed Money if it were recoverable) not being recoverable from any Lessee, Servicer or Administrator, in each case, for any reason and whether or not such Beneficiary knew or ought to have known anything about those matters.

(c) The obligations of Hertz hereunder shall rank *pari passu* with the senior unsecured debt of Hertz. Hertz hereby agrees that its obligations hereunder shall be unconditional, irrespective of (i) the validity, regularity or enforceability of any Related Document, any change therein or amendment, amendment and restatement or variation thereto, the absence of any action to enforce the same, any waiver or consent by the applicable Administrator, Servicer or Lessee with respect to any provision thereof, the recovery of any judgment against the applicable Administrator, Servicer or Lessee, or any action to enforce the same, or any other circumstances which may otherwise constitute a legal or equitable discharge or defence of a guarantor and (ii) any difference between the law selected as the governing law of any of the Related Documents and the law selected as the governing law of this Guarantee. Hertz covenants that this Guarantee will not be discharged except by complete performance of the Guaranteed Obligations and payment of the Guaranteed Monies. Notwithstanding anything to the contrary contained herein (other than section 4.2 (*Recourse*)), this Guarantee shall be discharged in its entirety on the date on which all Guaranteed Obligations and all liabilities in respect of the Guaranteed Monies have been fully, finally and unconditionally performed, discharged or satisfied (as the case may be) (the "**Guarantee Termination Date**"); provided, however, that this Guarantee shall not be discharged on the Guarantee Termination Date in respect of any claims made pursuant to and in accordance with this Guarantee prior to the Guarantee Termination Date which have not yet been fully, finally and unconditionally performed, discharged or satisfied..

(d) Hertz hereby waives (i) promptness and diligence; (ii) notice of the incurrence of any additional obligations by the applicable Administrator, Servicer or Lessee; (iii) notice of any actions taken by any Beneficiary under any Related Document; (iv) acceptance of this Guarantee and reliance thereon by the Beneficiaries; and (v) presentment, demand of payment, notice of dishonor or nonpayment, protest and notice of protest with respect to the Guaranteed Obligations or Guaranteed Monies, and all other formalities of every kind in connection with the enforcement of the Guaranteed Obligations or the Guaranteed Monies, the omission of or delay in which might constitute grounds for relieving Hertz of its obligations under this Guarantee; provided, however, that for the avoidance of doubt, nothing contained herein shall be construed to be a waiver by Hertz of the requirement that notice be provided to Hertz with respect to each Guaranteed Payment Obligation in accordance with Section 1(a) hereof.

(e) Hertz, in respect of any amounts owing from the applicable Administrator, Servicer or Lessee under the Related Documents, that are paid by Hertz pursuant to the provisions of this Guarantee to any third party, shall be subrogated to all rights of such third party to receive payments of such amounts from each Administrator, Servicer or Lessee; provided, however, that Hertz shall be entitled to enforce, or to receive any payments arising out of or based upon, such right of subrogation only after all amounts payable under the Related Documents have been paid in full.

(f) Hertz further agrees that, to the extent that any Guaranteed Payment Obligation is made by or on behalf of the applicable Administrator, Servicer or Lessee, which Guaranteed Payment Obligation or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to the applicable Administrator, Servicer or Lessee or the estate, trustee, receiver or any other party relating to the applicable Administrator, Servicer or Lessee, including Hertz, under any bankruptcy law, provincial or federal law, common law or equitable cause then, to the extent of the amount so set aside or required to be repaid, the Guaranteed Payment Obligation or part thereof which had been paid, reduced or satisfied by such amount shall be reinstated and continued in full force and effect as of the date such initial payments, reduction or satisfaction occurred.

Section 3. Taxes

(a) All payments by Hertz to or for the benefit of the Beneficiaries or any of their assignees, if any (each, a “**Foreign Affected Person**”) pursuant to this Guarantee are payable, except as otherwise required by the Requirements of Law, free and clear of, and without deduction for, any and all Taxes but excluding, Taxes on net income or similar taxes (including branch profits taxes or alternative minimum tax) imposed or levied on the Foreign Affected Person as a result of a connection between the Foreign Affected Person and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from such Foreign Affected Person having executed, delivered or performed its obligations under this Guarantee or received a payment under this Guarantee, or having enforced any of its rights under this Guarantee) (such non-excluded Taxes being called “Covered Taxes”).

(b) If Hertz is required by the Requirements of Law to deduct or pay any Covered Taxes in respect of any payment by or on account of any obligation of Hertz hereunder, then (i) the sum payable by Hertz shall be increased by Hertz when payable as necessary so that after making or allowing for all required deductions and payments (including deductions and payments applicable to additional sums payable under this Section 4) the Foreign Affected Person shall receive and retain an amount equal to the sum it would have received had no such deductions or payments been required, (ii) Hertz shall make any such deductions required to be made by it under the Requirements of Law; and (iii) Hertz shall timely pay the full amount required to be deducted to the relevant Governmental Authority in accordance with the Requirements of Law,

(c) Without limiting the provisions of paragraph (b) above, Hertz shall timely pay all present or future stamp or documentary taxes or any other similar excise or property taxes, charges or levies arising from any payment made hereunder or from the execution, delivery or enforcement of this Guarantee, including any interest, additions or penalties applicable thereto (“Other Taxes”) to the relevant Governmental Authority in accordance with the Requirements of Law.

(d) All payments made by Hertz under this Guarantee shall be exclusive of any VAT, which shall be paid by Hertz in addition to and at the same time as such payments.

(e) Hertz shall indemnify a Foreign Affected Person after written demand therefor, for the full amount of any Covered Taxes or Other Taxes (including Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 4) paid by the Foreign Affected Person and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Covered Taxes or Other Taxes were correctly or legally imposed or

asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Hertz by the Foreign Affected Person shall be conclusive absent manifest error.

(f) As soon as practicable after any payment of Taxes or Other Taxes by Hertz to a Governmental Authority, Hertz shall deliver to the Foreign Affected Person the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Foreign Affected Person.

(g) If the Foreign Affected Person determines, in its sole discretion, that it has received a refund of any Covered Taxes or Other Taxes as to which it has been indemnified pursuant to this Section 3, it shall pay over to Hertz such amount as it determines will leave it, after such payment, in the same after-Tax position as it would have been if no such indemnity payment had been required, provided that Hertz, upon the request of the Foreign Affected Person, agrees to repay the amount paid over to Hertz (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Foreign Affected Person in the event (and to the extent that) that the Foreign Affected Person is required to repay all or part of such refund to such Governmental Authority. This Section 3(g) shall not be construed to require the Foreign Affected Person to make available their tax returns (or any other information relating to their taxes which they deem confidential) to Hertz or any other Person.

(h) The Foreign Affected Person shall, as promptly as practicable after it becomes aware of any circumstance referred to in this Section 3, use commercially reasonable efforts (to the extent not inconsistent with its internal policies of general application) to minimize the costs, expenses, Taxes or other liabilities incurred by it and payable by Hertz pursuant to this Section 4.

(i) In determining any amounts payable to the Foreign Affected Person by Hertz pursuant to this Section 4, the Foreign Affected Person shall treat Hertz in the same way as all similarly situated Persons (as determined by the Foreign Affected Person in its reasonable discretion) and the Foreign Affected Person may use any method of averaging and attribution that it (in its reasonable discretion) shall deem applicable so long as it applies such method to other similar transactions.

Section 4.

Section 4.1 Non-Petition. Notwithstanding anything to the contrary in this Guarantee or any Relevant Document, only the FleetCo Security Trustee may pursue the remedies available under the general law or under the FleetCo Security Documents to enforce this Guarantee and the FleetCo Security and no other Person shall be entitled to proceed directly against any FleetCo in respect hereof (unless the relevant FleetCo Security Trustee, having become bound to proceed in accordance with the terms of the relevant FleetCo Related Documents, fails or neglects to do so). The Guarantor hereby agrees with and acknowledges to each FleetCo, the Issuer Security Trustee and the FleetCo Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

(a) it shall not have the right to take or join any person in taking any steps against any FleetCo for the purpose of obtaining payment of any amount due from any FleetCo (other than serving a written demand subject to the terms of the relevant FleetCo Security Documents); and

(b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to any FleetCo, provided that, the FleetCo Security Trustee shall have the right to take any action pursuant to and in accordance with the Related Documents.

The provisions of this Section 4.1 (*Non-Petition*) shall survive the termination of this Agreement.

Section 4.2 No Recourse. The Guarantor agrees with and acknowledges that, notwithstanding any other provision of any FleetCo Related Document, all obligations of each FleetCo to it are limited in recourse as set out below:

(a) it will have a claim only in respect of the relevant FleetCo Collateral and will not have any claim, by operation of law or otherwise, against, or recourse to any of the other assets of the relevant FleetCo or its contributed capital;

(b) sums payable to it in respect of any of any FleetCo's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the FleetCo Security Trustee in respect of the relevant FleetCo Security whether pursuant to enforcement of the FleetCo Security or otherwise; and

(c) upon the FleetCo Security Trustee giving written notice that it has determined in its sole opinion that there is no reasonable likelihood of there being any further realisations in respect of the relevant FleetCo Security (whether arising from an enforcement of the relevant FleetCo Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant FleetCo Related Documents, it shall have no further claim against the relevant FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

The provisions of this Section 4.2 (*No Recourse*) shall survive the termination of this Guarantee.

Section 5. Miscellaneous.

Section 5.1 Notices. All notices to Hertz under this Guarantee, until Hertz furnishes written notice to the contrary, shall be in writing and mailed, faxed or hand delivered to Hertz at 225 Brae Boulevard, Park Ridge, New Jersey 07656, and directed to the attention of Scott Massengill (facsimile no. (201 307-2746)).

Section 5.2 Governing Law.

(a) This Guarantee and any non-contractual obligations arising out of or in connection with it are governed by English law.

(b) The courts of England have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Guarantee and the parties therefore irrevocably submit to the jurisdiction of those courts.

(c) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

(d) Each of the Guarantor, Dutch FleetCo, French FleetCo, German FleetCo and Spanish FleetCo agrees that the process by which any proceedings arising out of or in connection with this Agreement or any other Related Document may be served on it is by being delivered to Hertz Europe Limited of Hertz House, 11 Vine Street, Uxbridge, Middlesex UB8 1QE and if the appointment of a process agent by a party ceases to be effective, each such party shall immediately appoint another person in England as its process agent in respect of this Agreement and notify the other parties of the appointment and, if such party to a Related Document fails to appoint such further person, the Issuer Security Trustee may appoint another agent for this purpose. Each of the Guarantor, Dutch FleetCo, French FleetCo, German FleetCo and Spanish FleetCo further agrees that failure by an agent for service of process to notify such party to a Related Document of such process will not invalidate the proceedings concerned.

Section 5.3 Interpretation. The headings of the sections and other subdivisions of this Guarantee are inserted for convenience only and shall not be deemed to constitute a part hereof.

Section 5.4 Related Document Each party agrees that this is a "FleetCo Related Document" for the purposes of the definition in the Master Definitions and Constructions Agreement.

Section 5.5 Legal Fees. Hertz agrees to pay all reasonable legal fees and disbursements and all other reasonable and actual costs and expenses which may be incurred by the Beneficiaries, the FleetCo Security Trustee or the Issuer Security Trustee in the enforcement of this Guarantee.

Section 5.6 No Set-off. The obligations of Hertz under this Guarantee shall not be subject to any counterclaim, setoff, deduction or defence based upon any related or unrelated claim which Hertz may now or hereafter have against any Beneficiary. By acceptance of this Guarantee, each Beneficiary shall be deemed to have waived any right to setoff, combine, consolidate or otherwise appropriate and apply (i) any assets of Hertz at any time held by such Beneficiary or (ii) any indebtedness or other liabilities at any time owing by such Beneficiary to Hertz, as the case may be, against, or on account of, any obligations or liabilities owed by Hertz to a Beneficiary under this Guarantee.

Section 5.7 Currency of Payment. Any payment to be made by Hertz shall be made in the same currency as designated for payment in the applicable Related Document and such designation of the currency of payment is of the essence.

Section 5.8 Binding Effect; Assignability; Amendment. This Guarantee shall be binding upon and inure to the benefit of the Beneficiaries and their respective successors and permitted assigns. Hertz may not (i) assign, transfer, hypothecate or otherwise convey any of its rights or obligations hereunder or interests herein, or (ii) amend this Guarantee, in each case, without the express prior written consent of the Required Noteholders, the FleetCo Security Trustee and the Issuer Security Trustee. Any such purported assignment, transfer, hypothecation, other conveyance, or amendment by Hertz without the prior express written consent of the Required Noteholders, the FleetCo Security Trustee and the Issuer Security Trustee shall be void.

The FleetCo Security Trustee and Issuer Security Trustee may not assign any of its rights and obligations hereunder or interests herein (including any rights it may have to exercise remedies hereunder) to any Person without the prior written consent of Hertz, such consent not to be unreasonably withheld.

The FleetCos may not assign any of their rights and obligations hereunder or interests herein (including any rights it may have to exercise remedies hereunder) to any Person without the prior written consent of Hertz (such consent not to be unreasonably withheld), the Required Noteholders, the FleetCo Security Trustee and the Issuer Security Trustee, provided that each FleetCo may assign for security purposes all or any of its rights hereunder as security for the repayment of the FleetCo Secured Obligations to the FleetCo Security Trustee, acting for itself and on behalf of the FleetCo Secured Parties.

Section 5.9 No Waiver; Remedies. The failure by any Beneficiary, at any time or times, to require strict performance by Hertz of any provision of this Guarantee shall not waive, affect or diminish any right of the Beneficiaries thereafter to demand strict compliance and performance herewith or therewith. Any suspension or waiver of any breach or default hereunder shall not suspend, waive or affect any other breach or default whether the same is prior or subsequent thereto and whether the same or of a different type. None of the undertakings, agreements, warranties, covenants and representations of Hertz contained in this Guarantee, and no breach or default by Hertz hereunder or thereunder, shall be deemed to have been suspended or waived by the Beneficiaries unless such waiver or suspension is by an instrument in writing signed by an officer of or other duly authorized signatory of the FleetCo Security Trustee and directed to Hertz specifying such suspension or waiver. The rights and remedies of the Beneficiaries under this Guarantee shall be cumulative and nonexclusive of any other rights and remedies that the Beneficiaries may have under any other agreement, including the other Related Documents, by operation of law or otherwise.

Section 5.10 Issuer Security Trustee and FleetCo Security Trustee. Each of the Issuer Security Trustee and FleetCo Security Trustee has agreed to become a party to this Guarantee solely for the better enforcement and preservation of its rights, to receive the benefit of the representations, warranties, covenants, indemnities and other obligations and to agree amendments to this Guarantee. Neither the Issuer Security Trustee nor the FleetCo Security Trustee shall by doing so assume any

obligation or incur any liability of any kind to any party. Notwithstanding any other provisions of this Guarantee, in acting under and in accordance with this Guarantee, the Issuer Security Trustee and FleetCo Security Trustee are entitled to seek instructions in accordance with the provisions of the Related Documents and at any time, and where it so acts or refrains from acting on instructions, the Issuer Security Trustee and FleetCo Security Trustee shall not incur any liability to any person for so acting or refraining from acting.

Section 5.11 Severability. Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate such provision to the extent it is not prohibited or unenforceable in any other jurisdiction, nor invalidate the remaining provisions hereof or thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS HEREOF, the undersigned have executed this Guarantee as a Deed as of the 21st day of December 2021.

**Executed and delivered as a Deed by
THE HERTZ CORPORATION,**

By: /s/ M. David Galainena
Name: M. David Galainena
Title: EVP/General Counsel

Signature Page to Hertz Performance Guarantee

ACKNOWLEDGEMENT AND AGREEMENT

EXECUTED as a **DEED** by)
STUURGROEP FLEET(NETHERLANDS))
B.V. acting by its duly authorised)
attorney:)

/s/ Bryn Davies

Name: Bryn Davies, Authorised Signatory

In the presence of:

/s/ Michael Cavers

Michael Cavers

Signature and name of witness

EXECUTED as a **DEED** by)
RAC FINANCE S.A.S.)
acting by its duly authorised)
legal representative:)

/s/ Bryn Davies

Name: Bryn Davies, Authorised Signatory

In the presence of:

/s/ Michael Cavers

Michael Cavers

Signature and name of witness

SIGNED AND DELIVERED as a **DEED**)
for and on behalf of)
HERTZ FLEET LIMITED) /s/ Bryn Davis
by its lawfully appointed attorney: (Attorney signature)
in the presence of:

/s/ Michael Cavers
(Witness' Signature)

Michael Cavers
(Witness' Name)

29 Nightingale Road, Rickmansworth
(Witness' Address)

Solicitor
(Witness' Occupation)

EXECUTED as a **DEED** by)
STUURGROEP FLEET (NETHERLANDS) B.V.)
SUCURSAL EN ESPAÑA. acting by its duly authorised)
attorney:)

/s/ Bryn Davies
Name: Bryn Davies
Title: Authorised Signatory

In the presence of:

/s/ Michael Cavers
Michael Cavers

Signature and name of witness

EXECUTED as a **DEED** by)
BNP PARIBAS TRUST)
CORPORATION UK LIMITED)
acting by its duly authorised signatory)

/s/ Helen Tricard
Signatory

In the presence of:

Signature Illegible

(Witness Name and Signature)

Address Illegible

(Witness' Address)

Acknowledgement and Agreement to Hertz Performance Guarantee

THE SYMBOL "[*]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL AND (ii) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Originally dated 25 September 2018, as amended and restated on 29 April 2021 and further amended and restated on 21 December 2021
FRENCH MASTER LEASE AND SERVICING AGREEMENT

between

RAC FINANCE SAS
as Lessor

HERTZ FRANCE SAS
as Lessee and Servicer

those Permitted Lessees from time to time becoming Lessees hereunder

and

BNP PARIBAS TRUST CORPORATION UK LIMITED
as French Security Trustee

and

BNP PARIBAS TRUST CORPORATION UK LIMITED
as Issuer Security Trustee

1	DEFINITIONS AND CONSTRUCTION	1
2	NATURE OF AGREEMENT	2
3	TERM	10
4	RENT AND LEASE CHARGES	11
5	VEHICLE OPERATIONAL COVENANTS	14
6	SERVICER FUNCTIONS AND COMPENSATION	21
7	CERTAIN REPRESENTATIONS AND WARRANTIES	27
8	CERTAIN AFFIRMATIVE COVENANTS	29
9	DEFAULT AND REMEDIES THEREFOR	30
10	CERTIFICATION OF TRADE OR BUSINESS USE	35
11	[RESERVED]	35
12	ADDITIONAL LESSEES	35
13	SECURITY AND ASSIGNMENTS	36
14	NON-LIABILITY OF LESSOR	36
15	NON-PETITION AND NO RECOURSE	37
16	SUBMISSION TO JURISDICTION	39
17	GOVERNING LAW	39
18	[RESERVED]	39
19	NOTICES	39
20	ENTIRE AGREEMENT	39
21	MODIFICATION AND SEVERABILITY	39
22	SURVIVABILITY	39
23	[RESERVED]	40
24	[RESERVED]	40
25	ELECTRONIC EXECUTION	40
26	LESSEE TERMINATION AND RESIGNATION	40
27	[RESERVED]	40
28	[RESERVED]	40
29	NO HARDSHIP	40
30	GOVERNING LANGUAGE	40
	ANNEX A FORM OF AFFILIATE JOINDER IN LEASE	5
	EXHIBIT A	7

Schedule I
Common Terms of Motor Third Party Liability Cover

8

Schedule II
Insurance Broker Letter of Undertaking

9

WEIL:

Table of Contents
(continued)

	<u>Page</u>
Schedule III Required Contractual Criteria for Vehicle Purchasing Agreements	11
Schedule IV Draft Transfer And Joint And Several Liability Language To Be Included In Pro Forma Manufacturer Program	15
Annex 1 Form of Transfer Certificate	17
Annex 2 Form of Acknowledgement of Joint and Several Liability	19
SCHEDULE V Draft Intra-Group VEHICLE PurchasING Agreement	21
Schedule VI Form of Notices to Landlords, Car Parks Owners and Transporters	28
Schedule VI form of French master lease extension agreement	37
Schedule VIII form of initial lease vehicle acquisition schedule	38

THIS AGREEMENT (as amended, modified or supplemented from time to time in accordance with the provisions hereof, this “**Agreement**”), is made on 25 September 2018, amended and restated on 29 April 2021 and further amended and restated on 21 December 2021 between the following parties:

- (1) **RAC FINANCE SAS**, an entity established in France with its principal place of business in Beauvais, whose registered office is at Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1, 78180, Montigny-le-Bretonneux, 497 581 498 RCS Versailles , France (“**French FleetCo**”), as lessor (in such capacity, the “**Lessor**”);
- (2) **HERTZ FRANCE SAS**, an entity established in France having its registered address at 1/3 avenue Westphalie, Immeuble Futura 3, 78180 Montigny Le Bretonneux, France (“**French OpCo**”), as a lessee and as servicer (in such capacity as servicer, the “**Servicer**”); and
- (3) those various Permitted Lessees (as defined herein) from time to time becoming Lessees hereunder pursuant to Clause 12 (*Additional Lessees*) hereof (each, an “**Additional Lessee**”), as lessees (French OpCo and the Additional Lessees, in their capacities as lessees, each a “**Lessee**” and, collectively, the “**Lessees**”);
- (4) **BNP PARIBAS TRUST CORPORATION UK LIMITED**, acting through its registered office at 10 Harewood Avenue, London NW1 6AA, as French security trustee (in such capacity, the “**French Security Trustee**”); and
- (5) **BNP PARIBAS TRUST CORPORATION UK LIMITED**, acting through its registered office at 10 Harewood Avenue, London NW1 6AA, as Issuer security trustee (in such capacity, the “**Issuer Security Trustee**”).

WHEREAS

- (A) The Lessor has purchased or will purchase French Vehicles from various parties on arm’s-length terms pursuant to one or more other motor vehicle purchase agreements or otherwise, in each case, that the Lessor determines shall be leased hereunder.
- (B) The Lessor desires to lease to each Lessee and each Lessee desires to lease from the Lessor certain Lease Vehicles for use in connection with the business of such Lessee, including use by such Lessee’s employees, directors, officers, representatives, agents and other business associates in their personal or professional capacities.
- (C) The Lessor and each Lessee desire the Servicer to perform various servicing functions with respect to the Lease Vehicles (to the extent relating to the Vehicles purported to be leased pursuant to this Agreement), and the Servicer desires to perform such functions, in accordance with the terms hereof.

THE PARTIES HEREBY AGREE AS FOLLOWS

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

Except as otherwise defined herein, capitalized terms used herein shall have the meanings assigned to such terms in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated the Signing Date as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”). All Clause, Sub-Clause or paragraph references herein shall refer to clauses, sub-clauses or paragraphs of this Agreement, except as otherwise provided herein.

1.2 Rules of Construction

- (a) In this Agreement, including the preamble, recitals, attachments, schedules, annexes, exhibits and joinders hereto, unless the context otherwise requires, words and expressions used have the constructions ascribed to them in Clause 2 (*Principles of Interpretation and Construction*) of the Master Definitions and Constructions Agreement.
- (b) If any obligations of a party to this Agreement or provisions of this Agreement are subject to or contrary to any mandatory principles of applicable law, compliance with such obligations and/or provisions of this Agreement shall be deemed to be subject to such mandatory principles (or waived) to the extent necessary to be in compliance with such law.
- (c) In this Agreement, the term “**sub-lease**” means any underlease, sub-lease, license or mandate in relation to the use of a Lease Vehicle between a Lessee, as lessor, and a sub-lessee, as lessee but does not include, for the avoidance of doubt, any arrangements and normal business operations involving the ultimate return of Lease Vehicles from locations not operated by a Lessee to drop locations of such Lessee (and ancillary use or transportation of such Lease Vehicles in relation thereto).
- (d) Each Lessee and the Lessor agrees that the role of Hertz France SAS as third party holder shall prevail over its role as Lessee or Servicer and that in the event of any conflict or discrepancy between the French Vehicle Pledge Agreement and this Agreement, the terms of the French Vehicle Pledge Agreement shall prevail.
- (e) Words in French used in this Agreement and having a specific legal meaning should prevail over the English translation.

1.3 Effectiveness

The parties hereto acknowledge and agree that the rights and obligations under this Agreement shall become effective at the Effective Time.

2 NATURE OF AGREEMENT

- (a) Each Lessee and the Lessor acknowledges that the relationship between the Lessor and each Lessee pursuant to this Agreement shall be only that of a lessor and a lessee and that any lease of Lease Vehicles granted pursuant to this Agreement shall be a lease governed by French law and title to the Lease Vehicles will at all times remain with the Lessor. No Lessee shall acquire by virtue of this Agreement any right, title or interest in or to or option to purchase any Lease Vehicles, except the leasehold interest established by this Agreement. The parties agree that this Agreement is a lease on arm's length terms and agree to treat the leasehold interest established by this Agreement over each Lease Vehicle as a lease (*location simple*) of such Lease Vehicle governed by articles 1713 and seq. of the French *Code civil* for all purposes, including accounting, regulatory and otherwise, and not a *crédit-bail* or a *vente à tempérament* or a *location-vente*.
- (b) Each Lessor and the Lessee hereby confirms to and for the benefit of French Security Trustee and FleetCo Secured Parties that it is the intention of each Lessor and the Lessee that:
 - (i) this French Master Lease constitutes a single indivisible lease of all the Vehicles subject to such French Master Lease and not separate leases governed by similar terms; and
 - (ii) this French Master Lease is intended for all purposes (including in the case of bankruptcy) to be a single lease with respect to all Vehicles subject to such French Master Lease.

(c) [Reserved]

2.1 Lease of Vehicles

- (a) *Lease of Existing Fleet.* From the Closing Date and subject to the terms and provisions hereof and the Global Deed of Termination and Release, each of the Lessee and the Lessor hereto agree that:
- (i) on the Closing Date (A) the Lessor shall lease to the Lessee and (B) the Lessee shall lease from the Lessor, in each case, all Vehicles leased (as at the Closing Date) pursuant to the French master lease agreement entered into on 6 August 2007 (as such agreement has been amended and restated from time to time) between Hertz France SAS (as lessee thereunder), RAC Finance SAS (as lessor thereunder) and BNP Paribas Trust Corporation UK Limited (as borrower security trustee thereunder) (which such agreement shall, for the purposes of this Sub-Clause 2.1, be referred to as the “**Terminated French Master Lease**”);
 - (ii) on the Closing Date, all rights and obligations of each party under the Terminated French Master Lease shall be terminated in accordance with the provisions of the Global Deed of Termination and Release dated on or around the date hereof;
 - (iii) from and including the Closing Date, the Vehicles leased pursuant to Sub-Clause 2.1(a) above shall be leased in accordance with the terms and provisions of this French Master Lease and each party hereto shall have the rights and obligations provided for in this Agreement in connection with the Vehicles referred to in this Sub-Clause 2.1(a); and
 - (iv) the capitalized cost of each Vehicle leased pursuant to Sub-Clause 2.1(a) above shall be equal to such Vehicle’s net book value immediately prior to such Vehicle’s Vehicle Lease Commencement Date.
- (b) *Agreement to Lease.* From time to time, subject to the terms and provisions hereof (including satisfaction of the conditions precedent set forth in Sub-Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*)), the Lessor agrees to lease to each Lessee, and each Lessee agrees to lease from the Lessor those certain Lease Vehicles identified on Lease Vehicle Acquisition Schedules and Intra-Lease Lessee Transfer Schedules produced from time to time by or on behalf of such Lessee pursuant to Sub-Clauses 2.1(d) (*Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*) and 2.2(b) (*Intra-Lease Transfers*), respectively.
- (c) *Conditions Precedent to Lease of Lease Vehicles.* The agreement of the Lessor to commence leasing any Lease Vehicle to any Lessee hereunder is subject to the following conditions precedent being satisfied at the time the Lessor orders such Lease Vehicles and will continue to be satisfied when the Lease Vehicles are delivered to the French FleetCo or to its order:
- (i) *No Default.* No Lease Event of Default shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder, and no Potential Lease Event of Default with respect to any event or condition specified in Sub-Clause 9.1.1 (*Events of Default*), Sub-Clause 9.1.5 (*Events of Default*) or Sub-Clause 9.1.8 (*Events of Default*) shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder;
 - (ii) *Funding.* French FleetCo shall have sufficient available funding to purchase such Lease Vehicle;

- (iii) *Representations and Warranties.* The representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) are true and correct in all material respects (unless any such representation or warranty contains a materiality limitation by its terms, in which case such representation or warranty shall be true and correct) as of such date (unless any such representation or warranty by its terms makes reference to a specific date, in which case, such representation or warranty shall be true and correct for such specific date);
 - (iv) *Eligible Vehicle.* Such Lease Vehicle is an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof;
 - (v) *Vehicle Purchasing Agreement.* Such Lease Vehicle has been ordered in accordance with the terms of the relevant Vehicle Purchasing Agreement;
 - (vi) *Lease Expiration Date.* The Lease Expiration Date has not occurred; and
 - (vii) *Payment.* If such Lease Vehicle was purchased by French FleetCo on non-credit terms, French FleetCo has paid in full the purchase price for such Lease Vehicle and if such Lease Vehicle was purchased on credit terms by French FleetCo, such Lease Vehicle has been delivered to or (as the case may be) is available for collection by French FleetCo.
- (d) *Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*
- (i) Each Lessee may from time to time request that the Lessor acquires vehicles for the purpose of leasing such vehicles in accordance with the terms of this Agreement (which request may be amended or cancelled in such Lessee's sole discretion before the delivery of the relevant Vehicle provided that no French Leasing Company Amortization Event has occurred and is continuing, and provided further that the Lessor shall only be obliged to accept such amendment or cancellation subject to being able to make an amendment or cancellation to the corresponding vehicle order under the relevant Vehicle Purchasing Agreement or Sale Agreement and, to the extent that the Lessor will incur any Liability as a result thereof and the relevant Manufacturer or Dealer confirms that such a Liability is due, the Lessor having received full payment from the Lessee for any such Liabilities). The Lessor may, in its absolute discretion, and provided that the conditions precedent in Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) above have been satisfied or waived by the French Security Trustee, order the relevant vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement.
 - (ii) Any order of Vehicles will be made by French Opco acting in its capacity as French Servicer on behalf of French Fleetco. The Lessor shall not incur any Liability of any type whatsoever if it does not or cannot accept any order of new Vehicle (including if the conditions precedent set out under Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) are satisfied).
 - (iii) Before making any order of Vehicle, the French Servicer shall verify that the conditions precedent set out under Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) are or will be complied with. Any waiver of a condition precedent will require the prior written consent of the French Security Trustee.
 - (iv) Each Lessee shall deliver or cause to be delivered to the Lessor one or more schedules identifying the vehicles which the Lessor has acquired pursuant to a Vehicle Purchasing Agreement following a request by such Lessee, which schedules shall include the Basic Lease Vehicle Information (each such schedule, a "**Lease Vehicle Acquisition Schedule**"). Each Lessee hereby agrees that each

such delivery of a Lease Vehicle Acquisition Schedule shall be deemed hereunder to constitute a representation and warranty by such Lessee, to and in favor of the Lessor, that each condition precedent to the leasing of the Lease Vehicles identified in such Lease Vehicle Acquisition Schedule has been satisfied as of the date on which the relevant Lease Vehicles were ordered and delivered.

- (v) During the period from the Vehicle Lease Commencement Date in respect of a Lease Vehicle to the date that such Lease Vehicle is first identified on a Lease Vehicle Acquisition Schedule, the existence of a lease between the Lessor and a Lessee in respect of that Lease Vehicle shall be evidenced and determined by reference to the records of the Lessor (which such records shall be held to be correct for all purposes unless manifestly erroneous).
- (vi) The Lease Vehicle Acquisition Schedule for each Lease Vehicle to be leased hereunder on the Closing Date shall be substantially in the form as set out in Schedule VIII (*Form of Initial Lease Vehicle Acquisition Schedule*).
- (e) The Lessee shall indemnify the Lessor in respect of any Liabilities which the Lessor may suffer in circumstances where the Lessor has ordered a Vehicle or Vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement and (i) the Lessee has cancelled or amended the aforementioned Vehicle or Vehicles and/or (ii) the Lessor has accepted an order but subsequently is made aware of an event which would give rise to a Master Lease Termination Notice being served and rejects such notice, and/or (iii) a lease is not entered into by the date on which the Lessor pays the purchase price for such Vehicle or Vehicles (including, without limitation, where a lease is not entered into because the conditions precedent in [Clause 2.1\(c\)](#) (*Conditions Precedent to Lease of Lease Vehicles*) above are not satisfied).
- (f) *Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection.*
 - (i) Subject to Sub-Clause 2.1(f)(ii) below, with respect to any vehicle identified on a Lease Vehicle Acquisition Schedule and made available for lease by the Lessor to any Lessee, such Lessee shall have the right to inspect such vehicle within five (5) days of receipt (or such shorter period as may be contemplated under the applicable Vehicle Purchasing Agreement) (the “**Inspection Period**”) of such vehicle and either accept or, if such vehicle is a Non-conforming Lease Vehicle, reject such vehicle; provided that, such Lessee shall be deemed to have accepted such vehicle as a Lease Vehicle unless it has notified the Lessor in writing that such vehicle is a Non-conforming Lease Vehicle during the Inspection Period (the delivery date of such written notice, the “**Rejection Date**”). If such Lessee timely notifies the Lessor that such Vehicle is a Non-conforming Lease Vehicle, then such Non-conforming Lease Vehicle with respect to which such Lessee has so notified the Lessor shall be a “**Rejected Vehicle**”.
 - (ii) Notwithstanding Sub-Clause 2.1(f)(i) above, a Lessee will only be entitled to reject any Lease Vehicle delivered to it by or on behalf of the Lessor (A) if the Lessor is itself entitled to reject such Lease Vehicle under the relevant Vehicle Purchasing Agreement pursuant to which such Vehicle was ordered and (B) subject to the same conditions (to the extent applicable) as to rejection as may be applicable to the Lessor under the relevant Vehicle Purchasing Agreement in respect of such Vehicle.
 - (iii) The Lessor shall cause the Servicer to dispose of a Rejected Vehicle described in sub-paragraph (i) above (including by returning such Rejected Vehicle to the seller thereof in accordance with the terms of the applicable Vehicle Purchasing Agreement) in accordance with Sub-Clause 6.1 (*Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing*).

2.2 Certain Transfers

- (a) *Sales to Lessee.* Unless a Lease Event of default has occurred and is continuing, the Lessor and the relevant Lessee may from time to time, in their absolute discretion, agree for the Lessor to sell a Lease Vehicle during such Lease Vehicle's Vehicle Term to the relevant Lessee for an amount equal to the net book value under GAAP of such Lease Vehicle.
- (b) *Intra-Lease Transfers.* From time to time, a particular Lessee (the "**Transferor Lessee**") may desire to cease leasing a Lease Vehicle hereunder and another Lessee (the "**Transferee Lessee**") may desire to commence leasing such Lease Vehicle hereunder. Upon delivery by such Lessees to the Lessor of written notice identifying by VIN each Lease Vehicle to be so transferred from such Transferor Lessee to such Transferee Lessee (such notice, an "**Intra-Lease Lessee Transfer Schedule**"), each Lease Vehicle identified in such Intra-Lease Lessee Transfer Schedule shall cease to be leased by the Transferor Lessee and shall contemporaneously commence being leased to the Transferee Lessee, provided that such transfer does not result in the breach of any prescribed limits relating to Lease Vehicles set out in the Related Documents. Each Lessee agrees that upon such a transfer of any Lease Vehicle from one Lessee to another Lessee pursuant to this Agreement, such Transferor Lessee relinquishes all rights that it has in such Lease Vehicle pursuant to this Agreement. Each Intra-Lease Lessee Transfer Schedule may be delivered electronically and may be delivered directly by either the applicable Transferor Lessee or the applicable Transferee Lessee or on behalf of either such party by any agent or designee of such party. In accordance with article 1216 of the French *Code civil*, the Lessor hereby agrees in advance to any transfer of lease agreement between a Transferor Lessee and a Transferee Lessee.

2.3 Transfer of Risks

As of the relevant Vehicle Lease Commencement Date, and until the later of:

- (a) the Vehicle Lease Expiration Date; or
- (b) such time at which the Lessee and the relevant sub-lessee (if any) no longer possesses such Lease Vehicle and the risk of loss, damage, theft, taking, destruction, attachment, seizure, confiscation or requisition with respect to such Lease Vehicle has been transferred to any third party,

the Lessee assumes and bears the risk of loss, damage, theft, taking, destruction, attachment, seizure, confiscation or requisition with respect to such Lease Vehicle, however caused or occasioned, and all other risks and liabilities relating to the Lease Vehicle.

2.4 Return

- (a) *Lessee Right to Return.* Any Lessee may return any Lease Vehicle (other than any Lease Vehicle that has experienced a Casualty or become an Ineligible Vehicle) then leased by such Lessee at any time prior to such Lease Vehicle's French Master Lease Scheduled Expiration Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by the Servicer; provided that, for the avoidance of doubt, the Vehicle Term for such Lease Vehicle will continue until the Vehicle Lease Expiration Date thereof, notwithstanding the prior return of such Lease Vehicle pursuant to this Sub-Clause 2.4(a) (*Lessee Right to Return*).
- (b) *Lessee Obligation to Return.*
 - (i) Each Lessee shall return each Lease Vehicle leased by such Lessee on or prior to such Lease Vehicle's French Master Lease Scheduled Expiration Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by

the Servicer (taking into account transportation costs and expected realizable disposition proceeds).

- (ii) Each Lessee shall return each Lease Vehicle leased by such Lessee upon the Vehicle Lease Expiration Date to the Lessor unless a Disposition Date has occurred in respect of such Lease Vehicle.

2.5 Redesignation of Vehicles

- (a) *Mandatory Program Vehicle to Non-Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, the Lessor shall on the date specified in Sub-Clause 2.5(d) (*Timing of Redesignations*) redesignate such Lease Vehicle as a Non-Program Vehicle, if:
 - (i) a Manufacturer Event of Default is continuing with respect to the Manufacturer of such Lease Vehicle as of such date; or
 - (ii) as of any such date occurring after the Minimum Program Term End Date with respect to such Lease Vehicle, such Lease Vehicle was returned as of such date pursuant to the terms of the Manufacturer Program with respect to such Lease Vehicle, the Manufacturer of such Lease Vehicle would not be obligated to pay a repurchase price for such Lease Vehicle, or guarantee the disposition proceeds to be received for such Vehicle, in each case in an amount at least equal to (1) the Net Book Value of such Lease Vehicle, as of such date, *minus* (2) the Final Base Rent that would be payable in respect of such Lease Vehicle, assuming that such date were the Disposition Date for such Lease Vehicle, *minus* (3) the Excess Mileage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (4) the Excess Damage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (5) the Pre-VLCD Program Vehicle Depreciation Amount paid or payable with respect to such Lease Vehicle, as of such date, *minus* (6) the Program Vehicle Depreciation Assumption True-Up Amount paid or payable with respect to such Lease Vehicle, as of such date.
- (b) *Optional Program Vehicle to Non-Program Vehicle Redesignations.* In addition to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) and without limitation thereto, with respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, such Lessee may redesignate such Lease Vehicle as a Non-Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee); provided that, such Lessee shall not redesignate any Program Vehicle as a Non-Program Vehicle pursuant to this Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) if, after giving effect to such redesignation, an Aggregate Asset Amount Deficiency would exist, unless such redesignation would decrease the amount of such Aggregate Asset Amount Deficiency.
- (c) *Non-Program Vehicle to Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Non-Program Vehicle leased by any Lessee hereunder as of any date of determination, if such Lease Vehicle was previously designated as a Program Vehicle, then such Lessee may redesignate such Lease Vehicle as a Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee); provided that, such Lessee may not redesignate any such Lease Vehicle as a Program Vehicle if such Lease Vehicle would then be required to be redesignated as a Non-Program Vehicle pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to*

Non-Program Vehicle Redesignations) after designating such Lease Vehicle as a Program Vehicle.

- (d) *Timing of Redesignations.* With respect to any redesignation to be effected pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month following the date on which the applicable event or condition described in Sub-Clause 2.5(a)(i) or (ii) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) occurs. With respect to any redesignation to be effected pursuant to Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) or 2.5(c) (*Non-Program Vehicle to Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month immediately following the calendar month of the date written notice was delivered by the applicable Lessee of such redesignation.
- (e) *Program Vehicle to Non-Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Non-Program Vehicle pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) or Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle as of the close of business on the date of such redesignation shall pay to the Lessor on the Payment Date following the effective date of such redesignation, as determined in accordance with Sub-Clause 2.5(d) (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle over the Market Value of such Lease Vehicle, in each case, as of the date of such redesignation (such excess, if any, for such Lease Vehicle, a **“Redesignation to Non-Program Amount”**).
- (f) *Non-Program Vehicle to Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Program Vehicle pursuant to Sub-Clause 2.5(c) (*Non-Program Vehicle to Program Vehicle Redesignations*), the Lessor shall pay to the Lessee of such Lease Vehicle on the Payment Date following the effective date of such redesignation, as determined in accordance with Sub-Clause 2.5(d) (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle (as of the date of such redesignation and calculated assuming that such Lease Vehicle had never been designated as a Non-Program Vehicle) over the Net Book Value of such Lease Vehicle (as of the date of such redesignation but without giving effect to such Lease Vehicle’s redesignation as a Program Vehicle) (such excess, if any, for such Lease Vehicle and such redesignation, the **“Redesignation to Program Amount”**); provided that,
 - (i) no payment shall be required to be made and no payment may be made by the Lessor pursuant to this Sub-Clause 2.5(f) (*Non-Program Vehicle to Program Vehicle Redesignation Payments*) to the extent that an Amortization Event or a Potential Amortization Event exists or would be caused by such payment;
 - (ii) the amount of any such payment to be made by the Lessor on any such date shall be capped at and be paid from (and the obligation of the Lessor to make such payment on such date shall be limited to) the amount of funds available to the Lessor on such date; and
 - (iii) if any such payment from the Lessor is limited in amount pursuant to the foregoing paragraph (i) or (ii), the Lessor shall pay to such Lessee the funds available to the Lessor on such Payment Date and shall pay to such Lessee on each Payment Date thereafter the amount available to the Lessor until such Redesignation to Program Amount has been paid in full to such Lessee.

2.6 Hell-or-High-Water Lease

Each Lessee’s obligation to pay all rent and other sums hereunder shall be absolute and unconditional, and shall not be subject to any abatement, setoff (except as required under Sub-

Clause 4.8(f) below), counterclaim, deduction or reduction for any reason whatsoever. The obligations and liabilities of each Lessee hereunder shall in no way be released, discharged or otherwise affected (except as may be expressly provided herein) for any reason, including without limitation:

- (i)** any defect in the condition, merchantability, quality or fitness for use of the Lease Vehicles or any part thereof;
- (ii)** any damage to, removal, abandonment, salvage, loss, scrapping or destruction of or any requisition or taking of the Lease Vehicles or any part thereof;
- (iii)** any restriction, prevention or curtailment of or interference with any use of the Lease Vehicles or any part thereof;
- (iv)** any defect in or any Security on title to the Lease Vehicles or any part thereof;
- (v)** any change, waiver, extension, indulgence or other action or omission in respect of any obligation or liability of such Lessee or the Lessor;
- (vi)** any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to such Lessee, the Lessor or any other Person, or any action taken with respect to this Agreement by any trustee or receiver of any Person mentioned above, or by any court;
- (vii)** any claim that such Lessee has or might have against any Person, including without limitation the Lessor;
- (viii)** any failure on the part of the Lessor or such Lessee to perform or comply with any of the terms hereof or of any other agreement;
- (ix)** any invalidity or unenforceability or disaffirmance of this Agreement or any provision hereof or any of the other French Related Documents or any provision of any thereof, in each case whether against or by such Lessee or otherwise;
- (x)** any insurance premiums payable by such Lessee with respect to the Lease Vehicles; or
- (xi)** any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not such Lessee shall have notice or knowledge of any of the foregoing and whether or not foreseen or foreseeable.

Each Lessee, to the extent permitted by law, waives all rights now or hereafter available to it under French law to any diminution or reduction of Rent or other amounts payable by such Lessee hereunder. In particular, as an exception to the provisions of articles 1721, 1722, and 1724 of the French Code civil (and notwithstanding the fact that the relevant suspension of use may continue for a period of more than twenty-one (21) days), no Lessee shall be entitled to claim any diminution or reduction of Rent. All payments by each Lessee made hereunder shall be final (except to the extent of adjustments provided for herein), absent manifest error and, except as otherwise provided herein, no Lessee shall seek to recover any such payment or any part thereof for any reason whatsoever, absent manifest error. All covenants and agreements of each Lessee herein shall be performed at its cost, expense and risk unless expressly otherwise stated.

3 TERM

3.1 Vehicle Term

- (a) *Vehicle Lease Commencement Date.* The “**Vehicle Lease Commencement Date**” with respect to any Lease Vehicle shall mean the date referenced in the applicable Lease Vehicle Acquisition Schedule with respect to such Lease Vehicle, provided that:
- (i) in respect of Lease Vehicles which were leased under the Terminated French Master Lease, such date shall be the Closing Date;
 - (ii) in respect of Lease Vehicles to be leased pursuant to this Agreement and which were not leased under the Terminated French Master Lease, in no event shall such date be a date later than (i) the date that funds are expended by French FleetCo to acquire such Lease Vehicle or (ii) if earlier, the date on which the Lease Vehicle is delivered (such date of payment, the “**Vehicle Funding Date**” for such Lease Vehicle).
- (b) *Vehicle Term for Lease Vehicles.* The “**Vehicle Term**” with respect to each Lease Vehicle shall extend from the Vehicle Lease Commencement Date through the earliest of:
- (i) the Disposition Date with respect to such Lease Vehicle;
 - (ii) if such Lease Vehicle becomes a Rejected Vehicle, the Rejection Date with respect to such Rejected Vehicle; and
 - (iii) the French Master Lease Scheduled Expiration Date with respect to such Lease Vehicle,
- the earliest of such three dates being referred to as the “**Vehicle Lease Expiration Date**” for such Lease Vehicle, provided that, in relation to paragraph (iii) above, no Vehicle Lease Expiration Date will occur if a French Master Lease Extension Agreement has been executed within five (5) Business Days of the French Master Lease Scheduled Expiration Date.
- (c) [Reserved]
- (d) *Lease Vehicles with Multiple Vehicle Terms.* For the avoidance of doubt, with respect to any Lease Vehicle that experiences more than one Vehicle Term pursuant to this Agreement, each such Vehicle Term with respect to such Lease Vehicle will be treated as an independent Vehicle Term for all purposes hereunder.
- (e) *Extension/Renewal of Term.* So long as no Lease Event of Default is continuing under this Agreement, any lease of Lease Vehicles hereunder may be extended/renewed by the execution by the Lessor and the applicable Lessee of a French Master Lease Extension Agreement in substantially the form set out in Schedule VII (*Form of French Master Lease Extension Agreement*) on or before the French Master Lease Scheduled Expiration Date (or within 5 (five) Business Days after the French Master Lease Scheduled Expiration Date) in which circumstance the lease of the relevant Lease Vehicle will expire on the immediately following French Master Lease Scheduled Expiration Date (and, notwithstanding any provision herein to the contrary, such lease shall have remained in full force and effect during such 5 (five) Business Day period following the relevant French Master Lease Scheduled Expiration Date). The French Master Lease Extension Agreement shall become effective on the date stated therein (subject to the deemed extension provision in this Sub-Clause 3.1(e) (*Extension/Renewal of Term*)).

3.2 French Master Lease Term

The “**Lease Commencement Date**” shall mean the Closing Date. The “**Lease Expiration Date**” shall mean the later of (i) the date of the final payment in full of the French Advances and (ii) the Vehicle Lease Expiration Date for the last Lease Vehicle leased by the Lessee hereunder. The “**Term**” of this Agreement shall mean the period commencing on the Lease Commencement Date and ending on the Lease Expiration Date.

4 RENT AND LEASE CHARGES

Each Lessee will pay Rent due and payable on a monthly basis as set forth in this Clause 4 (*Rent and Lease Charges*).

4.1 Depreciation Records and Depreciation Charges

On each Business Day, the Lessor shall establish or cause to be established the Depreciation Charge with respect to each Lease Vehicle, and the Lessor shall maintain, and upon request by a Lessee, deliver or cause to be delivered to such Lessee a record of such Depreciation Charges (such record, the “**Depreciation Record**”) with respect to each Lease Vehicle leased by such Lessee as of such date, the delivery of which may be satisfied by the Lessor posting or causing to be posted such depreciation records to a password-protected website made available to such Lessees or by any other reasonable means of electronic transmission (including, without limitation, email or other file transfer protocol), and may be made directly by the Lessor or on its behalf by any agent or designee of the Lessor.

4.2 Monthly Base Rent

With respect to any Payment Date and any Lease Vehicle (other than a Lease Vehicle with respect to which the Disposition Date occurred during such Related Month), the “**Monthly Base Rent**” with respect to such Lease Vehicle for such Payment Date shall equal the pro rata portion (based upon the number of days in the Related Month with respect to such Payment Date that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of the last day of such Related Month calculated on a 30/360 day basis.

4.3 Final Base Rent

With respect to any Payment Date and any Lease Vehicle with respect to which the Disposition Date occurred during such Related Month, the “**Final Base Rent**” with respect to any such Lease Vehicle for such Payment Date shall be an amount equal to the pro rata portion (based upon the number of days in such Related Month that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of such Disposition Date, calculated on a 30/360 day basis.

4.4 Program Vehicle Depreciation Assumption True-Up Amount

If the Program Vehicle Depreciation Assumption True-Up Amount with respect to any Lease Vehicle is a positive number as of the first day following the end of the Estimation Period for such Lease Vehicle, then the Lessee of such Lease Vehicle shall pay the Lessor such Program Vehicle Depreciation Assumption True-Up Amount with respect to such Lease Vehicle in accordance with Sub-Clause 4.7.1 (*Payments*).

4.5 Monthly Variable Rent

The “**Monthly Variable Rent**” for each Payment Date and each Lease Vehicle other than a Lease Vehicle which was a Credit Vehicle on the last day of the Related Month with respect to such Payment Date (w) leased hereunder as of the last day of the Related Month with respect to such Payment Date, (x) the Disposition Date in respect of which occurred during such Related Month,

or (y) that was purchased by the applicable Lessee during such Related Month, in each case shall equal to the product of:

- (i) the sum of:
 - (A) all interest that has accrued on the French Advances during the Interest Period for the French Advances ending on the second Business Day immediately preceding the Determination Date immediately preceding such Payment Date, plus
 - (B) all French Carrying Charges with respect to such Payment Date, and
- (ii) the quotient (the “**VR Quotient**”) obtained by dividing:
 - (A) the Net Book Value of such Lease Vehicle as of the last day of such Related Month (or, if earlier, the Disposition Date with respect to such Lease Vehicle) by
 - (B) the aggregate Net Book Values as of the last day of such Related Month (or, in any such case, if earlier, the Disposition Date of such Lease Vehicle) of all such Lease Vehicles leased by the Lessor to the Lessees.

4.6 Casualty; Ineligible Vehicles

On the second day of each calendar month, each Lessee shall deliver to the Servicer a list containing each Lease Vehicle leased by such Lessee that suffered a Casualty or became an Ineligible Vehicle in the preceding calendar month (each such list, a “**Monthly Casualty Report**”). Each such delivery may be satisfied by the applicable Lessee posting such Monthly Casualty Report to a password protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee. On the Disposition Date with respect to each Lease Vehicle that suffers a Casualty or becomes an Ineligible Vehicle, (i) the Lessor shall cause title to such Lease Vehicle to be transferred to or at the direction of the Lessee of such Lease Vehicle and (ii) such Lessee shall be entitled to any physical damage insurance proceeds applicable to such Lease Vehicle.

4.7 Payments

4.7.1 Subject to Clause 4.7.3, on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder to the last day of such Related Month (other than any Lease Vehicle the Disposition Date for which occurred during such Related Month):

- (a) the Monthly Base Rent with respect to such Lease Vehicle as of such Payment Date, plus
- (b) the Pre-VLCD Program Vehicle Depreciation Amount with respect to such Lease Vehicle, if any, plus
- (c) if the Program Vehicle Depreciation Assumption True-Up Amount owing with respect to such Lease Vehicle as of such Payment Date is a positive number, then such Program Vehicle Depreciation Assumption True-Up Amount minus all amounts previously paid by the applicable Lessee in respect of such Program Vehicle Depreciation True-Up Amount, plus
- (d) the Monthly Variable Rent with respect to such Lease Vehicle as of such Payment Date, plus

(e) the Redesignation to Non-Program Amount, if any, with respect to such Lease Vehicle for such Payment Date.

4.7.2 Subject to Clause 4.7.3, on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder as of any day during such Related Month and the Disposition Date for which occurred during such Related Month:

- (a) the Casualty Payment Amount with respect to such Lease Vehicle, if any, plus
- (b) the Final Base Rent with respect to such Lease Vehicle, if any, plus
- (c) the Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any, plus
- (d) the Non-Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any, plus
- (e) the Early Program Return Payment Amount with respect to such Lease Vehicle, if any, plus
- (f) the Monthly Variable Rent owing with respect to such Lease Vehicle for such Payment Date.

4.7.3 The total amount of Rent payable by the Lessee to the Lessor on each Payment Date shall be adjusted by an amount (positive or negative) as reasonably determined by the Servicer to result in the net income and gains, of the Lessor for the Related Month, calculated in accordance with GAAP, taking into account, *inter alia*, (i) all interest expenses and other expenses of such Lessor (including, for the avoidance of doubt, such interest and other expenses paid and accrued but not yet paid) (in accordance with GAAP) and (ii) any losses or gains realised as of the last day of the Related Month in respect of the disposal of Non-Program Vehicles by (or on behalf of) the Lessor during such Related Month being equal to one twelfth of the French Minimum Profit Amount (the "Rental Adjustment") *provided that* the Rental Adjustment shall not result in the Rent being reduced below such amount as is required by the Lessor to make any payments to third parties (including without limitations in respect of interest and other amounts payable to the FCT Noteholder under the FCT Note) on such Payment Date.

4.8 Making of Payments

- (a) All payments hereunder shall be made by the applicable Lessee, or by the Servicer or one or more of its Affiliates on behalf of such Lessee, to, or for the account of, the Lessor in immediately available funds, without setoff, counterclaim or deduction of any kind, except as required under Sub-Clause 4.8(f) below.
- (b) All such payments shall be deposited into the French Transaction Account not later than 12:00 noon, Paris time, on such Payment Date.
- (c) If any Lessee pays less than the entire amount of Rent (or any other amounts) due on any Payment Date, after giving full credit for all prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*) with respect to amounts due on such Payment Date, then the payment received from such Lessee in respect of such Payment Date shall be first applied to the Monthly Variable Rent due on such Payment Date.
- (d) In the event any Lessee fails to remit payment of any amount due under this Agreement on or before the Payment Date or when otherwise due and payable hereunder, the amount not paid will be considered delinquent and such Lessee shall pay default interest with respect thereto at a rate equal to (i) the effective interest rate payable by French FleetCo

on any overdue amounts owed by French FleetCo with respect to the French Advances or (ii) if no such interest is payable by French FleetCo, EURIBOR plus 1.0%, during the period from the Payment Date on which such delinquent amount was payable until such delinquent amount (with accrued interest) is paid.

- (e) EUR is the currency of account payment for any sum due from one party to another under this Agreement.
- (f) *Tax gross-up:*
 - (i) Each Lessee shall make all payments to be made by it under this Agreement without any Tax Deduction, unless a Tax Deduction is a Requirement of Law.
 - (ii) Each Lessee shall, promptly upon becoming aware that it is required to make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lessor and the French Security Trustee accordingly.
 - (iii) If any Lessee is required by law to make a Tax Deduction, the amount of the payment due by such Lessee shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due to the payee if no Tax Deduction had been required.
 - (iv) If any Lessee is required to make a Tax Deduction, such Lessee shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
 - (v) Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, each Lessee shall deliver to the Lessor and the French Security Trustee evidence reasonably satisfactory to the Lessor that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant Tax Authority.

4.9 Prepayments

On any Business Day, any Lessee, or the Servicer or one or more of its Affiliates on behalf of such Lessee, may, at its option, make a non-refundable payment to the Lessor of all or any portion of the Rent or any other amount that is payable by such Lessee hereunder on the Payment Date occurring in the calendar month of such date of payment or the next succeeding Payment Date, in advance of such Payment Date.

4.10 Ordering and Delivery Expenses

With respect to any Lease Vehicle to be leased by any Lessee hereunder, such Lessee shall pay to or at the direction of the Lessor all applicable costs and expenses of freight, packing, handling, storage, shipment and delivery of such Lease Vehicle and all sales and use tax (if any) to the extent that the same have not been included in the Capitalized Cost of such Lease Vehicle, as such inclusion or exclusion has been reasonably determined by the Servicer.

4.11 [Reserved]

5 VEHICLE OPERATIONAL COVENANTS

5.1 [Reserved]

- 5.1.1** *Maintenance and Repairs.* As an exception to articles 1719 paragraph 2 and 1720 of the French *Code civil*, each Lessee shall pay for all maintenance and repairs for Lease Vehicles leased by it hereunder. Each Lessee will pay, or cause to be paid, all usual and routine expenses incurred in

the use, maintenance and operation of Lease Vehicles leased by such Lessee hereunder including, but not limited to, fuel, lubricants, and coolants. Any improvements or additions to any Lease Vehicles shall become and remain the property of the Lessor, except that any addition to any Lease Vehicle made by any Lessee shall remain the property of such Lessee if such addition can be disconnected from such Lease Vehicle without impairing the functioning of such Lease Vehicle or its resale value, excluding such addition.

5.1.2 Insurance. Each Lessee shall:

- (i) arrange for the following insurances to be effected and maintained until the Lease Expiration Date:
 - (A) for the Lessor, for itself and, to the extent each or any of the Lessor or a Lessee is required to do so as a Requirement of Law in the jurisdiction in which each or any of the Lessor or a Lessee is located, for any other Person, insurance cover which is a Requirement of Law, including providing protection against:
 - (1) liability in respect of bodily injury or death caused to third parties; and
 - (2) loss or damage to property belonging to third parties,in each case arising out of the use of any Lease Vehicle at or above any applicable minimum limits of indemnity/liability as a Requirement of Law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry (the “**Motor Third Party Liability Cover**”); and
 - (B) for the Lessor, the French Security Trustee and itself, insurance cover providing protection against public and product liability in respect of Vehicles which the Lessor leases to the Lessees in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry (the “**Public/Product Liability Cover**”),(each an “**Insurance Policy**” and, together the “**Insurance Policies**”), in each case with licensed insurance companies or underwriters;
- (ii) use reasonable endeavors to ensure that the Motor Third Party Liability Cover is endorsed by a non-vitiation clause substantially in the form as set out in Part A (*Non-vitiation endorsement*) of Schedule I (*Common Terms of Motor Third Party Liability Cover*);
- (iii) use reasonable endeavors to ensure that the Motor Third Party Liability Cover is endorsed by a severability of interest clause substantially in the form as set out in Part B (*Severability of interest*) of Schedule I (*Common Terms of Motor Third Party Liability Cover*);
- (iv) use reasonable endeavors to ensure that the Motor Third Party Liability Cover is endorsed by a “non-payment of premium” clause substantially in the form as set out in Part C (*Notice of non-payment of premium to be sent to the French Security Trustee*) of Schedule I (*Common Terms of Motor Third Party Liability Cover*);
- (v) upon knowledge of the occurrence of an event giving rise to a claim under any of the Insurance Policies, arrange for a claim to be filed with the relevant insurance company or underwriters and provide assistance in attempting to bring the claim to a successful conclusion;
- (vi) ensure that the Insurance Policies are renewed or (as the case may be) replaced in a timely manner and shall pay premiums promptly and in accordance with the requirements of the relevant Insurance Policy;

- (vii) notify the Lessor and the French Security Trustee of any material changes to either a Lessee's or the Lessor's insurance coverage under any of the Insurance Policies;
- (viii) promptly notify the Lessor and the French Security Trustee of:
 - (A) any notice of threatened cancellation or avoidance of any of the Insurance Policies received from the relevant insurer; and
 - (B) any failure to pay premiums to the insurer or broker in accordance with the terms of any such Insurance Policies;
- (ix) if any of the Insurance Policies are not kept in full force and effect, and/or if a Lessee fails to pay any premiums thereunder, the Lessor has the right, but no obligation, to replace the relevant Insurance Policy or to pay the premiums due (if permitted under the relevant Insurance Policy), as the case may be, and in either case, the Lessee shall indemnify the Lessor for the amount of any premium and any Liabilities incurred in relation to replacement of the relevant Insurance Policy or payment of the premiums due by the Lessor, as the case may be (such indemnity shall be immediately due and payable by such Lessee);
- (x) retain custody of the original Insurance Policy documents and any correspondence regarding claims in respect of any of the Insurance Policies affecting the Lessor and shall supply the original Insurance Policy documents only (but not any claims correspondence) to the French Liquidation Co-ordinator and (if so requested) supply the Lessor and the French Security Trustee with copies thereof;
- (xi) comply, and use reasonable endeavors to ensure that any Affiliate to which a Lease Vehicle has been sub-leased pursuant to this Agreement and any sub-contractor, if any and to the extent required, complies, with the terms and conditions of the Insurance Policies, and shall not consent to, or voluntarily permit any act or omission which might invalidate or render unenforceable the whole or any part of the Insurance Policies;
- (xii) in respect of the Public/Product Liability Cover, if such insurance is obtained through a placing broker (or such placing broker is replaced with another), use reasonable endeavors to obtain a letter of undertaking substantially in the form set out in Schedule II (*Insurance Broker Letter of Undertaking*) Part A (*Public/Product Liability Cover*); and
- (xiii) in respect of the Motor Third Party Liability Cover, if such insurance is obtained through a placing broker (or such placing broker is replaced with another), use reasonable endeavors to obtain a letter of undertaking substantially in the form set out in Schedule II (*Insurance Broker Letter of Undertaking*) Part B (*Motor Third Party Liability*).

5.1.3 *Ordering and Delivery Expenses.* Each Lessee shall be responsible for the payment of all ordering and delivery expenses as set forth in Sub-Clause 4.10 (*Ordering and Delivery Expenses*).

5.1.4 *Fees; Traffic Summonses; Penalties and Fines.* Notwithstanding the fact that the Lessor is the owner (and the registered owner (*titulaire du certificat d'immatriculation*)) of a Leased Vehicle, each Lessee shall be responsible for the payment of all registration fees, (including, as the case may be, the *taxe régionale, taxe pour le développement de la formation professionnelle dans les transports* and the *taxe pour la gestion des certificats d'immatriculation des véhicules*), title fees, license fees or other similar governmental fees and taxes, all costs and expenses in connection with the transfer of title of, or reflection of the interest of any security holder in, any Lease Vehicle, traffic summonses, penalties, judgments and fines incurred with respect to any Lease Vehicle during the Vehicle Term for such Lease Vehicle or imposed during the Vehicle Term for such Lease Vehicle by any Governmental Authority with respect to such Lease Vehicles and any premiums relating to any of the Insurance Policies under Sub-Clause 5.1.2 (Insurance) above, in connection with such Lessee's operation of such Lease Vehicles, provided that the Lessor has invoiced the Lessee for the relevant amount (unless otherwise permitted by the French Tax

Authorities or French tax rules). The Lessor may, but is not required to, make any and all payments pursuant to this Sub-Clause 5.1.4 (Fees; Traffic Summonses; Penalties and Fines) on behalf of such Lessee, provided that, such Lessee will reimburse the Lessor in full for any and all payments made pursuant to this Sub-Clause 5.1.4.

5.1.5 In particular, in respect of the sanctions related to violation of the French road code (*Code de la Route*) by any user of the Vehicles leased under this Agreement, the Lessee shall take all necessary steps to ensure that the competent Governmental Authorities are fully informed that it is the lessee of the relevant Vehicle, as provided for in Articles L. 121–2 and L.121–3 of such code.

5.2 Vehicle Use

5.2.1 Each Lessee may use Lease Vehicles leased hereunder in connection with its car rental business, including use by such Lessee's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, subject to Sub-Clause 6.1 (*Service functions with respect to Lease Vehicle Returns, Disposition and Invoicing*) and Clause 9 (*Default and Remedies Therefor*) hereof and Sub-Clause 11.2 (*Rights of the French Security Trustee upon Amortization Event or Certain Other Events of Default*) of the French Facility Agreement. Each Lessee agrees to possess, operate and maintain each Lease Vehicle leased to it in a manner consistent with how such Lessee would possess, operate and maintain such Vehicle were such Lessee the beneficial owner of such Lease Vehicle.

5.2.2 In addition to the foregoing, each Lessee may sublet Lease Vehicles to any of:

- (A)** any Person(s) (other than those set out in paragraphs (B) to (E) below), so long as (i) the sublease of such Lease Vehicles satisfies the Non-Franchisee Third Party Sublease Contractual Criteria, (ii) the Lease Vehicles being subleased are being used in connection with such Person(s)' business and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(A) (*Vehicle Use*) does not exceed one (1) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
- (B)** any franchisee of any Affiliate of any Lessee (and which franchisee, for the avoidance of doubt, may be an Affiliate of any Lessee), so long as (i) the sublease of such Lease Vehicles satisfies the Franchisee Sublease Contractual Criteria, (ii) such franchisee meets the normal credit and other approval criteria for franchises of such Affiliate and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased pursuant to this Sub-Clause 5.2.2(B) (*Vehicle Use*) at any one time does not exceed five (5) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
- (C)** any Affiliate of any Lessee located in the same jurisdiction as the Lessee, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(C) (*Vehicle Use*) does not exceed five (5) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement;
- (D)** subject to the provisions in Sub-Clause 5.2.2(E) below, any Affiliate of any Lessee located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries'

employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower FleetCo Class A Baseline Advance Rate in respect of the relevant FleetCo AAA Component, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant Affiliate to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(D) (*Vehicle Use*) does not exceed one (1) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement and (v) following a Level 1 Minimum Liquidity Test Breach, the subleases of such Lease Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant Affiliate, with all proceeds of such sale to be deposited into the French Collection Account; and

- (E) the OpCos located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as:
- (i) the sublease of such Lease Vehicles to such OpCo states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement,
 - (ii) any Lease Vehicles being so subleased must be Non-Program Vehicles;
 - (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower of FleetCo Class A Baseline Advance Rate in respect of the relevant Eligible Investment Grade Non-Program Vehicle Amount or Eligible Non-Investment Grade Non-Program Vehicle Amount, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant OpCo to such Lease Vehicles are sub-leased to;
 - (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(E) (*Vehicle Use*), sub-clause 5.2.2(E) of the Dutch Master Lease, sub-clause 5.2.2(E) of the Spanish Master Lease and sub-clause 5.2.2(E) of the German Master Lease, together with the Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(D) (*Vehicle Use*), sub-clause 5.2.2(D) of the Dutch Master Lease, sub-clause 5.2.2(D) of the Spanish Master Lease and sub-clause 5.2.2(D) of the German Master Lease does not exceed the lower of (1) ten (10) per cent. of the aggregate Net Book Value of all Eligible Vehicles at any one time or (2) EUR 70,000,000 in total and provided that, in respect of Germany, individually, this should not exceed EUR 16,000,000;
 - (v) the Lease Vehicles being so subleased are being used in connection with such OpCo's business, including use by such OpCo's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities; and
 - (vi) following a Level 1 Minimum Liquidity Test Breach, the sublease of such Leased Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant OpCo on the Servicer's behalf, with all proceeds of such sale to be deposited into the French Collection Account.

With respect to any Lease Vehicles subleased pursuant to this Sub-Clause 5.2.2 (*Vehicle Use*) that meet the conditions of both the preceding paragraphs (A) and (B), as of any date of determination, the Servicer will determine which such Lease Vehicles shall count towards the calculation of the percentage of aggregate Net Book Value in which of the preceding paragraphs (A) or (B) as of such date; provided that, no such individual Lease Vehicle shall count towards the calculation of

the percentage of aggregate Net Book Value with respect to both paragraphs (A) and (B) as of such date.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (A) or (B) and the sublessee of each such Lease Vehicle (in addition to details on the Manufacturer of such Lease Vehicle and if such Lease Vehicle is designated as Program Vehicle or Non-Program Vehicle), in each case, as of the last day of the immediately preceding calendar month, each of which deliveries may be satisfied by the applicable Lessee posting such list to a password protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (C), (D) and (E) and the sublessee of each such Lease Vehicle (in addition to details on the Manufacturer of such Lease Vehicle and if such Lease Vehicle is designated as Program Vehicle or Non-Program Vehicle), in each case, as of the last day of the immediately preceding calendar month, each of which deliveries will be satisfied by the Servicer having actual knowledge of each such subleased Lease Vehicle and the related sublessee to whom such Lease Vehicle was then being subleased.

The Servicer shall (i) provide French FleetCo on an ongoing basis with the details in relation to any sublease agreement entered into pursuant to this Sub-Clause 5.2.2 (*Vehicle Use*) (identity of the sublessee, identification of the Vehicles and duration) and (ii) inform French FleetCo of any insolvency or pre-insolvency proceeding opened or to be opened against any sublessee to the extent that the Servicer is aware of the same.

The sublease of any Lease Vehicles permitted by this Clause 5 (*Vehicle Operational Covenants*) shall not release any Lessee from any obligations under this Agreement.

5.3 Non-Disturbance

With respect to any Lessee, so long as such Lessee satisfies its obligations hereunder, its quiet enjoyment, possession and use of the Lease Vehicles will not be disturbed during the Term subject, however, to Sub-Clause 6.1 (*Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing*) and Clause 9 (*Default and Remedies Therefor*) hereof and except that the Lessor and the French Security Trustee each retain the right, but not the duty, to inspect the Lease Vehicles leased by such Lessee without disturbing such Lessee's business.

5.4 Manufacturer's Warranties

- (a) If a Lease Vehicle is covered by a Manufacturer's warranty, the Lessee, during the Vehicle Term for such Lease Vehicle, shall have the right to make any claims under such warranty that the Lessor could make.
- (b) For such purposes the Lessor undertakes to issue any confirmation thereof or grant to the Lessee any special proxies or mandate upon first request of the Lessee. To the extent legally possible, the Lessee (as *mandataire*) hereby waives its rights vis-à-vis the Lessor (as *mandant*) under articles 1999 and 2000 of the French *Code civil*.

5.5 Program Vehicle Condition Notices

Upon the occurrence of any event or condition with respect to any Lease Vehicle that is then designated as a Program Vehicle that would reasonably be expected to result in a redesignation of such Lease Vehicle pursuant to Sub-Clause 2.5(a)(ii) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle shall notify the Lessor and the Servicer of such event or condition in the normal course of operations.

5.6 Notification to landlords and owner of car parks and notification to transporters

The Lessee will:

- (a) send or cause to be sent:
 - (i) with respect to any private law agreement already entered into by the Lessee as at 6 August 2007, send or cause a notice in the form of one of the forms of notices set out in Part A (*Notice to Landlords*) of Schedule VI (*Form of Notices to Landlords, Car Park Owners and Transporters*) to be sent to the aforementioned third parties at the latest on the date on which the first Vehicle leased by the Lessor hereunder is parked in the relevant premises; and
 - (ii) with respect to any new private law agreement to be entered into from time to time by the Lessee after 6 August 2007, send or cause a notice in the form of one of the forms of notices set out in Part A (*Notice to Landlords*) of Schedule VI (*Form of Notices to Landlords, Car Park Owners and Transporters*) to be sent to the aforementioned third parties at the latest on the date which is the later of:
 - (A) ten (10) Business Days as from the execution of the relevant agreement and
 - (B) the date on which the first Vehicle leased by the Lessor hereunder is parked in the relevant premises,

provided that such notice sent in connection with paragraphs (A) and (B) above shall:

- (i) be sent on headed paper of the Lessee by registered letter with acknowledgement of receipt;
 - (ii) be copied to the Lessor; and
 - (iii) expressly state that the Lessor is the owner of most Vehicles located in the relevant premises of the relevant third parties and where the relevant third party so requests and forthwith, the information as to which Vehicle among all Vehicles parked in the relevant premises belong to the Lessor (with sufficient information to evidence such ownership and to permit the correct identification of those Vehicles) will be provided.
- (b) inform any of the aforementioned third parties as to which Vehicles belong to the Lessor and which Vehicles belong to the Lessee, and to provide any evidence requested in connection thereto;
 - (c) send or cause to be sent a notice in the form as set out in Part B (*Notice to Transporter*) of Schedule VI (*Form of notices to be sent to Landlords, Car Parks Owners and Transporters*) to each transporter that transports Vehicles belonging to the Lessor and leased hereunder at the latest on the date on which the first Vehicle leased by the Lessor hereunder is transported by the aforementioned transporter *provided* that such notice shall:
 - (i) be sent on headed paper of the Lessee by registered letter with acknowledgement of receipt;
 - (ii) be copied to the Lessor; and
 - (iii) expressly state that the Lessor is the owner of most Vehicles transported by the relevant transporter, and where the relevant third party so requests and forthwith, the information as to which Vehicles among all Vehicles transported by the

relevant transporter belong to the Lessor (with sufficient information to evidence such ownership and to permit the correct identification of those Vehicles) will be provided;

- (d) at the written request of any of the aforementioned transporters, inform them as to which Vehicles belong to the Lessor and which Vehicles belong to the Lessee, and to provide any evidence requested in connection thereto.

6 SERVICER FUNCTIONS AND COMPENSATION

6.1 Servicer Appointment

- (a) French FleetCo has appointed the Servicer in accordance with this Agreement to provide the services described hereunder (the “**Services**”) in accordance with the terms of this Agreement and the Servicer has accepted such appointment. In connection with the rights, powers and discretions conferred on the Servicer under this Agreement, the Servicer shall have the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary in relation to the exercise of such rights, powers and discretions in respect of the performance of the relevant Services.
- (b) The relationship between the parties is that of a service provider and client only. Nothing in this Agreement shall constitute nor deem to constitute the Servicer an agent (*mandataire* or *agent commercial*) or *locataire-gérant* of the business (*fonds de commerce*) of French FleetCo. Without prejudice to the foregoing, French FleetCo may, in addition to the Services, but in limited circumstances, provide for special mandates (*mandats spéciaux*) to be granted in connection with specific matters under which the Servicer shall act only upon the instructions of French FleetCo and in accordance with the terms of this Agreement.
- (c) Nothing in this Agreement shall be construed as permitting, directly or indirectly the Servicer to act in any way as legal or de facto manager of French FleetCo, whether in substitution for or addition to, the legal representative thereof.
- (d) It is hereby agreed and acknowledged that French FleetCo will, in all circumstances, be responsible for the general management of its activity. Accordingly, French FleetCo will, and for which it shall remain responsible, from time to time define and control the scope of Services to be performed by the Servicer within the framework of this Agreement and make those decisions as it may deem necessary in connection with the due and punctual performance by the Servicer of its Services hereunder. French FleetCo shall always be at liberty to determine its choices and make its decision in connection with the tasks to be performed hereunder by the Servicer, notwithstanding the fact that the Servicer may duly comply with the provisions of this Agreement.

6.2 Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing

- (a) With respect to any Lease Vehicle returned by any Lessee pursuant to Sub-Clause 2.4 (*Return*), the Servicer shall direct such Lessee as to the return location with respect to such Lease Vehicle. The Servicer shall act as the Lessor’s agent, acting in the Lessor’s name and on the Lessor’s behalf, in returning or otherwise disposing of each Lease Vehicle on the Vehicle Lease Expiration Date with respect to such Lease Vehicle, in each case in accordance with the Servicing Standard.
- (b) Upon the Servicer’s receipt of any Program Vehicle returned by any Lessee pursuant to Sub-Clause 2.4 (*Return*), the Servicer shall return such Program Vehicle to the nearest related Manufacturer’s designated return facility or official auction or other facility designated by such Manufacturer at the sole expense of the Lessee thereof unless paid or payable by the Manufacturer thereof in accordance with the terms of the related Manufacturer Program.

- (c) With respect to any Lease Vehicle that is (i) a Non-Program Vehicle and is returned to or at the direction of the Servicer pursuant to Sub-Clause 2.4 (*Return*) or (ii) becomes a Rejected Vehicle, the Servicer shall act as the Lessor's agent, acting in the Lessor's name and on the Lessor's behalf, in disposing such Lease Vehicle, in accordance with the Servicing Standard.
- (d) In connection with the disposition of any Lease Vehicle that is a Program Vehicle, the Servicer shall comply with the Servicing Standard in connection with, among other things, the delivery of any documents of transfer signed as necessary, signed condition reports and signed odometer statements to be submitted with such Program Vehicles returned to a Manufacturer pursuant to Sub-Clause 2.4 (*Return*) and accepted by or on behalf of the Manufacturer at the time of such Program Vehicle's return.
- (e) With respect to each Payment Date, each Lessee and the Lease Vehicles leased by each such Lessee hereunder, the Servicer shall calculate all Depreciation Charges, Rent, Casualty Payment Amounts, Program Vehicle Special Default Payment Amounts, Non-Program Vehicle Special Default Payment Amounts, Early Program Return Payment Amounts, Redesignation to Non-Program Amounts, Redesignation to Program Amounts, Program Vehicle Depreciation Assumption True-Up Amounts, Pre-VLCD Program Vehicle Depreciation Amounts, Assumed Remaining Holding Periods, Capitalized Costs, Accumulated Depreciation and Net Book Values. With respect to each Payment Date, the Servicer shall aggregate each Lessee's Rent due on all Lease Vehicles leased by such Lessee, together with any other amounts due to the Lessor from such Lessee and any credits owing to such Lessee, and provide to the Lessor and such Lessee a monthly statement of the total amount, in a form reasonably acceptable to the Lessor, no later than the Determination Date with respect to such Payment Date.
- (f) Upon the occurrence of a Liquidation Event, the Servicer shall dispose of any Lease Vehicles in accordance with the instructions of the Lessor or the French Security Trustee. The Servicer shall act as the Lessor's agent, acting in the Lessor's name and on the Lessor's behalf, in disposing of each Lease Vehicle following the occurrence of a Liquidation Event, in each case in accordance with the Servicing Standard. To the extent the Servicer fails to so dispose of any such Lease Vehicles, the Lessor and the French Security Trustee shall have the right to otherwise dispose of such Lease Vehicles.
- (g) In each case, in accordance with the Servicing Standard, the Servicer shall:
 - (i) designate (or redesignate, as the case may be) French Vehicles on its computer systems as being fully owned (*propriété pleine et entière*) by the Lessor;
 - (ii) direct payments due in connection with the Manufacturer Programs with respect to Program Vehicles to be deposited directly into the French Collection Account;
 - (iii) direct that: (A) all sale proceeds from sales of French Vehicles (other than in connection with any related Manufacturer Program) are deposited directly; and (B) if a French Leasing Company Amortization Event with respect to French FleetCo has occurred and is continuing, that insurance proceeds and warranty payments in respect of such French Vehicles are received directly by the Lessor, in each case into the French Collection Account;
 - (iv) direct that all sale proceeds to third parties (other than in connection with any related Manufacturer Program) from sales of Spanish Vehicles which have been subleased in accordance with the Spanish Master Lease are deposited directly in each case into the Spanish Collection Account;
 - (v) furnish the Servicer Report as provided in Sub-Clause 6.8 (*Servicer Records and Servicer Reports*);

- (vi) subject to Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignation*), comply with any obligation to return vehicles to the Manufacturer in accordance with the relevant Manufacturer Program; and
 - (vii) otherwise administer and service the Lease Vehicles.
- (h) The Servicer shall have full power and authority, acting alone or through any party properly designated by it hereunder (including, without limitation, the related Sub-Servicers, if any, applied pursuant to Sub-Clause 6.7 (*Sub-Servicers*) below) to do any and all things in connection with its servicing and administration duties that it may deem necessary or desirable to accomplish such servicing and administration duties and that, in the opinion of the French Security Trustee does not materially adversely affect the interests of the Lessor or the French Secured Parties. Any permissive right of the Servicer contained in this Agreement shall not be construed as a duty.

6.3 Required Contractual Criteria

- (a) The Servicer shall, prior to the expiry of a Vehicle Purchasing Agreement to which French FleetCo is a party, commence negotiations with the relevant Manufacturers and Dealers on behalf of French FleetCo to renew such Vehicle Purchasing Agreement (where a renewal of the Vehicle Purchasing Agreement is sought) and in circumstances where entry into a Vehicle Purchasing Agreement with a new Manufacturer or Dealer is sought (subject to the conditions below) the Servicer shall negotiate the terms of such new Vehicle Purchasing Agreement on behalf of French FleetCo including, without limitation, the Required Contractual Criteria (or seeking a waiver from the French Security Trustee in relation to any deviations from the Required Contractual Criteria, provided that the French Security Trustee shall not under any circumstance grant a waiver in respect of a deviation from the substance of paragraphs 1.5 and 1.6 of the Required Contractual Criteria). The French Security Trustee shall grant a waiver in respect of any deviation from paragraph 1.3 of the Required Contractual Criteria such that the bonus payments or other amounts described in paragraph 1.3 of the Required Contractual Criteria are to be payable to or for the account of French FleetCo, provided that each of the following requirements is met:
- (a) it receives the approval of the French Security Trustee acting at the written direction of the Issuer Security Trustee, (which approval shall be obtained in accordance with the terms of the French Security Trust Deed and the Issuer Security Trust Deed), itself acting at the written direction of the Required Noteholders; and
 - (b) subject to usual qualifications or reservations, the Servicer provides the French Security Trustee with satisfactory legal, taxation and accounting reports or opinions establishing that the deviation will not affect the insolvency remoteness of French FleetCo nor materially increase the tax liability of French FleetCo.
- (b) With respect to Non-Program Vehicles only and in circumstances where Vehicles are to be acquired from a Dealer where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer that complies with the Required Contractual Criteria or an Auction Seller, the Servicer shall be able to negotiate with such Dealer or Auction Seller the terms of a new Vehicle Purchasing Agreement or Vehicle Purchasing Agreements on behalf of the French FleetCo without being required to comply with the Required Contractual Criteria, provided that each of the following requirements is met:
- (i) the number of Non-Program Vehicles acquired pursuant to such Vehicle Purchasing Agreement or Vehicle Purchasing Agreements with a single Dealer in a single or series of related transactions Auction Seller in a single or series of transactions in the same auction process shall not exceed 50 Non-Program Vehicles;

- (ii) at any time of determination, the aggregate Net Book Value of such Non-RCC Compliant Eligible Vehicles shall be no more than EUR 10,000,000; and
 - (iii) the Vehicle Purchasing Agreement provides that there is an absolute transfer of title of the Non-Program Vehicle from the relevant Dealer or Auction Seller to the French FleetCo, immediately following the payment of the purchase price of the Non-Program Vehicle, and the French FleetCo shall not under any circumstances have any obligations of any nature in favour of such Dealer or Auction Seller under the relevant Vehicle Purchasing Agreement. For the avoidance of doubt, any obligations shall include, but not be limited to, any liability for the obligations of French OpCo (or such other Affiliate of The Hertz Corporation, as the case may be) under a French OpCo Specific Agreement following such payment.
- (c) With respect to Non-Program Vehicles only and during the Revolving Period, the Servicer shall be able to negotiate on behalf of the French FleetCo the terms of an Intra-Group Vehicle Purchasing Agreement with other FleetCos or OpCos or other Affiliates of the French FleetCo located in a different jurisdiction than the jurisdiction where the FleetCo is located, for the purchase of Non-Program Vehicles, provided that the following requirements are satisfied at all times:
- (i) the purchase price to be paid for the purchase of the Non-Program Vehicles shall be the Net Book Value (as determined under US GAAP) of such Non-Program Vehicle;
 - (ii) an Intra-Group Vehicle Purchasing Agreement for Non-Program Vehicle shall be entered into each time any such Non-Program Vehicle is acquired pursuant to this Sub-Clause, in form and substance substantially the same as the template Intra-Group Vehicle Purchasing Agreement set out in Schedule V (*Draft Intra-Group Vehicle Purchasing Agreement*);
 - (iii) once a Non-Program vehicle is acquired by the French FleetCo pursuant to an Intra-Group Vehicle Purchasing Agreement, the same Non-Program Vehicle may not be transferred or sold to any other FleetCo or OpCo or other Affiliates of the French FleetCo other than the disposal of such Non-Program vehicle at the expiry of the relevant Lease Term, and
 - (iv) following a Level 1 Minimum Liquidity Breach, the Servicer shall not be able to negotiate on behalf of the French FleetCo the terms of an intra-group vehicle purchasing agreement with other FleetCos or OpCos.
- (d) The purchase of vehicles between Fleetcos and OpCos pursuant to the above paragraph shall cease if a Level 1 Minimum Liquidity Test Breach occurs.

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Sub-Clause 6.2 (*Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

In addition, where necessary to enable the Servicer to deliver the services hereunder, for such purposes the Lessor authorises the Servicer to process personal data on behalf of the Lessor in accordance with this Sub-Clause (b) (*Servicing Standard and Data Protection*). When the Servicer processes such personal data, the Servicer shall take appropriate technical and organisational measures designed to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data. In particular, the Servicer shall process personal data only for the purposes contemplated by this Agreement and shall act

only on the instructions of the Lessor (given for such purposes) and shall comply at all times with the principles and provisions set out in the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (and any subsequent amendments thereto) as if applicable to the Servicer directly and any other applicable laws. The Servicer shall answer the reasonable enquiries of the Lessor to enable the Lessor to monitor the Servicer's compliance with this Sub-Clause (b) (*Servicing Standard and Data Protection*) and the Servicer shall not subcontract its processing of personal data without the prior written consent of the Lessor.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Hertz France SAS acts as Servicer of the Lessor pursuant to this Agreement.

6.6 Servicer's Monthly Fee

- (a) As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**French Monthly Servicing Fee**") equal to one-twelfth of the French Servicing Fee and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Sub-Clause 2.4(a) (*Lessee Right to Return*); provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.
- (b) All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set-off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegatee, in such capacity, a "**Sub-Servicer**") the performance of part (but not all) of the Servicer's obligations as Servicer pursuant to this Agreement on the condition that:

- (a) the Servicer shall maintain up-to-date records of the Servicer's obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;
- (b) in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;
- (c) the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;
- (d) the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer's obligations under this Agreement;

- (e) any breach in the performance of the Servicer's obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of fourteen (14) Business Days of the earlier of:
 - (i) the Servicer becoming aware of the breach; and
 - (ii) receipt by the Servicer of written notice from the Lessor or the French Security Trustee requiring the same to be remedied; and
- (f) neither the Lessor nor the French Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer.

6.8 Servicer Records and Servicer Reports

- (a) On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the "**Servicer Records**"), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.
- (b) On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the French Security Trustee the Servicer Records as of such date, which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the French Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).
- (c) On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the French Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Sub-Clause 6.8(a) and (b) (*Servicer Records and Servicer Reports*) since the preceding Business Day (such schedule as delivered each Business Day, a "**Servicer Report**"), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the French Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.9 Powers of Attorney

The Lessor shall from time to time upon receipt of request by the Servicer, promptly give to the Servicer any powers of attorney or other written authorizations or mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, provided that any such powers of attorney or other written authorizations or mandates or instruments must be strictly limited to specific matters. Such powers of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement.

6.10 Servicer's agency limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent French FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorized to perform and discharge by this Agreement and for the period during which this Agreement so authorizes it to perform and discharge those functions and duties.

6.11 Publication procedures

- (a) The Servicer shall carry out publication with the competent French commercial register (*greffe du tribunal de commerce*) as soon as reasonably practicable and in any case, within four Business Days after each Payment Date for so long as this Agreement remains in

force of a form encompassing information extracted from this Agreement, together with the latest available Servicer Report delivered by the Servicer in accordance with Sub-Clause 6.8 (*Servicer Records and Servicer Reports*) listing the Lease Vehicles leased to the Lessee on or about the date on which the publication procedure is carried out. Furthermore, the Servicer agrees to deliver to the French Security Trustee and the Issuer Security Trustee evidence that the publication has been made with the competent French commercial register (*greffe du tribunal de commerce*) in respect of any and all leases of Lease Vehicles in force as that Payment Date.

- (b) In the event that an OEM Downgrade occurs, the Servicer shall, in order to facilitate the enforcement of retention of title provisions, publish on a monthly basis with the competent commercial register (*Greffe du Tribunal de commerce*) a form encompassing all relevant information extracted from any Vehicle Purchasing Agreement, together with relevant information about the Vehicles repurchased by the relevant Manufacturer or Dealer (as the case may be) pursuant to the terms of such Vehicle Purchasing Agreement and the repurchase price of which remains unpaid on the date on which such publication is made. In the event that the Servicer undertakes the above publication with respect to any Manufacturer or Dealer, it shall promptly inform the French Security Trustee, and provide the latter with the name of the relevant Manufacturer or Dealer pursuant to this clause, as well as the details of the relevant Vehicle Purchasing Agreement.

For the purposes of this Sub-Clause 6.11(b):

"**OEM Downgrade**" means, with respect to any Manufacturer or Dealer, that:

- (A) ceases to have the OEM Relevant Minimum Rating; or
- (B) is subject to any *mandat ad hoc* or conciliation within the meaning of book VI of the French Code de commerce.

"**OEM Relevant Minimum Rating**" means, with respect to any Manufacturer or Dealer, that such Dealer or Manufacturer (or the group to which it belongs) ceases to have a rating at least BB(L) from DBRS (or such Manufacturer or Dealer does not have a Relevant DBSR Rating as of such date, a DBRS Equivalent Rating of BB(L)).

6.12 Resignation of Servicer

The Servicer may, by giving not less than fourteen (14) days' written notice to French FleetCo and the French Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the French Facility Agreement are being repaid in full, a replacement Servicer satisfactory to French FleetCo and the French Security Trustee has been or will, simultaneously with the termination of the Servicer's appointment under this Agreement, be appointed (it being understood that it is French FleetCo's obligation and not the French Security Trustee's obligation to negotiate and make such appointment).

7 CERTAIN REPRESENTATIONS AND WARRANTIES

French OpCo, as Lessee, represents and warrants to the Lessor and the French Security Trustee that as of the Closing Date, and as of each Vehicle Lease Commencement Date, and each Additional Lessee represents and warrants to the Lessor and the French Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organization; Power; Qualification

Such Lessee has been duly formed and is validly existing as a limited liability company or trust under the laws of France, with corporate power under the laws of France to execute and deliver

this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorization; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorized, executed and delivered on behalf of such Lessee and, assuming due authorization, execution and delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally or by an implied covenant of good faith and fair dealing).

7.3 Compliance

The execution, delivery and performance by such Lessee of this Agreement and the French Related Documents to which it is a party will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the French Related Documents pursuant to the terms of, any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the certificate of incorporation or the by-laws of the Lessee.

7.4 Governmental Approvals

There is no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the French Related Documents (other than such consents, approvals, authorizations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorization, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 French Supplemental Documents True and Correct

All information contained in any material French Supplemental Document that has been submitted, or that may hereafter be submitted by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

7.11 Registration of vehicles

Such Lessee acknowledges and agrees that the Lessor is and will remain the sole registered owner (*titulaire du certificat d'immatriculation*) of each Lease Vehicle leased to such Lessee hereunder.

8 CERTAIN AFFIRMATIVE COVENANTS

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the French Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the French Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to (i) maintain and preserve its corporate, partnership, limited liability or trust existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

- (a) Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other French Collateral;
- (b) At any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the French Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the French Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the French Security Trustee (or such other Person who may be designated from time to time by the Lessor or the French Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other French Collateral;
- (c) Permit any of the Lessor, the French Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the French Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the French Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the French Security Trustee or the Issuer Security Trustee may reasonably request;
- (d) Upon the request of the Lessor, the French Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the French Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the French Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the French Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and
- (e) During normal business hours and with prior notice of at least three (3) Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the French Security Trustee or the Issuer Security Trustee (whose

instructions, in turn, have been obtained in accordance with the terms of the French Security Trust Deed and the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled (subject to the terms of the French Security Trust Deed),

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Sub-Clause 8.2 (*Books, Records, Inspections and Access to Information*) that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisors, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the French Security Trustee:

- (i) no later than the prescribed statutory deadline required by Article 21 of its articles of association and in any event by no later than 270 calendar days after the end of each financial year, its audited Annual Financial Statements together with the related auditors' report(s);
- (ii) promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the French Security Trustee pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on French OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the French Security Trustee from time to time) or (ii) on which such documents are posted on French OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the French Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the French Security Trustee).

9 DEFAULT AND REMEDIES THEREFOR

9.1 Events of Default

Any one or more of the following will constitute an event of default (a "**Lease Event of Default**") as that term is used herein:

- 9.1.1** there occurs a default in the payment of any Rent or other amount payable by any Lessee under this Agreement unless such default in the payment is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;

- 9.1.2 any unauthorized assignment or transfer of this Agreement by any Lessee occurs;
- 9.1.3 the failure of any Lessee to observe or perform any other covenant, condition, agreement or provision hereof, including, but not limited to, usage, and maintenance that in any such case has a Lease Material Adverse Effect, and such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice thereof is delivered by the Lessor or the French Security Trustee to such Lessee or the date an Authorized Officer of such Lessee obtains actual knowledge thereof;
- 9.1.4 if (i) any representation or warranty made by any Lessee herein is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing furnished by or on behalf of any Lessee to the Lessor or the French Security Trustee is false or misleading on the date as of which the facts therein set forth are stated or certified, (ii) such inaccuracy, breach or falsehood has a Lease Material Adverse Effect, and (iii) the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the French Security Trustee to the applicable Lessee and (y) the date an Authorized Officer of the applicable Lessee learns of such circumstance or condition;
- 9.1.5 an Event of Bankruptcy occurs with respect to Hertz or with respect to any Lessee;
- 9.1.6 this Agreement or any portion thereof ceases to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the French Related Documents) or a proceeding shall be commenced by any Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to any Lessee that at such time is not leasing any Lease Vehicles hereunder;
- 9.1.7 a Servicer Default occurs; or
- 9.1.8 a Liquidation Event occurs.

For the avoidance of doubt, with respect to any Potential Lease Event of Default or Lease Event of Default, if the event or condition giving rise (directly or indirectly) to such Potential Lease Event of Default or Lease Event of Default, as applicable, ceases to be continuing (through cure, waiver or otherwise), then such Potential Lease Event of Default or Lease Event of Default, as applicable, will cease to exist and will be deemed to have been cured for every purpose under the French Related Documents.

- 9.2 **Effect of Lease Event of Default.** If any Lease Event of Default set forth in Sub-Clauses 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, the Lessee's right of possession with respect to any Lease Vehicles leased hereunder shall be subject to the Lessor's option to terminate such right as set forth in Sub-Clauses 9.3 (*Rights of Lessor Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 **Rights of Lessor and French Security Trustee Upon Lease Event of Default**

- 9.3.1 If a Lease Event of Default shall occur and be continuing, then the Lessor may proceed by appropriate court action or actions, at law to enforce performance by any Lessee of the applicable covenants and terms of this Agreement or to recover damages for the breach hereof calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*).
- 9.3.2 If any Lease Event of Default set forth in Sub-Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, then (i) subject to the terms of this Clause 9.3.2, the Lessor or the French Security Trustee (acting on the written instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the French

Security Trust Deed and the Issuer Security Trust Deed)) shall have the right to serve notice on the other parties hereto, a “**Master Lease Termination Notice**”, and following service of such notice shall have the right to (a) to terminate any Lessee’s rights of use and possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee, (b) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder and (c) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use or dispose of such Lease Vehicles for any purpose whatsoever and (ii) the Lessees, at the request of the Lessor or the French Security Trustee, shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the French Security Trustee as the case may be.

The Lessor may not validly serve a Master Lease Termination Notice unless such decision to serve the Master Lease Termination Notice has been approved by the independent chairman (*président*) of the Lessor.

9.3.3 Each and every power and remedy hereby specifically given to the Lessor will be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in bankruptcy and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor; *provided, however*, that the measure of damages recoverable against such Lessee will in any case be calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*). All such powers and remedies will be cumulative, and the exercise of one will not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder will impair any such power or remedy or will be construed to be a waiver of any default or any acquiescence therein; *provided that*, for the avoidance of doubt, any exercise of any such right or power shall remain subject to each condition expressly specified in any Related Document with respect to such exercise. Any extension of time for payment hereunder or other indulgence duly granted to any Lessee will not otherwise alter or affect the Lessor’s rights or the obligations hereunder of such Lessee. The Lessor’s acceptance of any payment after it will have become due hereunder will not be deemed to alter or affect the Lessor’s rights hereunder with respect to any subsequent payments or defaults therein.

9.3.4 In addition, following the occurrence of an Lease Event of Default, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-à-vis each Lessee, necessary or desirable to allow the French Security Trustee to exercise the rights, remedies, power, privileges and claims given to the French Security Trustee pursuant to Sub-Clause 11.2 (*Rights of the French Security Trustee upon Amortization Event or Certain Other Events of Default*) of the French Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the French Security Trustee pursuant to Clause 11 (*Amortization Events and Remedies*) of the French Facility Agreement and that the French Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.

9.4 Liquidation Event and Non-Performance of Certain Covenants

(a) If a Liquidation Event shall have occurred and be continuing, the French Security Trustee and the Issuer Security Trustee shall have the rights against each Lessee and the French Collateral provided in the French Security Trust Deed and Issuer Security Trust Deed, upon a Liquidation Event, including, in each case, the right to serve a Master Lease Termination Notice on the other parties hereto and following service of such notice shall have the right (i) to terminate any Lessee’s rights of possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee (ii) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder and (iii) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and

thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever.

- (b) During the continuance of a Liquidation Event, the Servicer shall return any or all Lease Vehicles that are Program Vehicles to the related Manufacturers in accordance with the instructions of the Lessor. To the extent any Manufacturer fails to accept any such Program Vehicles under the terms of the applicable Manufacturer Program, the Lessor shall have the right to otherwise dispose of such Program Vehicles and to direct the Servicer to dispose of such Program Vehicles in accordance with its instructions.
- (c) Notwithstanding the exercise of any rights or remedies pursuant to this Sub-Clause 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*), the Lessor will, nevertheless, have a right to recover from such Lessee any and all amounts (for the avoidance of doubt, as limited by Sub-Clause 9.5 (*Measure of Damages*)) as may be then due.
- (d) In addition, following the occurrence of a Liquidation Event, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-a-vis each Lessee, necessary or desirable to allow the French Security Trustee to exercise the rights, remedies, powers, privileges and claims given to the French Security Trustee pursuant to Sub-Clause 11.2 (*Rights of the French Security Trustee upon Amortization Event or Certain Other Events of Default*) of the French Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the French Security Trustee pursuant to Clause 11 (*Amortization Events and Remedies*) of the French Facility Agreement and that the French Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.
- (e) The French Security Trustee may only take possession of, or exercise any of the rights or remedies specified in this Agreement with respect to, such number of Lease Vehicles necessary to generate disposition proceeds in an aggregate amount sufficient to pay the French Advances with respect to which a Liquidation Event is then continuing as set forth in the Issuer Facility Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been pledged to secure such French Advances.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the French Security Trustee exercises the remedies granted to the Lessor or the French Security Trustee under this Clause 9 (*Default and Remedies Therefor*) or Sub-Clause 11.2 (*Rights of the French Security Trustee upon Amortization Event or Certain Other Events of Default*) of the French Facility Agreement, the amount that the Lessor shall be permitted to recover from any Lessee as payment shall be equal to:

- (i) all Rent for each Lease Vehicle leased by such Lessee hereunder to the extent accrued and unpaid as of the earlier of the date of the return to the Lessor of such Lease Vehicle or disposition by the Servicer of such Lease Vehicle in accordance with the terms of this Agreement and all other payments payable under this Agreement by such Lessee, accrued and unpaid as of such date; *plus*
- (ii) any reasonable out-of-pocket damages and expenses, including reasonable attorneys' fees and expenses that the Lessor or the French Security Trustee will have sustained by reason of such a Lease Event of Default or Liquidation Event, together with reasonable sums for such attorneys' fees and such expenses as will be expended or incurred in the seizure, storage, rental or sale of the Lease Vehicles leased by such Lessee hereunder or in the enforcement of any right or privilege hereunder or in any consultation or action in such connection, in each case to the extent reasonably attributable to such Lessee; *plus*

- (iii) interest from time to time on amounts due from such Lessee and unpaid under this Agreement at EURIBOR *plus* 1.0% computed from the date of such a Lease Event of Default or Liquidation Event or the date payments were originally due to the Lessor by such Lessee under this Agreement or from the date of each expenditure by the Lessor or the French Security Trustee, as applicable, that is recoverable from such Lessee pursuant to this Clause 9 (*Default and Remedies Therefor*), as applicable, to and including the date payments are made by such Lessee.

9.6 Servicer Default

Any of the following events will constitute a default of the Servicer (a “**Servicer Default**”) as that term is used herein:

- (i) the failure of the Servicer to comply with or perform any provision of this Agreement or any other Related Document and such failure is, in the opinion of the French Security Trustee materially prejudicial to the French Secured Parties and in the case of a default which is remediable, such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice is delivered by the Lessor or the French Security Trustee to the Servicer or the date an Authorized Officer of the Servicer obtains actual knowledge thereof;
- (ii) an Event of Bankruptcy occurs with respect to the Servicer;
- (iii) the failure of the Servicer to make any payment when due from it hereunder or under any of the other French Related Documents or to deposit any French Collections received by it into the French Transaction Account when required under the French Related Documents and, in each case, unless such failure is as a result of an administrative or technical error in such case payment has been made within three (3) Business Days;
- (iv) if (I) any representation or warranty made by the Servicer relating to the French Collateral in any French Related Document is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing relating to the French Collateral furnished by or on behalf of the Servicer to the Lessor or the French Security Trustee pursuant to any French Related Document is false or misleading on the date as of which the facts therein set forth are stated or certified, (II) such inaccuracy, breach or falsehood is, in the opinion of the French Security Trustee materially prejudicial to any of the French Secured Parties, and (III) if such inaccuracy, breach or falsehood can be remedied, the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for at least fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the French Security Trustee to the Servicer and (y) the date an Authorized Officer of the Servicer obtains actual knowledge of such circumstance or condition;
- (v) a Lease Event of Default occurs which gives rise to a right for the Lessor or the French Security Trustee to serve a Master Lease Termination Notice; or
- (vi) a Liquidation Event occurs.

In the event of a Servicer Default, the Lessor or the French Security Trustee, in each case acting pursuant to Sub-Clause 10.23(d) (*Servicer Default*) of the French Facility Agreement, shall have the right to replace the Servicer as servicer.

For the avoidance of doubt, with respect to any Servicer Default, if the event or condition giving rise (directly or indirectly) to such Servicer Default ceases to be continuing (through cure, waiver

or otherwise), then such Servicer Default will cease to exist and will be deemed to have been cured for every purpose under the French Related Documents.

9.7 Application of Proceeds

The proceeds of any sale or other disposition pursuant to Sub-Clause 9.2 (*Effect of Lease Event of Default*) or Sub-Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the French Related Documents.

10 CERTIFICATION OF TRADE OR BUSINESS USE

Each Lessee hereby warrants and certifies, that it intends to use the Lease Vehicles that are subject to this Agreement in connection with its trade or business.

11 [RESERVED]

12 ADDITIONAL LESSEES

Subject to prior consent of French FleetCo (such consent not to be unreasonably withheld or delayed) and the French Security Trustee (acting upon the instructions of the Issuer Security Trustee (whose instructions have been obtained in accordance with the terms of the French Security Trust Deed and the Issuer Security Trust Deed)), any Affiliate of French OpCo that was incorporated under the laws of France (each, a “**Permitted Lessee**”) shall have the right to become a Lessee under and pursuant to the terms of this Agreement by complying with the provisions of this Clause 12 (*Additional Lessees*). If a Permitted Lessee desires to become a Lessee under this Agreement, then such Permitted Lessee shall execute (if appropriate) and deliver to the Lessor, French Security Trustee and the Issuer Security Trustee:

- 12.1** a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each, an “**Affiliate Joinder in Lease**”);
- 12.2** the certificate of incorporation or other organizational documents for such Permitted Lessee, together with a copy of the by-laws or other organizational documents of such Permitted Lessee, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.3** copies of resolutions of the Board of Directors or other authorizing action of such Permitted Lessee authorizing or ratifying the execution, delivery and performance, respectively, of those documents and matters required of it with respect to this Agreement, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.4** a certificate of an Authorized Officer of such Permitted Lessee certifying the names of the individual or individuals authorized to sign the Affiliate Joinder in Lease and any other Related Documents to be executed by it, together with samples of the true signatures of each such individual;
- 12.5** an Officer’s Certificate stating that such joinder by such Permitted Lessee complies with this Clause 12 (*Additional Lessees*) and an opinion of counsel, which may be based on an Officer’s Certificate and is subject to customary exceptions and qualifications (including, without limitation any insolvency laws), stating that (a) all conditions precedent set forth in this Clause 12 (*Additional Lessees*) relating to such joinder by such Permitted Lessee have been complied with and (b) upon the due authorization, execution and delivery of such Affiliate Joinder in Lease by the parties thereto, such Affiliate Joinder in Lease will be enforceable against such Permitted Lessee; and
- 12.6** any additional documentation that the Lessor, the French Security Trustee or the Issuer Security Trustee may reasonably require to evidence the assumption by such Permitted Lessee of the obligations and liabilities set forth in this Agreement.

13 SECURITY AND ASSIGNMENTS

13.1 Rights of Lessor assigned to French Secured Parties

Each Lessee acknowledges that the Lessor has assigned or will assign all of its rights under this Agreement to the French Security Trustee pursuant to the French Security Documents. Accordingly, each Lessee agrees that:

- (i) subject to the terms of the French Security Trust Deed and the relevant French Security Document, the French Security Trustee shall have all the rights powers, privileges and remedies of the Lessor hereunder;
- (ii) upon the delivery by the French Security Trustee of any notice to such Lessee stating that a Lease Event of Default or a Liquidation Event has occurred, such Lessee acknowledges that pursuant to this Agreement, it has agreed to make all payments of Rent hereunder (and any other payments hereunder) directly to the French Security Trustee for deposit in the French Transaction Account.

13.2 Right of the Lessor to Assign this Agreement

The Lessor shall have the right to finance the acquisition and ownership of Lease Vehicles under this Agreement by, without limitation, selling or assigning its right, title and interest in this Agreement, including, without limitation, in moneys due from any Lessee and any third party under this Agreement, to the French Secured Parties under the French Security Documents; provided, however, that any such sale or assignment shall be subject to the rights and interest of the Lessees in the Lease Vehicles, including but not limited to the Lessees' right of quiet and peaceful possession of such Lease Vehicles as set forth in Sub-Clause 5.3 (*Non-Disturbance*) hereof, and under this Agreement.

13.3 Limitations on the Right of the Lessees to Assign this Agreement

No Lessee shall assign this Agreement or any of its rights hereunder to any other party; provided, however, that (i) each Lessee may rent the Lease Vehicles leased by such Lessee hereunder in connection with its business and may use and sublease Lease Vehicles pursuant to Sub-Clause 5.2 (*Vehicle Use*) and (ii) each Lessee may delegate to one or more of its Affiliates the performance of any of such Lessee's obligations as Lessee hereunder (but such Lessee shall remain fully liable for its obligations hereunder). Any purported assignment in violation of this Sub-Clause 13.3 (*Limitations on the Right of the Lessees to Assign this Agreement*) shall be void and of no force or effect. Nothing contained herein shall be deemed to restrict the right of any Lessee to acquire or dispose of, by purchase, lease, financing, or otherwise, motor vehicles that are not subject to the provisions of this Agreement.

13.4 Security

The Lessor may grant security interests in the Lease Vehicles leased by any Lessee hereunder without consent of any Lessee. Except for Permitted Security, each Lessee shall keep all Lease Vehicles free of all Security arising during the Term. If on the Vehicle Lease Expiration Date for any Lease Vehicle, there is a Security on such Lease Vehicle, the Lessor may, in its discretion, remove such Security and any sum of money that may be paid by the Lessor in release or discharge thereof, including reasonable attorneys' fees and costs, will be paid by the Lessee of such Lease Vehicle upon demand by the Lessor.

14 NON-LIABILITY OF LESSOR

As between the Lessor and each Lessee, acceptance for lease of each Lease Vehicle pursuant to Sub-Clause 2.1(e) (*Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection*) shall constitute such Lessee's acknowledgment and agreement that such Lessee has fully inspected such

Lease Vehicle, that such Lease Vehicle is in good order and condition and is of the manufacture, design, specifications and capacity selected by such Lessee, that such Lessee is satisfied that the same is suitable for this use. Each Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. Each Lessee acknowledges that the Lessor makes no representation, warranty or covenant, express or implied in any such case, as to the fitness, safeness, design, merchantability, condition, quality, durability, suitability, capacity or workmanship of the Lease Vehicles in any respect or in connection with or for any purposes or uses of any Lessee and makes no representation, warranty or covenant, express or implied in any such case, that the Lease Vehicles will satisfy the requirements of any law or any contract specification, and as between the Lessor and each Lessee, such Lessee agrees to bear all such risks at its sole cost and expense. Each Lessee specifically waives all rights to make claims against the Lessor and any Lease Vehicle for breach of any warranty of any kind whatsoever, and each Lessee leases each Lease Vehicle "as is." Upon the Lessor's acquisition of any Lease Vehicle identified in a request from any Lessee pursuant to Sub-Clause 2.1(d) above, the Lessor shall in no way be liable for any direct or indirect damages or inconvenience resulting from any defect in or loss, theft, damage or destruction of any Lease Vehicle or of the cargo or contents thereof or the time consumed in recovery repairing, adjusting, servicing or replacing the same and there shall be no abatement or apportionment of rental at such time. The Lessor shall not be liable for any failure to perform any provision hereof resulting from fire or other casualty, natural disaster, riot or other civil unrest, war, terrorism, strike or other labor difficulty, governmental regulation or restriction, or any cause beyond the Lessor's direct control. In no event shall the Lessor be liable for any inconveniences, loss of profits or any other special, incidental, or consequential damages, whatsoever or howsoever caused (including resulting from any defect in or any theft, damage, loss or failure of any Lease Vehicle. Accordingly, the provisions of Article 1721 of the French *Code civil* does not apply to this Agreement nor the lease by any Lessee of any Lease Vehicle hereunder.

The Lessor shall not be responsible for any liabilities (including any loss of profit) arising from any delay in the delivery of, or failure to deliver, any Lease Vehicle to any Lessee.

15 NON-PETITION AND NO RECOURSE

15.1 Non-Petition in respect of French FleetCo

Notwithstanding anything to the contrary in this Agreement or any French Related Document, only the French Security Trustee may pursue the remedies available under the general law or under the French Security Trust Deed or the French Security Documents to enforce the French Security and no other Person shall be entitled to proceed directly against French FleetCo in respect thereof (unless the French Security Trustee, having become bound to proceed in accordance with the terms of the French Related Documents, fails or neglects to do so). Each party to this Agreement hereby agrees with and acknowledges to each of French FleetCo and the French Security Trustee until the date falling eighteen months and one day after the Legal Final Payment Date, that:

- (a)** it shall not have the right to take or join any person in taking any steps against French FleetCo for the purpose of obtaining payment of any amount due from French FleetCo (other than serving a written demand subject to the terms of the French Security Trust Deed and the French Priority of Payments); and
- (b)** neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to French FleetCo.

The provisions of this Sub-Clause 15.1 (*Non-Petition in respect of French FleetCo*) shall survive the termination of this Agreement. Irrespective of whether or not this Sub-Clause 15.1 (*Non-Petition in respect of French FleetCo*) is incorporated into any other Related Document, the Parties agree that this Sub-Clause 15.1 (*Non-Petition in respect of French FleetCo*) shall apply to all Related Documents to which the French FleetCo is a party to the fullest extent possible.

15.2 Obligations as Corporate Obligations

- (a) No Party shall have any recourse against nor shall any personal liability attach to any shareholder, officer, agent, employee or director of French FleetCo or the French Security Trustee in his capacity as such, by any Proceedings or otherwise, in respect of any obligation, covenant, or agreement of French FleetCo or the French Security Trustee contained in this Agreement.
- (b) The Parties, other than French FleetCo, shall not have any liability for the obligations of French FleetCo and nothing in this Agreement shall constitute the giving of a guarantee, an indemnity or the assumption of a similar obligation by any of such other Parties in respect of the performance by French FleetCo of its obligations.

The provisions of this Sub-Clause 15.2 (*Obligations as Corporate Obligations*) shall survive the termination of this Agreement.

15.3 Limited Recourse in respect of French FleetCo

Each party to this Agreement agrees with and acknowledges to each of French FleetCo and the French Security Trustee that, notwithstanding any other provision of any French Related Document, all obligations of French FleetCo to such entity are limited in recourse as set out below:

- (c) *Priority of payments.* All payments to be made by French FleetCo hereunder to any party will be made only from and to the extent of the sums payable to such party in accordance with the terms of the French Priority of Payments. Accordingly, each party expressly and irrevocably waives any remedy against French FleetCo (acting in whatever capacity) in connection with the payment of any amounts that may be due to it under any Related Document otherwise than up to the amounts payable to it in accordance with the terms of the French Priority of Payments;
- (d) *Deferral.* Any liability remaining unpaid after application of the French Priority of Payments shall automatically be deferred and be payable (*exigible*) on the immediately following Payment Date (except if a different rule in relation to deferred payments is set out in the agreement from which the relevant unpaid liability arises) until the Legal Final Payment Date, in accordance with the French Priority of Payments applicable on that day but in priority to the amounts due on that date and having the same or similar ranking as the deferred amount (unless no such liability as the deferred liability is due on that day in which case such deferred liability will be paid in priority to all other liabilities due on such date), commencing with the oldest deferred amount outstanding and progressing to each next older outstanding deferred amount until such time as no deferred amount remains outstanding.
- (e) *Insufficient Recoveries.* If, or to the extent that, after allocation of all amounts in accordance with the foregoing and, as the case may be, after the French Collateral has been as fully as practicable realised and the proceeds thereof have been applied in accordance with the French Priority of Payments, such proceeds are insufficient to pay or discharge amounts due from French FleetCo to the French Secured Parties or any party to this Agreement in full for any reason, French FleetCo will have no liability to pay or otherwise make good any such insufficiency.

The provisions of this Sub-Clause 15.3 (*Limited recourse in respect of French FleetCo*) shall survive the termination of this Agreement. Irrespective of whether or not this Sub-Clause 15.3 (*Limited recourse in respect of French FleetCo*) is incorporated into any other Related Document, the Parties agree that this Sub-Clause 15.3 (*Limited recourse in respect of French FleetCo*) shall apply to all Related Documents to which the French FleetCo is a party to the fullest extent possible.

16 SUBMISSION TO JURISDICTION

The *Tribunal de commerce de Paris* has exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and the lease of each Lease Vehicle pursuant to this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement or the lease of each Lease Vehicle pursuant to this Agreement shall be brought in such court. The parties irrevocably submit to the exclusive jurisdiction of such court and waive any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

17 GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by French law.

18 [RESERVED]

19 NOTICES

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of Clause 3.17 of the Master Definitions and Construction Agreement and Clause 23 (*Notices*) of the French Security Trust Deed.

20 ENTIRE AGREEMENT

This Agreement and the other agreements specifically referenced herein constitute the entire agreement among the parties hereto and supersede any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof. This Agreement, together with the Manufacturer Programs, the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to this Agreement (including, for the avoidance of doubt, all related joinders, exhibits, annexes, schedules, attachments and appendices), in each case solely to the extent to which such Manufacturer Programs, schedules and documents relate to Lease Vehicles will constitute the entire agreement regarding the leasing of Lease Vehicles by the Lessor to each Lessee.

21 MODIFICATION AND SEVERABILITY

The terms of this Agreement will not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever unless the same shall be in writing and signed and delivered by the Lessor, the Servicer, the French Security Trustee and each Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the French Facility Agreement. If any part of this Agreement is not valid or enforceable according to law, all other parts will remain enforceable. For the avoidance of doubt, the execution and/or delivery of and/or performance under any Affiliate Joinder in Lease, Lease Vehicle Acquisition Schedule or Intra-Lease Lessee Transfer Schedule shall not constitute a waiver, alteration, modification, supplement or termination to or of this Agreement.

22 SURVIVABILITY

In the event that, during the term of this Agreement, any Lessee becomes liable for the payment or reimbursement of any obligations, claims or taxes pursuant to any provision hereof, such liability will continue, notwithstanding the expiration or termination of this Agreement, until all such amounts are paid or reimbursed by or on behalf of such Lessee.

23 [RESERVED]

24 [RESERVED]

25 **ELECTRONIC EXECUTION**

This Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) may be transmitted and/or signed by facsimile or other electronic means (i.e., a “pdf” or “tiff”). The effectiveness of any such documents and signatures shall, subject to applicable law, be binding on each party hereto. The words “execution,” “signed,” “signature,” and words of like import in this Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) or in any amendment or other modification hereof (including, without limitation, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form.

26 **LESSEE TERMINATION AND RESIGNATION**

With respect to any Lessee except for French OpCo, upon such Lessee (the “**Resigning Lessee**”) delivering irrevocable written notice to the Lessor, the Servicer and the French Security Trustee that such Resigning Lessee desires to resign its role as a Lessee hereunder (such notice, substantially in the form attached as Exhibit A hereto, a “**Lessee Resignation Notice**”), such Resigning Lessee shall immediately cease to be a Lessee hereunder, and, upon such occurrence, event or condition, the Lessor, the Servicer and the French Security Trustee shall be deemed to have released, waived, remised, acquitted and discharged such Resigning Lessee and such Resigning Lessee’s directors, officers, employees, managers, shareholders and members of and from any and all claims, expenses, damages, costs and liabilities arising or accruing in relation to such Resigning Lessee on or after the delivery of such Lessee Resignation Notice to the Lessor, the Servicer and the French Security Trustee (the time of such delivery, the “**Lessee Resignation Notice Effective Date**”); provided that, as a condition to such release and discharge, the Resigning Lessee shall pay to the Lessor all payments due and payable with respect to each Lease Vehicle leased by Resigning Lessee hereunder, including without limitation any payment listed under Sub-Clauses 4.7.1 and 4.7.2 (*Payments*), as applicable to each such Lease Vehicle, as of the Lessee Resignation Notice Effective Date; provided further that, the Resigning Lessee shall return or reallocate all Lease Vehicles at the direction of the Servicer in accordance with Sub-Clause 2.4 (*Return*); provided further that, with respect to any Resigning Lessee, such Resigning Lessee shall not be released or otherwise relieved under this Clause 26 (*Lessee Termination and Resignation*) from any claim, expense, damage, cost or liability arising or accruing prior to the Lessee Resignation Notice Effective Date with respect to such Resigning Transferor.

27 [RESERVED]

28 [RESERVED]

29 **NO HARDSHIP**

Each party hereto acknowledges that the provisions of article 1195 of the French *Code civil* shall not apply to it with respect to its obligations under this Agreement and that it shall not be entitled to make any claim under article 1195 of the French *Code civil*.

30 **GOVERNING LANGUAGE**

This Agreement is in the English language. If this Agreement is translated into another language, the English text prevails, save that words in French used in this Agreement and having specific legal meaning under French law will prevail over the English translation.

Lessor

RAC FINANCE SAS

By: _____

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

WEIL:

Lessee and Servicer

HERTZ FRANCE SAS

By: _____

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[FRENCH MASTER LEASE AND SERVICING AGREEMENT – SIGNATURE PAGE]

French Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[FRENCH MASTER LEASE AND SERVICING AGREEMENT – SIGNATURE PAGE]

Issuer Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

[FRENCH MASTER LEASE AND SERVICING AGREEMENT – SIGNATURE PAGE]

ANNEX A
FORM OF AFFILIATE JOINDER IN LEASE

THIS AFFILIATE JOINDER IN LEASE AGREEMENT (this “**Joinder**”) is executed as of _____, 20__ (with respect to this Joinder and the Joining Party) the “**Joinder Date**”), by _____, a _____ (“**Joining Party**”), and delivered to RAC Finance SAS, an entity established in France (“**French FleetCo**”), as lessor pursuant to the French Master Lease and Servicing Agreement, dated as of [●], 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Lease**”), among French FleetCo, as Lessor, Hertz France SAS (“**French OpCo**”), as a Lessee and as Servicer, those affiliates of French OpCo from time to time becoming Lessees thereunder (together with French OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as French security trustee (the “**French Security Trustee**”). Capitalized terms used herein but not defined herein shall have the meanings provided for in the Lease.

R E C I T A L S:

WHEREAS, the Joining Party is a Permitted Lessee; and

WHEREAS, the Joining Party desires to become a “**Lessee**” under and pursuant to the Lease.

NOW, THEREFORE, the Joining Party agrees as follows:

A G R E E M E N T:

1. The Joining Party hereby represents and warrants to and in favor of French FleetCo and the French Security Trustee that (i) the Joining Party is an Affiliate of French OpCo, (ii) all of the conditions required to be satisfied pursuant to Clause 12 (*Additional Lessees*) of the Lease in respect of the Joining Party becoming a Lessee thereunder have been satisfied, and (iii) all of the representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) of the Lease with respect to the Lessees are true and correct as applied to the Joining Party as of the date hereof.
2. From and after the date hereof, the Joining Party hereby agrees to assume all of the obligations of a Lessee under the Lease and agrees to be bound by all of the terms, covenants and conditions therein.
3. By its execution and delivery of this Joinder, the Joining Party hereby becomes a Lessee for all purposes under the Lease. By its execution and delivery of this Joinder, French FleetCo and the French Security Trustee each acknowledges that the Joining Party is a Lessee for all purposes under the Lease.

The Joining Party has caused this Joinder to be duly executed as of the day and year first above written.

[Name of Joining Party]

By: _____

Name: _____

Title: _____

Address: _____

Attention: _____

Telephone: _____

Facsimile: _____

Accepted and Acknowledged by:

RAC FINANCE SAS

By: _____

Name: _____

Title: _____

BNP PARIBAS TRUST CORPORATION UK LIMITED

as French Security Trustee

By: _____

Name: _____

Title: _____

WEIL:

**EXHIBIT A
FORM OF LESSEE RESIGNATION NOTICE**

[]

[French FleetCo, as Lessor]

[Hertz France SAS, as Servicer]

Re: Lessee Termination and Resignation

Ladies and Gentlemen:

Reference is hereby made to the French Master Lease and Servicing Agreement, dated as of [●], 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**French Master Lease**”), among French FleetCo, as Lessor, Hertz France SAS (“**French OpCo**”), as a Lessee and as Servicer, those affiliates of Hertz from time to time becoming Lessees thereunder (together with French OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as French Security Trustee and Issuer Security Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the French Master Lease.

Pursuant to Clause 26 (*Lessee Termination and Resignation*) of the French Master Lease, [] (the “**Resigning Lessee**”) provides French FleetCo, as Lessor, and French OpCo, as Servicer, irrevocable, written notice that such Resigning Lessee desires to resign as “**Lessee**” under the French Master Lease.

Nothing herein shall be construed to be an amendment or waiver of any requirements of the French Master Lease.

[Name of Resigning Lessee]

By: _____

Name: _____

Title: _____

WEIL:

**SCHEDULE I
COMMON TERMS OF MOTOR THIRD PARTY LIABILITY COVER**

**Part A
Non-vitiating endorsement**

The Insurer undertakes to each Insured that this Policy will not be invalidated as regards the rights and interests of each such Insured and that the Insurer will not seek to avoid or deny any liability under this Policy because of any act or omission of any other Insured which has the effect of making this Policy void or voidable and/or entitles the Insurer to refuse indemnity in whole or in any material part in respect of any claims under this Policy as against such other Insured. For the purposes of this clause only "Insured" shall not include any "Authorised Driver".

**Part B
Severability of interest**

The Insurer agrees that cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each Insured, provided that the total liability of the Insurers to all of the Insureds collectively shall not exceed the sums insured and the limits of indemnity (including any inner limits set by memorandum or endorsement stated in this Policy).

**Part C
Notice of non-payment of premium to be sent to the French Security Trustee**

No cancellation unless thirty (30) days' notice.

In the event of non-payment of premium, this Policy may at the sole discretion of the Insurer be cancelled by written notice to the Insureds and [●] [or replacement French Security Trustee], stating when (not less than thirty (30) days thereafter) the cancellation shall be effective. Such notice of cancellation shall be withdrawn and shall be void and ineffective in the event that premium is paid by or on behalf of any of the Insureds prior to the proposed cancellation date.

Notices

The address for delivery of a notice to [●] [or replacement French Security Trustee] will be as follows:

Address:

Tel:

Fax:

Email:

Attention:

WEIL:

**SCHEDULE II
INSURANCE BROKER LETTER OF UNDERTAKING**

**Part A
Public/Product Liability Cover**

To: [Lessor and the French Security Trustee]

Dear Sirs

Letter of Undertaking

HERTZ FRANCE SAS (the “Company”)

1. We confirm that the Public/Product Liability Cover providing protection against public and product liability in respect of Vehicles has been effected for the account of the Company, RAC Finance SAS, and BNP Paribas Trust Corporation UK Limited.
2. We confirm that such Public/Product Liability Cover is in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry.
3. We confirm that such Public/Product Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by English law.

Yours faithfully

.....
Date: [●]

WEIL:

Part B
Motor Third Party Liability

To: [Lessor]

Dear Sirs

Letter of Undertaking

HERTZ FRANCE SAS, (the “Company”)

1. We confirm that the Motor Third Party Liability Cover providing protection which is required as a matter of law, including providing protection against (i) liability in respect of bodily injury or death caused to third parties, and (ii) loss or damage to property belonging to third parties, in each case arising out of the use of any Vehicle has been effected for the account of the Company, RAC Finance SAS, and to the extent that each or either of the aforementioned parties are required to do so as a matter of law in the jurisdiction in which each or either of them or a Vehicle is located, for any other Person.
2. We confirm that such Motor Third Party Liability Cover is in an amount which is at or above any applicable minimum limits of indemnity/ liability required as a matter of law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry.
3. We confirm that such Motor Third Party Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by English law.

Yours faithfully

.....
Date: [●]

WEIL:

SCHEDULE III
REQUIRED CONTRACTUAL CRITERIA FOR VEHICLE PURCHASING AGREEMENTS

1 PROVISIONS TO BE APPLIED TO ALL VEHICLE PURCHASING AGREEMENTS TO BE ENTERED INTO BY FRENCH FLEETCO

Each Vehicle Purchasing Agreement will in substance satisfy the following contractual requirements:

1.1 Parties

Vehicle Purchasing Agreements to which French FleetCo is a party may include contractual terms permitting the accession of French OpCo (or another Affiliate of The Hertz Corporation other than French FleetCo) as an additional purchaser/seller.

If any Vehicle Purchasing Agreement provides that French OpCo (or any other Affiliate of The Hertz Corporation other than French FleetCo) may purchase/sell Vehicles in accordance with the terms of such Vehicle Purchasing Agreement, the obligations of French FleetCo and French OpCo (or other Affiliate of The Hertz Corporation other than French FleetCo, as applicable) under that Vehicle Purchasing Agreement will in all cases need to be several (*non solidaires*), and provide that French FleetCo will not have any liability for the obligations of French OpCo (or such other Affiliate of The Hertz Corporation, as applicable).

Alternatively, existing Vehicle Purchasing Agreements to which French OpCo (or other Affiliate of The Hertz Corporation other than French FleetCo) is a party may be amended to provide that French FleetCo may accede to such Vehicle Purchasing Agreements (satisfying the French Required Contractual Criteria) and that French FleetCo will not have any liability for the obligations of French OpCo (or other Affiliate of The Hertz Corporation).

1.2 Separate obligations

Each Vehicle Purchasing Agreement will satisfy the following criteria:

- (a) French FleetCo shall not under any circumstances have any liability for the obligations of French OpCo (in its capacity as guarantor, purchaser of vehicles or otherwise) thereunder; and
- (b) to the extent that French OpCo (or any other Affiliate of The Hertz Corporation other than French FleetCo) enters into or is a party to any other Vehicle Purchasing Agreements with the same Manufacturer /Dealer (each such Vehicle Purchasing Agreement to which French OpCo or other Affiliate of The Hertz Corporation other than French FleetCo is a party being a “**French OpCo Specific Agreement**”), French FleetCo shall not under any circumstances have any liability for the obligations of French OpCo (or such other Affiliate of The Hertz Corporation, as the case may be) under such French OpCo Specific Agreement.

1.3 Volume Rebates etc.

A Vehicle Purchasing Agreement may provide that any bonus payment or other amount (howsoever described) payable or to be made available by a Manufacturer /Dealer as a result of French FleetCo (or French FleetCo and/or French OpCo (and/or any other relevant Affiliate of The Hertz Corporation) under such Vehicle Purchasing Agreement and/or any French OpCo Specific Agreement, as applicable) meeting any minimum vehicle purchase level in that relevant year, be payable to or for the account of French OpCo (rather than French FleetCo). For the avoidance of doubt, French FleetCo may however take the benefit of reductions applied to purchase prices applicable to vehicles as a result of any such minimum vehicle purchase levels being reached.

WEIL:

Notwithstanding the foregoing where a Vehicle Purchasing Agreement provides that in the event that any minimum vehicle purchase level in the relevant year is not met:

- (a) any bonus, payment, benefit or reductions applied to purchase prices on Vehicles purchased by French FleetCo or other amount (howsoever described) is recoverable by or repayable to a Manufacturer y/Dealer; or
- (b) any penalty or other amount (howsoever described) is payable to such Manufacturer /Dealer,

such Vehicle Purchasing Agreement shall provide that, in each case, such amounts will only be reclaimed from, payable by, or otherwise recoverable from French OpCo or another Affiliate of The Hertz Corporation other than French FleetCo.

1.4 Confidentiality and public disclosure of terms of Vehicle Purchasing

Each Vehicle Purchasing Agreement will need to be disclosed to the French Security Trustee and possibly other Enhancement Providers.

1.5 Non-petition

Each Vehicle Purchasing Agreement will contain an irrevocable and unconditional covenant or undertaking given by the relevant Manufacturer /Dealer that such Manufacturer /Dealer shall not be entitled and shall not initiate or take any step in connection with:

- (a) liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of French FleetCo; or
- (b) the appointment of an insolvency officer in relation to French FleetCo or any of its assets whatsoever,

provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling eighteen months and one day after the Legal Final Payment Date.

1.6 Limited recourse

Each Vehicle Purchasing Agreement will contain an irrevocable covenant or undertaking given by the relevant Manufacturer /Dealer that such Manufacturer /Dealer shall not be entitled to, and shall not, initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by French FleetCo under the relevant Vehicle Purchasing Agreement; this covenant will be unconditional except that the relevant Manufacturer /Dealer may commence legal proceedings to the extent that the only relief sought against French FleetCo pursuant to such proceedings is the re-possession of relevant Vehicle(s) pursuant to applicable retention of title provisions provided for under the relevant Vehicle Purchasing Agreement, provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling eighteen months and one day after the Legal Final Payment Date.

2 PROVISIONS TO BE APPLIED TO ALL MANUFACTURER PROGRAMS TO BE ENTERED INTO BY A FLEETCO

Each Manufacturer Program will in substance satisfy the following additional contractual requirements:

2.1 Assignment and transfers

Each Manufacturer Program will contain terms that permit French FleetCo to assign by way of security or pledge any of its rights under such agreement to the French Secured Parties. Any such right to grant security to the French Secured Parties must be unrestricted. Unless pursuant to an Intra-Group Transfer (as defined below) by a Manufacturer (which shall not require consent from French FleetCo), each Manufacturer Program will provide that the Manufacturer/Dealer may not assign, transfer or novate its obligations under such agreement without the prior written consent of French FleetCo. French FleetCo shall not provide such consent unless the Manufacturer /Dealer enters into a guarantee materially in the form set out in Schedule 3 (*Draft Transfer and Guarantee Language to be included in Pro Forma Manufacturer Programs*) or accepts joint and several liability in respect of the transferred obligations substantially on the terms set out in Schedule IV (*Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Programs*). For the purposes hereof, an “**Intra-Group Transfer**” means an assignment, transfer or novation by a Manufacturer of its obligations under a Manufacturer Program to an Affiliate of such Manufacturer which would satisfy the definition of “**Investment Grade Manufacturer**” upon such Affiliate becoming a Manufacturer. For the avoidance of doubt, Manufacturers /Dealers may assign their rights under Manufacturer Programs without the prior written consent of French FleetCo.

2.2 Set-off

Each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Manufacturer Program or under applicable law to set-off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by French FleetCo in relation to Vehicles ordered by (but not delivered to) French FleetCo by such Manufacturer/Dealer under that Manufacturer Program, against (ii) amounts owed by the Manufacturer/Dealer to French FleetCo under such Manufacturer Program, provided that, each Vehicle Purchasing Agreement entered into or renewed on or after the Closing Date will provide that the Manufacturer/Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Vehicle Purchasing Agreement or under applicable law to set-off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by French FleetCo under that Vehicle Purchasing Agreement, against (ii) amounts owed by the Manufacturer/Dealer to French FleetCo under that Manufacturer Program or any other Vehicle Purchasing Agreement, save and except in relation to any Manufacturer Programme with Daimler AG, and/or any of their respective Affiliates or successors or any corporation into which such entities may be merged or converted or with which they may be consolidated or any corporation resulting from any merger, conversion or consolidation of such entities (“**Daimler Entities**”) or any Dealers or agents (or Affiliates or successors thereof) selling Vehicles manufactured or purchased from the Daimler Entities if such Manufacturer Programme does not provide for waiver of set-off in accordance with paragraph 2.2 (Set-off) hereof, in which case such amounts may be reclaimed from, payable by, or otherwise recoverable from French FleetCo.

Notwithstanding the foregoing the Manufacturer /Dealers will be entitled to set off any amount owed by French FleetCo in respect of turn-back related damages against any amount of Repurchase Price owed by it to French FleetCo. The Servicer shall use reasonable efforts to procure that each Manufacturer Program will provide that the Manufacturer /Dealer expressly waives all rights to set-off (however arising, including legal set-off) any amount:

- (a) owed to it by French OpCo under such Manufacturer Program; or
- (b) owed to it by French OpCo (or any other Affiliate of The Hertz Corporation other than French FleetCo) under any other agreement (including any French OpCo Specific Agreement),

in any such case against amounts owed by the Manufacturer /Dealer to French FleetCo under the relevant Manufacturer Program.

2.3 Manufacturer’s/Dealer’s obligations to be ‘unconditional’

WEIL:

No Manufacturer Program may contain terms that provide that the Repurchase Obligations of the Manufacturer/Dealer are conditional in any respect other than, in relation to (a) a force majeure event¹ or (b) compliance with applicable turn-back procedures (including any Programme Minimum Term or Programme Maximum Term) and/or (c) turn-back standards in relation to the condition of the relevant Vehicle. For the avoidance of doubt, no Manufacturer Program may provide that the obligations of the Manufacturer /Dealer thereunder are conditional upon:

- (a) any minimum number of Vehicles being purchased (i) by French FleetCo under such Manufacturer Program; and/or (ii) by French OpCo or any other Person under such Manufacturer Program or any French OpCo Specific Agreement; or
- (b) the solvency of French FleetCo; or
- (c) the solvency of any other Affiliate of The Hertz Corporation other than French FleetCo.

2.4 Termination provisions

To the extent that a Manufacturer/Dealer requires express termination provisions to be included in any Manufacturer Program, such Manufacturer Program may provide that a Manufacturer /Dealer is entitled (upon expiry of a predetermined notice period or otherwise) to terminate such agreement before its scheduled expiry date upon the occurrence of certain events (e.g. liquidation, bankruptcy, insolvency, failure to pay, late payment, partial payment, breach or serious breach of obligations, or any similar or analogous events); provided always that the Manufacturer/Dealer shall not under any circumstances have the right to terminate its obligations (subject to and in accordance with any eligibility criteria and Programme Minimum Term or Programme Maximum Term) to repurchase (or, if applicable to perform its guaranteed obligations thereunder) in respect of any Vehicle shipped to French FleetCo or its order prior to the termination of such Manufacturer Program.

2.5 Retention of title in favour of French FleetCo

The Manufacturer Program entered into with the Top Two Non-Investment Grade Manufacturers will, where credit terms are made available to the relevant Manufacturer /Dealer (in relation to the payment by it of applicable repurchase prices for Vehicles) provide that title to the relevant Vehicle will remain with French FleetCo until the sale proceeds are received by French FleetCo. In practice French FleetCo may return the registration documents for a Vehicle when it is turned back to such Top Two Non-Investment Grade Manufacturers.

¹ For these purposes, a 'force majeure event' will be constituted by any event which (a) was not foreseen by the parties, (b) is outside their control and could not have been avoided by taking due care or by compliance in all material respects with obligations under the VPA and (c) prevents performance of the obligations of one or more parties under the contract.

SCHEDULE IV
DRAFT TRANSFER AND JOINT AND SEVERAL LIABILITY LANGUAGE TO BE INCLUDED IN PRO FORMA MANUFACTURER PROGRAM

This should be included in each relevant pro forma Manufacturer Program, and should be adapted to the relevant Manufacturer Program. This language should only be used where the Existing Supplier agrees to be jointly and severally liable with the New Supplier. Local counsel should be consulted to ensure that it is duly executed and complies with the applicable law.

1 TRANSFERS BY THE SUPPLIER

The Supplier (the “**Existing Supplier**”) may transfer by means of assignment of contract (*cession de contrat*) (the “**Transfer**”) to another entity which has all consents and approvals required in order to perform its obligations under this Agreement (the “**New Supplier**”) all of its rights and obligations with regard to all or any of the vehicles subject of this Agreement as shall be specified (the “**Relevant Vehicles**”).

1.1 Conditions of transfer

A Transfer will not be effective unless FleetCo receives in compliance with paragraph 1.2 (*Procedure for transfer*) and at least 2 (two) Business Days before the date on which the Transfer is intended to take effect (the “**Transfer Date**”):

- (a) notification from the Existing Supplier of the name and contact details of the New Supplier;
- (b) acknowledgment from the New Supplier of its agreement to be bound by the terms of this Agreement including, without limitation, the Required Contractual Criteria;
- (c) acknowledgment that in no event will French FleetCo be required to deliver any Relevant Vehicle to the New Supplier or its agent outside France;
- (d) a duly completed and executed acknowledgment of joint and several liability substantially in the form set out in Annex 2 (the “**Acknowledgment**”) from the Existing Supplier and the New Supplier.

1.2 Procedure for transfer

- (a) Subject to conditions set out in Sub-Clause 1.1 (*Conditions of transfer*) a Transfer shall be effected in accordance with paragraph (b) below not less than 2 (two) Business Days following receipt by FleetCo of a duly completed transfer certificate substantially in the form set out in Annex 1 (the “**Transfer Certificate**”) delivered to it by the Existing Supplier and the New Supplier.
- (b) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Supplier seeks to transfer its rights and obligations under this Agreement in respect of the Relevant Vehicles, each of FleetCo and the Existing Supplier shall be released from further obligations towards one another in respect of the Relevant Vehicles under this Agreement and their respective rights against one another under this Agreement in respect of the Relevant Vehicles shall be cancelled (being the “**Discharged Rights and Obligations**”);
 - (ii) each of French FleetCo and the New Supplier shall assume obligations towards one another and/or acquire rights against one another which shall be the same as

WEIL:

the Discharged Rights and Obligations insofar as French FleetCo and the New Supplier have assumed and/or acquired the same in place of FleetCo and the Existing Supplier; and

(iii) the New Supplier shall become a party to the New Agreement.

1.3 Definitions

In this Clause and in the Transfer Certificate the following words shall bear the following meaning:

“**Business Day**” means any day (other than a Saturday or Sunday) when commercial banks are open for general business in France;

“**New Agreement**” means this Agreement as it shall apply to the New Supplier pursuant to Clause 1;

“**Repurchase Obligations**” means the obligations of the Supplier to re-purchase from French FleetCo, at the applicable Repurchase Price, Relevant Vehicles in accordance with the terms of the Agreement; and

“**Repurchase Price**” means the purchase price or other consideration payable by the Supplier to French FleetCo for the re-purchase by the Supplier of any Relevant Vehicles.

WEIL:

Annex 1

Form of Transfer Certificate

To: RAC Finance SAS and Hertz France SAS

From: [The Existing Supplier] (the “**Supplier**”) and [The New Supplier] (the “**New Supplier**”)

Dated: [Date]

RAC Finance SAS - Agreement dated [•] (the “Agreement”)

1 We refer to the Agreement. This is a Transfer Certificate as defined in Sub-Clause 1.2 of the Agreement and constitutes a deed of assignment (*acte de cession de contrat*). Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.

2 We refer to Sub-Clause 1.2 (*Procedure for transfer*):

- (a)** In accordance with Sub-Clause 1.2 (*Procedure for transfer*), the Existing Supplier hereby transfers by means of assignment of contract (*cession de contrat*) to the New Supplier, which transfer is hereby accepted by the New Supplier, all of the Existing Supplier’s rights and obligations relating to [the following vehicles set out below] (the “**Relevant Vehicles**”):

[Vehicle Registration Numbers]

OR

[all vehicles which have been or, as the case may be, which may be purchased by FleetCo under the Agreement (the “**Relevant Vehicles**”)]

- (b)** The proposed Transfer Date is the later of [•] or 2 (two) Business Days after the date you receive this Transfer Certificate.

- (c)** The address, telephone number, fax number and attention details for notices of the New Supplier are:

Address: [Address]

Tel: [Telephone]

Fax: [Fax]

Attn: [Name]

WEIL:

- 3 The New Supplier expressly acknowledges its agreement to be bound by the terms of the Agreement including, without limitation, the provisions set out in Schedule III (*Required Contractual Criteria for Vehicle Purchasing Agreements*).
- 4 This Transfer Certificate constitutes a deed of assignment (*acte de cession de contrat*).
- 5 The New Supplier acknowledges that it will not transfer its obligations under the New Agreement without the prior written consent of FleetCo and the Existing Supplier.
- 6 The New Supplier acknowledges that FleetCo will not be required, under any circumstances, to deliver any Relevant Vehicle to the New Supplier or its agent outside France.
- 7 This Transfer Certificate is governed by French law.

[Existing Supplier] [New Supplier]

By: By:

For co-operation (*medewerking*) to the above transfers of contract:

RAC Finance SAS

By:

Hertz France SAS

By:

WEIL:

Annex 2

Form of Acknowledgement of Joint and Several Liability

To: RAC Finance SAS (“**French FleetCo**”)

From: [EXISTING SUPPLIER] (the “**Existing Supplier**”) and [NEW SUPPLIER] (the “**New Supplier**” and, together with the Existing Supplier, the “**Co-Obligors**”)

Date: [date]

RAC Finance SAS — Agreement dated [date] (the “**Agreement**”)

- 1 We refer to the Agreement. This is an Acknowledgment as defined in Sub-Clause 1.1(d) of the Agreement. Terms defined in the Agreement have the same meaning in this Acknowledgment unless given a different meaning in this Acknowledgment.
- 2 The Co-Obligors agree and acknowledge that they are jointly and severally liable for the due and punctual performance of each and every liability (whether arising in contract or otherwise) the New Supplier may now or hereafter have toward French FleetCo under the terms of the Agreement. The Existing Supplier promises to pay to French FleetCo from time to time and upon 2 (two) Business Days’ written notice all liabilities from time to time due and payable (but unpaid following a notice to the New Supplier of such fact) by the New Supplier under or pursuant to the Agreement or on account of any breach thereof.
- 3 French FleetCo may take action against, or release or compromise the liability of, either Co-Obligor, or grant time or other indulgence, without affecting the liability of the other Co-Obligor under paragraph 2 above. French FleetCo may take action against the Co-Obligors together or such one or more of them as French FleetCo shall think fit.
- 4 The obligations of each Co-Obligor contained in this Acknowledgment in paragraph 2 above and the rights, powers and remedies conferred in respect of that Co-Obligor upon French FleetCo by this Acknowledgment shall not be discharged, impaired or otherwise affected by:
 - (i) the liquidation, winding-up, dissolution, administration or reorganisation of the other Co-Obligor or any change in its status, function, control or ownership;
 - (ii) any of the obligations of the other Co-Obligor under the Agreement being or becoming unenforceable in any respect;
 - (iii) time, waiver, release or other indulgence granted to the other Co-Obligor in respect of its obligations under the Agreement; or
 - (iv) any other act, event or omission which, but for this paragraph 4, might operate to discharge, impair or otherwise affect any of the obligations of the Existing Supplier contained in paragraph 2 above or any of the rights, powers or remedies conferred upon French FleetCo under that paragraph 2.

WEIL:

5 This Acknowledgement is governed by French law.

[Existing Supplier]

[New Supplier]

By:

By:

WEIL:

SCHEDULE V
DRAFT INTRA-GROUP VEHICLE PURCHASING AGREEMENT²

² Draft to be review by CC Paris.

WEIL:

_____202[•]

RAC FINANCE SAS

AND

[•]

INTRA-GROUP VEHICLE PURCHASING AGREEMENT AGREEMENT

WEIL:

THIS INTRA-GROUP VEHICLE PURCHASING AGREEMENT (this "**Agreement**") is made on [•] 202[•],

BETWEEN:

(1) **RAC FINANCE SAS**, an entity established in France with its principal place of business in Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1, 78180, Montigny-le-Bretonneux, 497 581 498 RCS Versailles

("French FleetCo" or the "**Purchaser**"); and

(2) [•], ("[" or the "**Seller**").

The Seller and the Purchaser shall be hereinafter jointly referred to as the "Parties".

WHEREAS:

[•]

NOW THEREFORE IT IS HEREBY AGREED:

1 SALE AND PURCHASE AND FURTHER UNDERTAKINGS

- 1.1. The Seller hereby sells to the Purchaser and the Purchaser hereby acquires from the Seller the vehicles identified in the Schedule to this Agreement (the "Vehicles").
- 1.2. From the moment of execution of this Agreement, title to the relevant Vehicle will automatically pass to the Purchaser.
- 1.3. The risk inherent to each Vehicle will pass to the Purchaser at the same time as the transfer of title to such Vehicle (*i.e.*, the date on which this Agreement is executed).
- 1.4. The Parties hereby agree that the sale effected hereby is made on arm's length terms (*à des conditions normales de marché*).
- 1.5. For the avoidance of doubt, the Purchaser shall have no liability in connection with the obligations of the Seller under this Agreement. The Seller undertakes to the Purchaser that if the Purchaser incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) arising out of, in connection with or based on the sale effected hereby, the Seller shall indemnify the Purchaser an amount equal to the amount so incurred by the Purchaser within five Business Days of written demand.

2 CONSIDERATION

The purchase price to be paid by the Purchaser to the Seller for the purchase of the Vehicles by the Purchaser under this Agreement shall be the Net Book Value (as determined under US GAAP) of the Vehicles sold under this Agreement (the "**Purchase Price**").

3 REPRESENTATIONS AND WARRANTIES

3.1 The Seller's Representations

WEIL:

The Seller warrants and represents to the Purchaser that as at the date of this Agreement:

- 3.1.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder;
- 3.1.2 the officer or attorney signing this Agreement on behalf of the Seller is duly authorised to do so, and no further approvals and/or authorisations are necessary from the relevant corporate bodies of the Seller for the Seller to enter into this Agreement and perform its obligations hereunder;
- 3.1.3 no steps have been taken for its liquidation, dissolution, declaration of insolvency or analogous circumstance and no liquidator, administrator, receiver or analogous person has been appointed over its assets;
- 3.1.4 it holds full legal title ("[•]") to the Vehicles;
- 3.1.5 the Vehicles are freely transferrable and no charge, lien, security interest or other type of third party rights falls over the Vehicles, except for any rights that the Seller's customers may have as a result of the rental of the Vehicles from the Seller in the ordinary course of business; and
- 3.1.6 the Vehicles are duly registered with the Registry of Vehicles and have the relevant documentation in order to validly circulate in [•].

3.2 **The Purchaser's Representations**

The Purchaser warrants and represents to the Seller that as at the date of this Agreement:

- 3.2.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder; and
- 3.2.2 the officer or attorney signing this Agreement on behalf of the Purchaser is duly authorised to do so, and no further approvals and/or authorisations are necessary from the relevant corporate bodies of the Purchaser for the Purchaser to enter into this Agreement and perform its obligations hereunder.

4 **LIMITED RECOURSE**

- 4.1 The Seller may commence legal proceedings against the Purchaser to the extent that the only relief sought against the Purchaser pursuant to such proceedings is the re-possession by the Seller of the Vehicle in the event of non-payment by the Purchaser of the Purchase Price relating to a Vehicle.
- 4.2 The Seller hereby covenants and undertakes that, other than as specified in paragraph 4.1 above, the Seller shall not be entitled to and shall not initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by the Purchaser hereunder.

WEIL:

5 NON-PETITION

The Seller shall not be entitled to and shall not take any step-in connection with:

5.1.1 The liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of the Purchaser; or

5.1.2 the appointment of an insolvency officer in relation to the Purchaser or any of its assets whatsoever.

6 SET-OFF

Each Party hereto acknowledges and agrees that all amounts due under this Agreement shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

7 ASSIGNMENT

7.1 Assignment by the Purchaser

The Purchaser may assign, pledge or transfer by way of security its rights under this Agreement to a security trustee or similar person appointed in relation to a finance transaction without restriction and without the need to obtain the consent of the Seller or any other person.

7.2 Assignment by the Seller

The Seller may not assign, pledge, transfer or novate its obligations under this Agreement without the prior written consent of the Purchaser.

8 SURVIVAL OF CERTAIN PROVISIONS

Clauses 4 (Limited recourse) and 5 (Non-petition) of this Agreement are irrevocable and shall remain in full force and effect notwithstanding the termination of this Agreement.

9 GOVERNING LAW AND JURISDICTION

9.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of France.

9.2 Jurisdiction

With respect to any suit, action or proceedings relating to this Agreement, each party irrevocably submits to the exclusive jurisdiction of the courts of Paris, France.

IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorised representatives, have caused this Agreement to be executed and delivered on the date first above written.

WEIL:

SIGNATURE PAGE TO THE SALE AND PURCHASE AGREEMENT

The Purchaser

RAC FINANCE SAS

By: _____

Name:

Title:

The Seller

[•]

By: _____

Name:

Title:

WEIL:

Schedule

Description of Vehicles Sold

WEIL:

**SCHEDULE VI
FORM OF NOTICES TO LANDLORDS, CAR PARKS OWNERS AND TRANSPORTERS**

**Part A
Notice to Landlords**

**Part I
Notice to Landlord - Subscription Agreement**

[Sur papier à en tête de Hertz France S.A.S.]

Par lettre recommandée avec accusé de réception

A : [nom/dénomination sociale et adresse du propriétaire du Parc de Stationnement]

Copie: RAC Finance S.A.S.
Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Fax: [*]

Email: [*]

Attention: The Président

Trappes, le [•]

Madame, Monsieur,
Notice d'Information

Nous faisons référence au contrat d'abonnement conclu le [•] entre vous-mêmes et notre société [détails des contrats d'abonnement à fournir par Hertz France S.A.S. : date, référence, autres détails d'identification applicables] (le(s) "**Contrat(s) d'Abonnement**") aux termes duquel vous avez accepté de nous fournir un service de parking sur le[s] parc[s] de stationnement présentant les caractéristiques suivantes : [éléments d'identification du ou des parc(s) de stationnement à fournir par Hertz France S.A.S. : adresse, etc.] (le(s) "**Parc(s) de Stationnement**").

Le Groupe Hertz s'est engagé dans un programme de financement afin d'acquérir des véhicules. En conséquence de ce programme de financement, la plupart des véhicules automobiles qui viendront, à tout moment à compter de la date du présent courrier, à stationner sur le Parc de Stationnement aux termes du Contrat d'Abonnement n'appartiendront pas à Hertz France S.A.S. et ne seront pas immatriculés au nom de Hertz France S.A.S. Ces véhicules seront la propriété de la société RAC Finance S.A.S. et seront immatriculés à son nom.

A tout moment pendant la durée du Contrat de Location, sur demande écrite préalable de votre part, nous vous communiquerons les noms des propriétaires de chacun des véhicules automobiles qui viendront à stationner sur le(s) Parc(s) de Stationnement à une date donnée à compter de la date du présent courrier.

WEIL:

HERTZ FRANCE S.A.S.

Signature:

Nom:

Qualité:

WEIL:

Translation for information purposes only

[On letterhead paper of Hertz France S.A.S.]

By registered mail with acknowledgement of receipt

To: [name and address of the landlord of the Car Park]

Copy: RAC Finance S.A.S.
Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Fax: [*]

Email: [*]

Attention: The Président

Trappes, [•]

Dear Madam, dear Sir,

Information Notice

We refer to the subscription agreement entered into on [•] between yourself and our company [*details of the subscription agreements to be provided by Hertz France S.A.S.: date, reference number, other applicable details*] (the “**Subscription Agreement(s)**”) pursuant to which you have agreed to provide to us parking services with respect to the car park[s] having the following features: [*identification details of the car park[s] to be provided by Hertz France S.A.S.: address, etc.*] (the “**Car Park(s)**”).

The Hertz Group has embarked on a funding programme to purchase vehicles. As a result of this funding programme, most of the vehicles which may be parked in the Car Park(s) pursuant to the Subscription Agreement(s) from time to time as from the date of this letter will not belong to Hertz France S.A.S. and will not be registered in our name. These vehicles may belong to and will be registered in the name of RAC Finance S.A.S.

At any time during the term of the Subscription Agreement, upon prior written request, we will provide you with a list of the owners of the vehicles that will be parked in the Car Park(s) as at a given date as from the date of this letter.

HERTZ FRANCE S.A.S.

Signature:

Name:

Title:

WEIL:

Part II

Notice to Landlord - Lease Agreement

[Sur papier à en tête de Hertz France S.A.S.]

Par lettre recommandée avec accusé de réception

A : [nom/dénomination sociale et adresse du propriétaire du Parc de Stationnement]

Copie: RAC Finance S.A.S.
Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Fax: [*]

Email: [*]

Attention: The Président

Trappes, le [*]

Madame, Monsieur,

Notice d'Information

Nous faisons référence au contrat de location conclu le [*] entre vous-mêmes et notre société [détails des contrats de location à fournir par Hertz France S.A.S. : date, référence, autres détails d'identification applicables] (le(s) "**Contrat(s) de Location**") aux termes duquel vous avez accepté de nous donner en location le[s] parc[s] de stationnement présentant les caractéristiques suivantes : [éléments d'identification du ou des parc(s) de stationnement à fournir par Hertz France S.A.S. : adresse, etc.] (le(s) "**Parc(s) de Stationnement**").

Le Groupe Hertz s'est engagé dans un programme de financement afin d'acquérir des véhicules. En conséquence de ce programme de financement, la plupart des véhicules automobiles qui viendront, à tout moment à compter de la date du présent courrier, à stationner sur le Parc de Stationnement aux termes du Contrat de Location n'appartiendront pas à Hertz France S.A.S. et ne seront pas immatriculés au nom de Hertz France S.A.S. Ces véhicules seront la propriété de la société RAC Finance S.A.S. et seront immatriculés à son nom.

A tout moment pendant la durée du Contrat de Location, sur demande écrite préalable de votre part, nous vous communiquerons les noms des propriétaires de chacun des véhicules automobiles qui viendront à stationner sur le(s) Parc(s) de Stationnement à une date donnée à compter de la date du présent courrier.

HERTZ FRANCE S.A.S.

Signature :

Nom :

Qualité :

WEIL:

Translation for information purposes only

[On letterhead paper of Hertz France S.A.S.]

By registered mail with acknowledgement of receipt

To: [name and address of the landlord of the Car Park]

Copy: RAC Finance S.A.S.
Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Fax: [*]

Email: [*]

Attention: The Président

Trappes, [•]

Dear Madam, dear Sir,

Information Notice

We refer to the lease agreement entered into on [•] between yourself and our company [*details of the lease agreements to be provided by Hertz France S.A.S.: date, reference number, other applicable details*] (the “**Lease Agreement(s)**”) pursuant to which you have agreed to hire to us the car park[s] having the following features: [*identification details of the car park[s] to be provided by Hertz France S.A.S.: address, etc.*] (the “**Car Park(s)**”).

The Hertz Group has embarked on a funding programme to purchase vehicles. As a result of this funding programme, most of the vehicles which may be parked in the Car Park(s) pursuant to the Lease Agreement(s) from time to time as from the date of this letter will not belong to Hertz France S.A.S. and will not be registered in our name. These vehicles may belong to, and be registered in the name of RAC Finance S.A.S.

At any time during the term of the Lease Agreement, upon prior written request, we will provide you with a list of the owners of the vehicles that will be parked in the Car Park(s) as at a given date as from the date of this letter.

HERTZ FRANCE S.A.S.

Signature:

Name:

Title:

WEIL:

Part B
Notice to Transporter

[Sur papier à en tête de Hertz France S.A.S.]

Par lettre recommandée avec accusé de réception

A : [nom/dénomination sociale et adresse du transporteur]

Copie: RAC Finance S.A.S.
Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Fax: [*]

Email: [*]

Attention: The Président

Trappes, le [•]

Madame, Monsieur,

Notice d'Information

[Nous faisons référence au(x) contrat(s) de transport conclu(s) le [•] entre vous-mêmes et notre société [détails des contrats de transport à fournir par Hertz France S.A.S.: date, référence, autres détails d'identification applicables] (le(s) "**Contrat(s) de Transport**") aux termes [duquel]/[desquels] vous avez accepté de transporter certains des véhicules que nous utilisons.]

ou

[Nous faisons référence à vos conditions générales que nous avons signées le [•] [détails des conditions générales à fournir par Hertz France S.A.S.: date, référence, autres détails d'identification applicables] (les "**Conditions Générales**") aux termes desquelles vous avez accepté de transporter certains des véhicules que nous utilisons.]

Le Groupe Hertz s'est engagé dans un programme de financement afin d'acquérir des véhicules. En conséquence de ce programme de financement, la plupart des véhicules automobiles qui viendront, à tout moment à compter de la date du présent courrier, à être transportés par vous aux termes [du(des) Contrat(s) de Transport]/[des Conditions Générales] n'appartiendront pas à Hertz France S.A.S. et ne seront pas immatriculés au nom de Hertz France S.A.S. Ces véhicules seront la propriété de la société RAC Finance S.A.S. et seront immatriculés à son nom.

A tout moment pendant la durée [du(des) Contrat(s) de Transport]/[des Conditions Générales], sur demande écrite préalable de votre part, nous vous communiquerons les noms des propriétaires de chacun des véhicules automobiles qui viendront à être transportés par vous à une date donnée à compter de la date du présent courrier.

HERTZ FRANCE S.A.S.

Signature :

Nom :

Qualité :

WEIL:

For translation information purposes

[On letterhead paper of Hertz France S.A.S.]

By registered mail with acknowledgement of receipt

To: [name and address of the transporter]

Copy: RAC Finance S.A.S.
Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1
78180, Montigny-le-Bretonneux
497 581 498 RCS Versailles

Fax: [*]

Email: [*]

Attention: The Président

Trappes, [•]

Dear Madam, dear Sir,

Information Notice

[We refer to the carrier agreement(s) entered into on [•] between yourself and our company [*details of the carrier agreement(s) to be provided by Hertz France S.A.S.: date, reference number, other applicable details*] (the “**Carrier Agreement(s)**”) pursuant to which you have agreed to [carry/convey] some of the vehicles used by us.]

OR

[We refer to your general conditions signed by our company on [•] [*details of the general conditions to be provided by Hertz France S.A.S.: date, reference number, other applicable details*] (the “**General Conditions**”) pursuant to which you have agreed to [carry/convey] some of the vehicles used by us.]

The Hertz Group has embarked on a funding programme to purchase vehicles. As a result of this funding programme, most of the vehicles which may be carried by you pursuant to the [Carrier Agreement(s)]/[General Conditions] from time to time as from the date of this letter will not belong to Hertz France S.A.S. and will not be registered in our name. These vehicles will belong to, and be registered in the name of RAC Finance S.A.S.

At any time during the term of the [Carrier Agreement(s)]/[General Conditions], upon prior written request, we will provide you with a list of the owners of the vehicles that will be carried by you as at a given date as from the date of this letter.

HERTZ FRANCE S.A.S.

Signature:

Name:

Title:

WEIL:

**SCHEDULE VII
FORM OF FRENCH MASTER LEASE EXTENSION AGREEMENT**

To: RAC Finance S.A.S. (the “**Lessor**”)

From: Hertz France S.A.S. (the “**Lessee**”)

[Additional Lessees to be added if applicable]

Date: []

Dear Sirs,

We refer to the French Master Lease dated [] 2018 (as the same may be amended, modified, varied novated, supplemented ore replaced from time to time) between, *inter alios*, the Lessee and the Lessor (the “**French Master Lease**”). Words and expressions used in this letter have the meanings ascribed to them in the French Master Lease or in the Master Definitions and Construction Agreement dated [] 2018 between (as the same may be amended, modified, varied novated, supplemented ore replaced from time to time) between, *inter alios*, the Lessee and the Lessor.

We hereby request that all the leases of Lease Vehicles entered into and that have not been terminated as of the date hereof in accordance with the French Master Lease be extended until [*date*] [*year*] on the terms set out in the French Master Lease.

This letter is a French Master Lease Extension Agreement.

Yours faithfully

Lessee

HERTZ FRANCE S.A.S.

By:

[**Lessee**

[]

By:]

We hereby agree to the extension of the French Master Lease on the terms set out therein.

Lessor

RAC FINANCE S.A.S.

By:

WEIL:

Originally dated 25 September 2018, as amended and restated on 29 April 2021 and further amended and restated on 21
December 2021

STUURGROEP FLEET (NETHERLANDS) B.V.

as Lessor

and

HERTZ AUTOMOBIELEN NEDERLAND B.V.

as Lessee and Servicer

Those Permitted Lessees from time to time becoming Lessees hereunder

and

BNP PARIBAS TRUST CORPORATION UK LIMITED

as Dutch Security Trustee

DUTCH MASTER LEASE AND SERVICING AGREEMENT

Linklaters

Ref: L-269083

Linklaters LLP

WEIL:

Table of Contents

Contents	Page	
1	Definitions and Construction	1
2	Nature of Agreement	2
3	Term	10
4	Rent and Lease Charges	11
5	Vehicle Operational Covenants	15
6	Servicer Functions and Compensation	23
7	Certain Representations and Warranties	29
8	Certain Affirmative Covenants	30
9	Default and Remedies Therefor	32
10	Certification of Trade or Business Use	37
11	[Reserved]	37
12	Additional Lessees	37
13	Value Added Tax and Stamp Taxes	38
14	Security and Assignments	39
15	Non-Liability of Lessor	40
16	Non-Petition and No Recourse	40
17	Submission to Jurisdiction	41
18	Governing Law	41
19	Notices	41
20	Entire Agreement	42
21	Modification and Severability	42
22	Survivability	42
23	[Reserved]	42
24	Counterparts	42
25	Electronic Execution	42
26	Lessee Termination and Resignation	43
27	Third-Party Rights	43

28	Time of the Essence	43
29	Governing Language	44
30	Power of Attorney	44
31	Rescission or Nullification of this Agreement	44
	Annex Form of Affiliate Joinder in Lease	48
	Exhibit Form of Lessee Resignation Notice	50
	Schedule 1 Common Terms of Motor Third Party Liability Cover	51
	Schedule 2 Insurance Broker Letter of Undertaking	52
	Schedule 3 Required Contractual Criteria for Vehicle Purchasing Agreements	54
	Schedule 4 Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Program	59
	Annex 1 Form of Transfer Certificate	61
	Annex 2 Form of Acknowledgment of Joint and Several Liability	63
	Schedule 5 Draft Intra-Group Vehicle Purchasing Agreement	64
	Schedule 6 Form of Initial Lease Vehicle Acquisition Schedule	71

This Agreement (as amended, modified or supplemented from time to time in accordance with the provisions hereof, this "**Agreement**") is made on 25 September 2018, as amended and restated on 29 April 2021 and further amended and restated on 21 December 2021 and shall become effective at the Effective Time **between**:

- (1) **STUURGROEP FLEET (NETHERLANDS) B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34275100 ("**Dutch FleetCo**"), as lessor (in such capacity, the "**Lessor**");
- (2) **HERTZ AUTOMOBIELEN NEDERLAND B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34049337 ("**Dutch OpCo**"), as a lessee and as servicer (in such capacity as servicer, the "**Servicer**");
- (3) those various Permitted Lessees (as defined herein) from time to time becoming Lessees hereunder pursuant to Clause 12 (*Additional Lessees*) hereof (each an "**Additional Lessee**") as lessees (Dutch OpCo and the Additional Lessees, in their capacities as lessees, each a "**Lessee**" and, collectively, the "**Lessees**"); and
- (4) **BNP PARIBAS TRUST CORPORATION UK LIMITED**, acting through its registered office at 10 Harewood Avenue, London NW1 6AA as Dutch security trustee (in such capacity, the "**Dutch Security Trustee**").

Whereas:

- (A) The Lessor has purchased or will purchase Dutch Vehicles from various parties on arm's length terms pursuant to one or more other motor vehicle purchase agreements or otherwise, in each case, that the Lessor determines shall be leased hereunder.
- (B) The Lessor desires to lease to each Lessee and each Lessee desires to lease from the Lessor certain Lease Vehicles for use in connection with the business of such Lessee, including use by such Lessee's employees, directors, officers, representatives, agents and other business associates in their personal or professional capacities.
- (C) The Lessor and each Lessee desire the Servicer to perform various servicing functions with respect to the Lease Vehicles (to the extent relating to the Vehicles purported to be leased pursuant to this Agreement), and the Servicer desires to perform such functions, in accordance with the terms hereof.

The Parties hereby agree as follows

1 Definitions and Construction

1.1 Definitions

Except as otherwise defined herein, capitalised terms used herein shall have the meanings assigned to such terms in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated the Signing Date as amended, modified or supplemented from time to time (the "**Master Definitions and Constructions Agreement**").

All Clause or paragraph references herein shall refer to clauses, Clauses or paragraphs of this Agreement, except as otherwise provided herein.

1.2 Rules of Construction

- 1.2.1 In this Agreement, including the preamble, recitals, attachments, schedules, annexes, exhibits and joinders hereto, unless the context otherwise requires, words and expressions used have the constructions ascribed to them in clause 2 (*Principles of Interpretation and Construction*) of the Master Definitions and Constructions Agreement.
- 1.2.2 If any obligations of a party to this Agreement or provisions of this Agreement are subject to or contrary to any mandatory principles of applicable law, compliance with such obligations and/or provisions of this Agreement shall be deemed to be subject to such mandatory principles (or waived) to the extent necessary to be in compliance with such law.
- 1.2.3 In this Agreement, the term “**sub-lease**” means any underlease, sub-lease, license or mandate in relation to the use of a Lease Vehicle between a Lessee as lessor and a sub-lessee as lessee but does not include, for the avoidance of doubt, any arrangements and normal business operations involving the ultimate return of Lease Vehicles from locations not operated by a Lessee to drop locations of such Lessee (and ancillary use or transportation of such Lease Vehicles in relation thereto).
- 1.2.4 Words in Dutch used in this Agreement and having a specific legal meaning should prevail over the English translation.

1.3 Scope of Agreement

The parties hereto acknowledge that this Agreement is only being entered into in connection with the Vehicles purported to be leased pursuant to this Agreement, the Dutch Collateral and the Dutch Related Documents and that there is a separate Spanish Master Lease being entered into between, *inter alios*, Spanish FleetCo and Spanish OpCo in connection with the Spanish Vehicles, Spanish Collateral and the Spanish Related Documents.

1.4 Effectiveness

The parties hereto acknowledge and agree that the rights and obligations under this Agreement shall become effective at the Effective Time.

2 Nature of Agreement

- (a) Each Lessee and the Lessor acknowledges that the relationship between the Lessor and each Lessee pursuant to this Agreement shall be only that of a lessor (*verhuurder*) and a lessee (*huurder*) and that any lease of Lease Vehicles granted pursuant to this Agreement shall be a lease (*huur*) governed by Dutch law and title to the Lease Vehicles will at all times remain with the Lessor. No Lessee shall acquire by virtue of this Agreement any rights in or option to purchase any Lease Vehicles leased to it whatsoever, other than the right of possession and use as provided by this Agreement.
- (b) Each Lessor and the Lessee hereby confirms to and for the benefit of Dutch Security Trustee and FleetCo Secured Parties, that it is the intention of each Lessor and the Lessee that:

- (A) this Dutch Master Lease constitutes a single indivisible lease of all the Vehicles subject to such Dutch Master Lease and not separate leases governed by similar terms; and
- (B) this Dutch Master Lease is intended for all purposes (including bankruptcy) to be a single lease with respect to all Vehicles subject to such Dutch Master Lease.

2.4.2 [Reserved]

2.2 Lease of Vehicles

2.2.1 *Lease of Existing Fleet.* From the Closing Date and subject to the terms and provisions hereof and the Global Deed of Termination and Release, each Lessee and the Lessor hereto agree that:

- (A) on the Closing Date (A) the Lessor shall lease to each Lessee and (B) such Lessee shall lease from the Lessor, in each case, all Vehicles leased (as at the Closing Date) pursuant to the Dutch master lease agreement entered into on 6 August 2007 (as such agreement has been amended and restated from time to time) between Hertz Automobielen Nederland B.V. (as lessee thereunder), Stuurgroep Fleet (Netherlands) B.V. (as lessor thereunder) and BNP Paribas Trust Corporation UK Limited (as borrower security trustee) thereunder (which such agreement shall, for the purposes of this Clause 2.2, be referred to as the "**Terminated Dutch Master Lease**");
- (B) on the Closing Date, all rights and obligations of each party under the Terminated Dutch Master Lease shall be terminated in accordance with the provisions of the Global Deed of Termination and Release dated on or around the date hereof;
- (C) from and including the Closing Date, the Vehicles leased pursuant to this Clause 2.2.1 shall be leased in accordance with the terms and provisions of this Dutch Master Lease and each party hereto shall have the rights and obligations provided for in this Agreement in connection with the Vehicles referred to in this Clause 2.2.1; and
- (D) the Capitalized Cost of each Vehicle leased pursuant to this Clause 2.2.1 shall be equal to such Vehicle's net book value immediately prior to such Vehicle's Vehicle Lease Commencement Date.

2.2.2 *Agreement to Lease.* From time to time, subject to the terms and provisions hereof (including satisfaction of the conditions precedent set forth in Clause 2.2.3 (*Conditions Precedent to Lease of Lease Vehicles*)), the Lessor agrees to lease to each Lessee, and each Lessee agrees to lease from the Lessor, those certain Lease Vehicles identified on Lease Vehicle Acquisition Schedules and Intra-Lease Lessee Transfer Schedules produced from time to time by or on behalf of such Lessee pursuant to Clauses 2.2.4 (*Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*) and 2.3.2 (*Intra-Lease Transfers*), respectively.

2.2.3 *Conditions Precedent to Lease of Lease Vehicles.* The agreement of the Lessor to commence leasing any Lease Vehicle to any Lessee hereunder is subject to the following conditions precedent being satisfied at the time the Lessor orders such

Lease Vehicles and will continue to be satisfied when the Lease Vehicles are delivered to the Dutch FleetCo or to its order:

- (A) *No Default.* No Lease Event of Default shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder, and no Potential Lease Event of Default with respect to any event or condition specified in Clause 9.1.1 (*Events of Default*), Clause 9.1.5 (*Events of Default*) or Clause 9.1.8 (*Events of Default*) shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder;
- (B) *Funding.* Dutch FleetCo shall have sufficient available funding to purchase such Lease Vehicle;
- (C) *Representations and Warranties.* The representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) are true and correct in all material respects (unless any such representation or warranty contains a materiality limitation by its terms, in which case such representation or warranty shall be true and correct) as of such date (unless any such representation or warranty by its terms makes reference to a specific date, in which case, such representation or warranty shall be true and correct for such specific date);
- (D) *Eligible Vehicle.* Such Lease Vehicle is an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof;
- (E) *Vehicle Purchasing Agreement.* Such Lease Vehicle has been ordered in accordance with the terms of the relevant Vehicle Purchasing Agreement;
- (F) *Lease Expiration Date.* The Lease Expiration Date has not occurred; and
- (G) *Payment.* If such Lease Vehicle was purchased by Dutch FleetCo on non-credit terms, Dutch FleetCo has paid in full the purchase price for such Lease Vehicle and if such Lease Vehicle was purchased on credit terms by Dutch FleetCo, such Lease Vehicle has been delivered to or (as the case may be) is available for collection by Dutch FleetCo.

2.2.4 Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules

- (A) Each Lessee may from time to time request that the Lessor acquires vehicles for the purpose of leasing such vehicles in accordance with the terms of this Agreement. The Lessor may, in its absolute discretion, and provided that the conditions precedent in Clause 2.2.3 (*Conditions Precedent to Lease of Lease Vehicles*) above have been satisfied or waived by the Dutch Security Trustee, order the relevant vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement.
- (B) Any order of Vehicles will be made by Dutch Opco acting in its capacity as Dutch Servicer on behalf of Dutch Fleetco. The Lessor shall not incur any Liability of any type whatsoever if it does not or cannot accept any order of new Vehicle (including if the conditions precedent set out under Clause 2.2.3 (*Conditions Precedent to Lease of Lease Vehicles*) are satisfied).

- (C) Before making any order of Vehicle, the Dutch Servicer shall verify that the conditions precedent set out under Clause 2.2.3 (*Conditions Precedent to Lease of Lease Vehicles*) are or will be complied with. Any waiver of a condition precedent will require the prior written consent of the Dutch Security Trustee.
- (D) Each Lessee shall deliver or cause to be delivered to the Lessor one or more schedules identifying the vehicles which the Lessor has acquired pursuant to a Vehicle Purchasing Agreement following a request by such Lessee, which schedules shall include the Basic Lease Vehicle Information (each such schedule, a "**Lease Vehicle Acquisition Schedule**"). Each Lessee hereby agrees that each such delivery of a Lease Vehicle Acquisition Schedule shall be deemed hereunder to constitute a representation and warranty by such Lessee, to and in favour of the Lessor, that each condition precedent to the leasing of the Lease Vehicles identified in such Lease Vehicle Acquisition Schedule has been satisfied as of the date on which the relevant Lease Vehicles were ordered and delivered.
- (E) During the period from the Vehicle Lease Commencement Date in respect of a Lease Vehicle to the date that such Lease Vehicle is first identified on a Lease Vehicle Acquisition Schedule, the existence of a lease between the Lessor and a Lessee in respect of that Lease Vehicle shall be evidenced and determined by reference to the records of the Lessor (which such records shall be held to be correct for all purposes unless manifestly erroneous).
- (F) The Lease Vehicle Acquisition Schedule for each Lease Vehicle to be leased hereunder on the Closing Date shall be substantially in the form as set out in Schedule 6 (*Form of Initial Lease Vehicle Acquisition Schedule*).

2.2.5 The Lessee shall indemnify the Lessor in respect of any Liabilities which the Lessor may suffer in circumstances where the Lessor has ordered a Vehicle or Vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement and (i) the Lessee has cancelled or amended the aforementioned Vehicle or Vehicles and/or (ii) the Lessor has accepted an order but subsequently is made aware of an event which would give rise to a Master Lease Termination Notice being served and rejects such notice, and/or (iii) a lease is not entered into by the date on which the Lessor pays the purchase price for such Vehicle or Vehicles (including, without limitation, where a lease is not entered into because the conditions precedent in Clause 2.2.3 (*Conditions Precedent to Lease of Lease Vehicles*) above are not satisfied).

2.2.6 **Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection**

- (A) Subject to paragraph (B) below, with respect to any vehicle identified on a Lease Vehicle Acquisition Schedule and made available for lease by the Lessor to any Lessee, such Lessee shall have the right to inspect such vehicle within five days of receipt (or such shorter period as may be contemplated under the applicable Vehicle Purchasing Agreement) (the "**Inspection Period**") of such vehicle and either accept or, if such vehicle is a Non-conforming Lease Vehicle, reject such vehicle, provided that such Lessee shall be deemed to have accepted such vehicle as a Lease Vehicle unless it has notified the Lessor in writing that such vehicle is a Non-conforming Lease Vehicle during the Inspection Period (the delivery date of such written notice, the "**Rejection**").

Date”). If such Lessee timely notifies the Lessor that such vehicle is a Non-conforming Lease Vehicle, then such Non-conforming Lease Vehicle with respect to which such Lessee has so notified the Lessor shall be a **“Rejected Vehicle”**.

- (B) Notwithstanding paragraph (A) above, a Lessee will only be entitled to reject any Lease Vehicle delivered to it by or on behalf of the Lessor (A) if the Lessor is itself entitled to reject such Lease Vehicle under the relevant Vehicle Purchasing Agreement pursuant to which such Vehicle was ordered and (B) subject to the same conditions (to the extent applicable) as to rejection as may be applicable to the Lessor under the relevant Vehicle Purchasing Agreement in respect of such Vehicle.
- (C) The Lessor shall cause the Servicer to dispose of a Rejected Vehicle described in paragraph (A) above (including by returning such Rejected Vehicle to the seller thereof in accordance with the terms of the applicable Vehicle Purchasing Agreement) in accordance with Clause 6.2 (*Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing*).

2.3 Certain Transfers

2.3.1 Sales to Lessee. The Lessor may sell a Lease Vehicle during such Lease Vehicle’s Vehicle Term to the relevant Lessee for an amount equal to the net book value under GAAP of such Lease Vehicle.

2.3.2 Intra-Lease Transfers. From time to time, a particular Lessee (the **“Transferor Lessee”**) may desire to cease leasing a Lease Vehicle hereunder and another Lessee (the **“Transferee Lessee”**) may desire to commence leasing such Lease Vehicle hereunder. Upon delivery by such Lessees to the Lessor of written notice identifying by VIN each Lease Vehicle to be so transferred from such Transferor Lessee to such Transferee Lessee (such notice, an **“Intra-Lease Lessee Transfer Schedule”**), each Lease Vehicle identified in such Intra-Lease Lessee Transfer Schedule shall cease to be leased by the Transferor Lessee and shall contemporaneously commence being leased to the Transferee Lessee, provided that such transfer does not result in the breach of any prescribed limits relating to Lease Vehicles set out in the Related Documents. Each Lessee agrees that upon such a transfer of any Lease Vehicle from one Lessee to another Lessee pursuant to this Agreement, such Transferor Lessee relinquishes all rights that it has in such Lease Vehicle pursuant to this Agreement. Each Intra-Lease Lessee Transfer Schedule may be delivered electronically and may be delivered directly by either the applicable Transferor Lessee or the applicable Transferee Lessee or on behalf of either such party by any agent or designee of such party.

2.4 [Reserved]

2.5 Return

2.5.1 Lessee Right to Return. Any Lessee may return any Lease Vehicle (other than any Lease Vehicle that has experienced a Casualty or become an Ineligible Vehicle) then leased by such Lessee at any time prior to such Lease Vehicle’s Maximum Lease Termination Date to the Servicer at the location for such Lease Vehicle’s return reasonably specified by the Servicer, provided that, for the avoidance of doubt, the

Vehicle Term for such Lease Vehicle will continue until the Vehicle Lease Expiration Date thereof, notwithstanding the prior return of such Lease Vehicle pursuant to this Clause 2.5.1 (*Lessee Right to Return*).

2.5.2 *Lessee Obligation to Return.*

- (A) Each Lessee shall return each Lease Vehicle leased by such Lessee on or prior to such Lease Vehicle's Maximum Lease Termination Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by the Servicer (taking into account transportation costs and expected realisable disposition proceeds).
- (B) Each Lessee shall return each Lease Vehicle leased by such Lessee upon the Vehicle Lease Expiration Date to the Lessor unless a Disposition Date has occurred in respect of such Lease Vehicle.

2.6 Redesignation of Vehicles

2.6.1 *Mandatory Program Vehicle to Non-Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, the Lessor shall on the date specified in Clause 2.6.4 (*Timing of Redesignations*) redesignate such Lease Vehicle as a Non-Program Vehicle, if:

- (A) a Manufacturer Event of Default is continuing with respect to the Manufacturer of such Lease Vehicle as of such date; or
- (B) as of any such date occurring after the Minimum Program Term End Date with respect to such Lease Vehicle, such Lease Vehicle was returned as of such date pursuant to the terms of the Manufacturer Program with respect to such Lease Vehicle, the Manufacturer of such Lease Vehicle would not be obliged to pay a repurchase price for such Lease Vehicle, or guarantee the disposition proceeds to be received for such Vehicle, in each case in an amount at least equal to (1) the Net Book Value of such Lease Vehicle, as of such date, *minus* (2) the Final Base Rent that would be payable in respect of such Lease Vehicle, assuming that such date were the Disposition Date for such Lease Vehicle, *minus* (3) the Excess Mileage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (4) the Excess Damage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (5) the Pre-VLCD Program Vehicle Depreciation Amount paid or payable with respect to such Lease Vehicle, as of such date, *minus* (6) the Program Vehicle Depreciation Assumption True-Up Amount paid or payable with respect to such Lease Vehicle, as of such date.

2.6.2 *Optional Program Vehicle to Non-Program Vehicle Redesignations.* In addition to Clause 2.6.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) and without limitation thereto, with respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, such Lessee may redesignate such Lease Vehicle as a Non-Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee),

provided that such Lessee shall not redesignate any Program Vehicle as a Non-Program Vehicle pursuant to this Clause 2.6.2 if, after giving effect to such redesignation, an Aggregate Asset Amount Deficiency would exist, unless such redesignation would decrease the amount of such Aggregate Asset Amount Deficiency.

- 2.6.3** *Non-Program Vehicle to Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Non-Program Vehicle leased by any Lessee hereunder as of any date of determination, if such Lease Vehicle was previously designated as a Program Vehicle, then such Lessee may redesignate such Lease Vehicle as a Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee), provided that such Lessee may not redesignate any such Lease Vehicle as a Program Vehicle if such Lease Vehicle would then be required to be redesignated as a Non-Program Vehicle pursuant to Clause 2.6.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) after designating such Lease Vehicle as a Program Vehicle.
- 2.6.4** *Timing of Redesignations.* With respect to any redesignation to be effected pursuant to Clause 2.6.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month following the date on which the applicable event or condition described in Clause 2.6.1(B) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) occurs. With respect to any redesignation to be effected pursuant to Clause 2.6.2 (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) or 2.6.3 (*Non-Program Vehicle to Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month immediately following the calendar month of the date written notice was delivered by the applicable Lessee of such redesignation.
- 2.6.5** *Program Vehicle to Non-Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Non-Program Vehicle pursuant to Clause 2.6.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) or Clause 2.6.2 (*Optional Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle as of the close of business on the date of such redesignation shall pay to the Lessor on the Payment Date following the effective date of such redesignation, as determined in accordance with Clause 2.6.4 (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle over the Market Value of such Lease Vehicle, in each case, as of the date of such redesignation (such excess, if any, for such Lease Vehicle, a "**Redesignation to Non-Program Amount**").
- 2.6.6** *Non-Program Vehicle to Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Program Vehicle pursuant to Clause 2.6.3 (*Non-Program Vehicle to Program Vehicle Redesignations*), the Lessor shall pay to the Lessee of such Lease Vehicle on the Payment Date following the effective date of such redesignation, as determined in accordance with Clause 2.6.4 (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle (as of the date of such redesignation and calculated assuming that such Lease Vehicle had never been designated as a Non-Program Vehicle) over the Net Book Value of such Lease Vehicle (as of the date of such redesignation but without

giving effect to such Lease Vehicle's redesignation as a Program Vehicle) (such excess, if any, for such Lease Vehicle and such redesignation, the "**Redesignation to Program Amount**"), provided that:

- (A) no payment shall be required to be made and no payment may be made by the Lessor pursuant to this Clause 2.6.6 to the extent that an Amortization Event or a Potential Amortization Event exists or would be caused by such payment;
- (B) the amount of any such payment to be made by the Lessor on any such date shall be capped at and be paid from (and the obligation of the Lessor to make such payment on such date shall be limited to) the amount of funds available to the Lessor on such date; and
- (C) if any such payment from the Lessor is limited in amount pursuant to the foregoing paragraph (A) or (B), the Lessor shall pay to such Lessee the funds available to the Lessor on such Payment Date and shall pay to such Lessee on each Payment Date thereafter the amount available to the Lessor until such Redesignation to Program Amount has been paid in full to such Lessee.

2.7 Hell-or-High-Water Lease

Each Lessee's obligation to pay all rent and other sums hereunder shall be absolute and unconditional, and shall not be subject to any abatement, set-off (except as required under Clause 4.8.6 *Tax gross-up* below), counterclaim, deduction or reduction for any reason whatsoever. The obligations and liabilities of each Lessee hereunder shall in no way be released, discharged or otherwise affected (except as may be expressly provided herein) for any reason, including, without limitation:

- 2.7.1 any defect in the condition, merchantability, quality or fitness for use of the Lease Vehicles or any part thereof;
- 2.7.2 any damage to, removal, abandonment, salvage, loss, scrapping or destruction of or any requisition or taking of the Lease Vehicles or any part thereof;
- 2.7.3 any restriction, prevention or curtailment of or interference with any use of the Lease Vehicles or any part thereof;
- 2.7.4 any defect in or any Security on title to the Lease Vehicles or any part thereof;
- 2.7.5 any change, waiver, extension, indulgence or other action or omission in respect of any obligation or liability of such Lessee or the Lessor;
- 2.7.6 any bankruptcy, insolvency, reorganisation, composition, adjustment, dissolution, liquidation or other like proceeding relating to such Lessee, the Lessor or any other Person, or any action taken with respect to this Agreement by any trustee or receiver of any Person mentioned above, or by any court;
- 2.7.7 any claim that such Lessee has or might have against any Person including, without limitation, the Lessor;
- 2.7.8 any failure on the part of the Lessor or such Lessee to perform or comply with any of the terms hereof or of any other agreement;

- 2.7.9 any invalidity or unenforceability or disaffirmance of this Agreement or any provision hereof or any of the other Dutch Related Documents or any provision of any thereof, in each case whether against or by such Lessee or otherwise;
- 2.7.10 any insurance premiums payable by such Lessee with respect to the Lease Vehicles; or
- 2.7.11 any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not such Lessee shall have notice or knowledge of any of the foregoing and whether or not foreseen or foreseeable.

Each Lessee, to the extent permitted by law, waives all rights now or hereafter available to it under Dutch law to any diminution or reduction of Rent or other amounts payable by such Lessee hereunder. All payments by each Lessee made hereunder shall be final (except to the extent of adjustments provided for herein), absent manifest error and, except as otherwise provided herein, no Lessee shall seek to recover any such payment or any part thereof for any reason whatsoever, absent manifest error. All covenants and agreements of each Lessee herein shall be performed at its cost, expense and risk unless expressly otherwise stated.

3 Term

3.1 Vehicle Term

- 3.1.1 *Vehicle Lease Commencement Date.* The "**Vehicle Lease Commencement Date**" with respect to any Lease Vehicle shall mean the date referenced in the applicable Lease Vehicle Acquisition Schedule with respect to such Lease Vehicle, provided that:
- (A) in respect of Lease Vehicles which were leased under the Terminated Dutch Master Lease, such date shall be the Closing Date;
 - (B) in respect of Lease Vehicles to be leased pursuant to this Agreement and which were not leased under the Terminated Dutch Master Lease, in no event shall such date be a date later than (i) the date that funds are expended by Dutch FleetCo to acquire such Lease Vehicle or (ii) if earlier, the date on which the Lease Vehicle is delivered, (such date of payment, the "**Vehicle Funding Date**" for such Lease Vehicle).
- 3.1.2 *Vehicle Term for Lease Vehicles.* The "**Vehicle Term**" with respect to each Lease Vehicle shall extend from the Vehicle Lease Commencement Date through the earliest of:
- (A) the Disposition Date with respect to such Lease Vehicle;
 - (B) if such Lease Vehicle becomes a Rejected Vehicle, the Rejection Date with respect to such Rejected Vehicle; and
 - (C) the Maximum Lease Termination Date with respect to such Lease Vehicle
- (the earliest of such three dates being referred to as the "**Vehicle Lease Expiration Date**" for such Lease Vehicle).
- 3.1.3 [Reserved]

3.1.4 *Lease Vehicles with Multiple Vehicle Terms.* For the avoidance of doubt, with respect to any Lease Vehicle that experiences more than one Vehicle Term pursuant to this Agreement, each such Vehicle Term with respect to such Lease Vehicle will be treated as an independent Vehicle Term for all purposes hereunder.

3.2 Dutch Master Lease Term

The "**Lease Commencement Date**" shall mean the Closing Date. The "**Lease Expiration Date**" shall mean the later of (i) the date of the final payment in full of the Dutch Note and (ii) the Vehicle Lease Expiration Date for the last Lease Vehicle leased by the Lessee hereunder. The "**Term**" of this Agreement shall mean the period commencing on the Lease Commencement Date and ending on the Lease Expiration Date.

4 Rent and Lease Charges

Each Lessee will pay Rent due and payable on a monthly basis as set forth in this Clause 4.

4.1 Depreciation Records and Depreciation Charges

On each Business Day, the Lessor shall establish or cause to be established the Depreciation Charge with respect to each Lease Vehicle, and the Lessor shall maintain, and upon request by a Lessee, deliver or cause to be delivered to such Lessee a record of such Depreciation Charges (such record, the "**Depreciation Record**") with respect to each Lease Vehicle leased by such Lessee as of such date, the delivery of which may be satisfied by the Lessor posting or causing to be posted such depreciation records to a password-protected website made available to such Lessees or by any other reasonable means of electronic transmission (including, without limitation, email or other file transfer protocol), and may be made directly by the Lessor or on its behalf by any agent or designee of the Lessor.

4.1.1 Additional rent on the First Payment Date

With respect to the Payment Date falling on 26 November 2018 only, the Monthly Base Rent or Monthly Variable Rent, as applicable, shall also include an amount determined by the Servicer in its reasonable discretion to reflect the depreciation and carrying charges accrued prior to the Closing Date which would have been payable by the Lessee in respect of each relevant Lease Vehicle in accordance with the Dutch Prior Lease had such lease not been terminated on the Closing Date.

4.2 Monthly Base Rent

With respect to any Payment Date and any Lease Vehicle (other than a Lease Vehicle with respect to which the Disposition Date occurred during such Related Month), the "**Monthly Base Rent**" with respect to such Lease Vehicle for such Payment Date shall equal the *pro rata* portion (based upon the number of days in the Related Month with respect to such Payment Date that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of the last day of such Related Month calculated on a 30/360 day basis.

4.3 Final Base Rent

With respect to any Payment Date and any Lease Vehicle with respect to which the Disposition Date occurred during such Related Month, the "**Final Base Rent**" with respect to any such Lease Vehicle for such Payment Date shall be an amount equal to the *pro rata*

portion (based upon the number of days in such Related Month that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of such Disposition Date, calculated on a 30/360 day basis.

4.4 Program Vehicle Depreciation Assumption True-Up Amount

If the Program Vehicle Depreciation Assumption True-Up Amount with respect to any Lease Vehicle is a positive number as of the first day following the end of the Estimation Period for such Lease Vehicle, then the Lessee of such Lease Vehicle shall pay the Lessor such Program Vehicle Depreciation Assumption True-Up Amount with respect to such Lease Vehicle in accordance with Clause 4.7 (*Payments*).

4.5 Monthly Variable Rent

The "**Monthly Variable Rent**" for each Payment Date and each Lease Vehicle other than a Lease Vehicle which was a Credit Vehicle on the last day of the Related Month with respect to such Payment Date (w) leased hereunder as of the last day of the Related Month with respect to such Payment Date, (x) the Disposition Date in respect of which occurred during such Related Month, or (y) that was purchased by the applicable Lessee during such Related Month, in each case shall equal the product of:

- (A) the sum of:
 - (a) all interest that has accrued on the Dutch Note during the Interest Period for the Dutch Note ending on the second Business Day immediately preceding the Determination Date immediately preceding such Payment Date; plus
 - (b) all Dutch Carrying Charges with respect to such Payment Date; and
- (B) the quotient (the "**VR Quotient**") obtained by dividing:
 - (a) the Net Book Value of such Lease Vehicle as of the last day of such Related Month (or, if earlier, the Disposition Date with respect to such Lease Vehicle); by
 - (b) the aggregate Net Book Value as of the last day of such Related Month (or, in any such case, if earlier, the Disposition Date of such Lease Vehicle) of all such Lease Vehicles leased by the Lessor to the Lessees.

4.6 Casualty; Ineligible Vehicles

On the second day of each calendar month, each Lessee shall deliver to the Servicer a list containing each Lease Vehicle leased by such Lessee that suffered a Casualty or became an Ineligible Vehicle in the preceding calendar month (each such list, a "**Monthly Casualty Report**"). Each such delivery may be satisfied by the applicable Lessee posting such Monthly Casualty Report to a password-protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee. On the Disposition Date with respect to each Lease Vehicle that suffers a Casualty or becomes an Ineligible Vehicle, (i) the Lessor shall cause title to such Lease Vehicle to be transferred to or at the direction of the Lessee of such Lease Vehicle and (ii) such Lessee shall be entitled to any physical damage insurance proceeds applicable to such Lease Vehicle.

4.7 Payments

- 4.7.1 Subject to Clause 4.7.3, on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder to the last day of such Related Month (other than any Lease Vehicle the Disposition Date for which occurred during such Related Month):
- (A) the Monthly Base Rent with respect to such Lease Vehicle as of such Payment Date; plus
 - (B) the Pre-VLCD Program Vehicle Depreciation Amount with respect to such Lease Vehicle, if any; plus
 - (C) if the Program Vehicle Depreciation Assumption True-Up Amount owing with respect to such Lease Vehicle as of such Payment Date is a positive number, then such Program Vehicle Depreciation Assumption True-Up Amount minus all amounts previously paid by the applicable Lessee in respect of such Program Vehicle Depreciation Assumption True-Up Amount; plus
 - (D) the Monthly Variable Rent with respect to such Lease Vehicle as of such Payment Date; plus
 - (E) the Redesignation to Non-Program Amount, if any, with respect to such Lease Vehicle for such Payment Date.
- 4.7.2 Subject to Clause 4.7.3, on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder as of any day during such Related Month and the Disposition Date for which occurred during such Related Month:
- (A) the Casualty Payment Amount with respect to such Lease Vehicle, if any; plus
 - (B) the Final Base Rent with respect to such Lease Vehicle, if any; plus
 - (C) the Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any; plus
 - (D) the Non-Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any; plus
 - (E) the Early Program Return Payment Amount with respect to such Lease Vehicle, if any; plus
 - (F) the Monthly Variable Rent owing with respect to such Lease Vehicle for such Payment Date.
- 4.7.3 The total amount of Rent payable by the Lessee to the Lessor on each Payment Date shall be adjusted by an amount (positive or negative) as reasonably determined by the Servicer to result in the net income and gains, of the Lessor for the Related Month, calculated in accordance with GAAP, taking into account, inter alia, (i) all interest expenses and other expenses of such Lessor (including, for the avoidance of doubt, such interest and other expenses paid and accrued but not yet paid) (in accordance

with GAAP) and (ii) any losses or gains realised as of the last day of the Related Month in respect of the disposal of Non-Programme Vehicles the Lessor during such Related Month) being equal to one twelfth of the Dutch Minimum Profit Amount (the "**Rental Adjustment**") provided that the Rental Adjustment shall not result in the Rent being reduced below such amount as is required by the Lessor to make any payments to third parties (including in respect of interest and other amounts payable to the Dutch Noteholder under the Dutch Note) on such Payment Date.

4.8 Making of Payments

- 4.8.1** All payments hereunder shall be made by the applicable Lessee, or by the Servicer or one or more of its Affiliates on behalf of such Lessee, to, or for the account of, the Lessor in immediately available funds, without set-off, counterclaim or deduction of any kind, except as required under Clause 4.8.6.
- 4.8.2** All such payments shall be deposited into the Dutch Transaction Account not later than 12.00 noon, London time, on such Payment Date.
- 4.8.3** If any Lessee pays less than the entire amount of Rent (or any other amounts) due on any Payment Date, after giving full credit for all prepayments made pursuant to Clause 4.9 (*Prepayments*) with respect to amounts due on such Payment Date, then the payment received from such Lessee in respect of such Payment Date shall be first applied to the Monthly Variable Rent due on such Payment Date.
- 4.8.4** In the event any Lessee fails to remit payment of any amount due under this Agreement on or before the Payment Date or when otherwise due and payable hereunder, the amount not paid will be considered delinquent and such Lessee shall pay default interest with respect thereto at a rate equal to (i) the effective interest rate payable by Dutch FleetCo on any overdue amounts owed by Dutch FleetCo with respect to the Dutch Note or (ii) if no such interest is payable by Dutch FleetCo, EURIBOR plus 1.0 per cent, during the period from the Payment Date on which such delinquent amount was payable until such delinquent amount (with accrued interest) is paid.
- 4.8.5** EUR is the currency of account payment for any sum due from one party to another under this Agreement.
- 4.8.6** *Tax gross-up:*
- (A) Each Lessee shall make all payments to be made by it under this Agreement without any Tax Deduction, unless a Tax Deduction is a Requirement of Law.
 - (B) Each Lessee shall, promptly upon becoming aware that it is required to make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction), notify the Lessor and the Dutch Security Trustee accordingly.
 - (C) If any Lessee is required by law to make a Tax Deduction, the amount of the payment due by such Lessee shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due to the payee if no Tax Deduction had been required.
 - (D) If any Lessee is required to make a Tax Deduction, such Lessee shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

- (E) Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, each Lessee shall deliver to the Lessor and the Dutch Security Trustee evidence reasonably satisfactory to the Lessor that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant Tax Authority.

4.9 Prepayments

On any Business Day, any Lessee, or the Servicer or one or more of its Affiliates on behalf of such Lessee, may, at its option, make a non-refundable payment to the Lessor of all or any portion of the Rent or any other amount that is payable by such Lessee hereunder on the Payment Date occurring in the calendar month of such date of payment or the next succeeding Payment Date, in advance of such Payment Date.

4.10 Ordering and Delivery Expenses

With respect to any Lease Vehicle to be leased by any Lessee hereunder, such Lessee shall pay to or at the direction of the Lessor all applicable costs and expenses of freight, packing, handling, storage, shipment and delivery of such Lease Vehicle and all sales and use tax (if any) to the extent that the same have not been included in the Capitalized Cost of such Lease Vehicle, as such inclusion or exclusion has been reasonably determined by the Servicer.

4.11 [Reserved]

5 Vehicle Operational Covenants

5.1 [Reserved]

5.1.1 Maintenance and Repairs. With respect to any Lessee and the Lease Vehicles leased by such Lessee hereunder, such Lessee shall pay for all maintenance and repairs. Each Lessee will pay, or cause to be paid, all usual and routine expenses incurred in the use and operation of Lease Vehicles leased by such Lessee hereunder, including, but not limited to, fuel, lubricants and coolants. Any improvements or additions to any Lease Vehicles shall become and remain the property of the Lessor, except that any addition to any Lease Vehicle made by any Lessee shall remain the property of such Lessee if such addition can be disconnected from such Lease Vehicle without impairing the functioning of such Lease Vehicle or its resale value, excluding such addition.

5.1.2 Insurance. Each Lessee shall:

- (A) arrange for the following insurances to be effected and maintained until the Lease Expiration Date:
 - (a) for the Lessor, for itself and, to the extent each or any of the Lessor or a Lessee is required to do so as a Requirement of Law in the jurisdiction in which each or any of the Lessor or a Lessee is located, for any other Person, insurance cover which is a Requirement of Law, including providing protection against:

- (I) liability in respect of bodily injury or death caused to third parties; and
- (II) loss or damage to property belonging to third parties,

in each case arising out of the use of any Lease Vehicle at or above any applicable minimum limits of indemnity/liability as a Requirement of Law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry (the “**Motor Third Party Liability Cover**”); and

- (b) for the Lessor, the Dutch Security Trustee and itself, insurance cover providing protection against public and product liability in respect of Vehicles which the Lessor leases to the Lessees in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry (the “**Public/Product Liability Cover**”),

(each an “**Insurance Policy**” and together the “**Insurance Policies**”), in each case with licensed insurance companies or underwriters;

- (B) use reasonable endeavours to ensure that the Motor Third Party Liability Cover is endorsed by a non-vitiation clause substantially in the form as set out in Part A (*Non-vitiation endorsement*) of Schedule 1 (*Common Terms of Motor Third Party Liability Cover*);
- (C) use reasonable endeavours to ensure that the Motor Third Party Liability Cover is endorsed by a severability of interest clause substantially in the form as set out in Part B (*Severability of interest*) of Schedule 1 (*Common Terms of Motor Third Party Liability Cover*);
- (D) use reasonable endeavours to ensure that the Motor Third Party Liability Cover is endorsed by a “non-payment of premium” clause substantially in the form as set out in Part C (*Notice of non-payment of premium to be sent to the Dutch Security Trustee*) of Schedule 1 (*Common Terms of Motor Third Party Liability Cover*);
- (E) upon knowledge of the occurrence of an event giving rise to a claim under any of the Insurance Policies, arrange for a claim to be filed with the relevant insurance company or underwriters and provide assistance in attempting to bring the claim to a successful conclusion;
- (F) ensure that the Insurance Policies are renewed or (as the case may be) replaced in a timely manner and shall pay premiums promptly and in accordance with the requirements of the relevant Insurance Policy;
- (G) notify the Lessor and the Dutch Security Trustee of any material changes to either a Lessee’s or the Lessor’s insurance coverage under any of the Insurance Policies;
- (H) promptly notify the Lessor and the Dutch Security Trustee of:
 - (a) any notice of threatened cancellation or avoidance of any of the Insurance Policies received from the relevant insurer; and
 - (b) any failure to pay premiums to the insurer or broker in accordance with the terms of any such Insurance Policies;

- (I) if any of the Insurance Policies are not kept in full force and effect and/or if a Lessee fails to pay any premiums thereunder, the Lessor has the right, but no obligation, to replace the relevant Insurance Policy or to pay the premiums due (if permitted under the relevant Insurance Policy), as the case may be, and in either case, the Lessee shall indemnify the Lessor for the amount of any premium and any Liabilities incurred in relation to replacement of the relevant Insurance Policy or payment of the premiums due by the Lessor, as the case may be (such indemnity shall be immediately due and payable by such Lessee);
- (J) retain custody of the original Insurance Policy documents and any correspondence regarding claims in respect of any of the Insurance Policies affecting the Lessor and shall supply the original Insurance Policy documents only (but not any claims correspondence) to the Dutch Liquidation Co-ordinator and (if so requested) supply the Lessor and the Dutch Security Trustee with copies thereof;
- (K) comply, and use reasonable endeavours to ensure that any Affiliate to which a Lease Vehicle has been sub-leased pursuant to this Agreement and any sub-contractor, if any and to the extent required, complies, with the terms and conditions of the Insurance Policies, and shall not consent to, or voluntarily permit any act or omission which might invalidate or render unenforceable the whole or any part of the Insurance Policies;
- (L) in respect of the Public/Product Liability Cover, if such insurance is obtained through a placing broker (or such placing broker is replaced with another), use reasonable endeavours to obtain a letter of undertaking substantially in the form set out in Part A (*Public/Product Liability Cover*) of Schedule 2 (*Insurance Broker Letter of Undertaking*); and
- (M) in respect of the Motor Third Party Liability Cover, if such insurance is obtained through a placing broker (or such placing broker is replaced with another), use reasonable endeavours to obtain a letter of undertaking substantially in the form set out in Part B (*Motor Third Party Liability*) of Schedule 2 (*Insurance Broker Letter of Undertaking*).

5.1.3 *Ordering and Delivery Expenses.* Each Lessee shall be responsible for the payment of all ordering and delivery expenses as set forth in Clause 4.10 (*Ordering and Delivery Expenses*).

5.1.4 *Fees; Traffic Summonses; Penalties and Fines.* With respect to any Lessee and the Lease Vehicles leased by such Lessee hereunder and notwithstanding the fact that the Lessor is the legal owner of any Dutch Vehicle, each Lessee shall be responsible for the payment of all registration fees, title fees, licence fees or other similar governmental fees and taxes, including Dutch motor vehicle tax (*motorrijtuigenbelasting en belasting zware motorrijtuigen*), Dutch car registration tax (*belasting personenauto's en motorrijwielen*), all costs and expenses in connection with the transfer of title of, or reflection of the interest of any security holder in, any Lease Vehicle, traffic summonses, penalties, judgments and fines incurred with respect to any Lease Vehicle during the Vehicle Term for such Lease Vehicle or imposed during the Vehicle Term for such Lease Vehicle by any Governmental Authority with respect to such Lease Vehicles and any premiums relating to any of the

Insurance Policies under Clause 5.1.2 (*Insurance*), in connection with such Lessee's operation of such Lease Vehicles. The Lessor may, but is not required to, make any and all payments pursuant to this Clause 5.1.4 on behalf of such Lessee, provided that such Lessee will reimburse the Lessor in full for any and all payments made pursuant to this Clause 5.1.4.

5.1.5 *Registration of Vehicles.* Each Lessee and the Servicer shall, with respect to all Vehicles which are intended to be leased to the Lessees pursuant to the terms of this Agreement:

- (A) subject to paragraph (B) below, procure that in respect of such Vehicles:
 - (a) Dutch FleetCo is registered in the RTL Register;
 - (b) Dutch OpCo or, following the events set out in paragraph (B) below, Dutch FleetCo is registered in the RDW Register; and
 - (c) Dutch FleetCo receives the ascription code (*tenaamstellingscode*) from the RDW required for a change in the registration in the RDW Register,

(and in each case arranging for the payment of all applicable registration costs to be for the account of the relevant Lessee pursuant to Clause 5.1.4 (*Fees; Traffic Summonses; Penalties and Fines*);

- (B) following effective delivery of a Dutch Acceleration Notice or, as the case may be, in the event that:
 - (a) the registration of Dutch FleetCo in the RTL Register in respect of the Vehicles is terminated or, alternatively, any steps are taken or any request is made or proposal is made for the termination of the registration of Dutch FleetCo in the RTL Register in respect of the Vehicles;
 - (b) the agreement with respect to the RTL Register between the RDW and Dutch FleetCo (the "**RTL Agreement**") is terminated for whatever reason or steps are taken or a request is made or a proposal is made for termination of the RTL Agreement for whatever reason; or
 - (c) Dutch FleetCo or the RDW fails to meet its obligations under the RTL Agreement with respect to the RTL Register between the RDW and Dutch FleetCo, including the payment of fees by Dutch FleetCo to the RDW,

procure that the Vehicles owned and/or purchased by Dutch FleetCo are registered in the name of Dutch FleetCo in the RDW Register and that the ascription codes (*tenaamstellingscodes*) which are in its possession are returned to Dutch FleetCo or such entity as Dutch FleetCo nominates (and in each case arranging for the payment of all applicable registration costs to be for the account of the Lessee pursuant to Clause 5.1.4 (*Fees; Traffic Summonses; Penalties and Fines*),

- (C) if requested by the Lessor, co-operate in the registration of any other Person in the RDW Register and/or the RTL Register in respect of any Vehicle following the applicable Lease Expiration Date or following the Vehicle Lease Expiration Date except where such Vehicle has become a Casualty or an Ineligible

Vehicle and title has been transferred to the relevant Lessee. If requested by the Lessor, Dutch OpCo shall provide to the Lessor a list of all Vehicles registered pursuant to this paragraph (C) during the previous three calendar months (provided that the Lessor may only make a maximum of two such requests during the course of any calendar year); and

(D) provide a list of registered Vehicles to the Board of Directors upon the Board of Directors' reasonable request, which shall be limited to a maximum of two requests per calendar year.

5.1.6 *Licences, authorisations, consents and approvals.* Each Lessee shall obtain and maintain for so long as it leases Lease Vehicles hereunder, all governmental licences, authorisations, consents and approvals required to carry on its business as now conducted and for the purposes of the transactions contemplated by this Agreement, except to the extent that the failure is not reasonably likely to result in a Material Adverse Effect.

5.1.7 *Landlord's lien.* Each Lessee shall use reasonable efforts to discharge any lien or pledge created in favour of a vehicle garage which is in possession of any Lease Vehicle in relation to any maintenance work.

5.2 Vehicle Use

5.2.1 Each Lessee may use Lease Vehicles leased hereunder in connection with its car rental business, including use by such Lessee's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, subject to Clause 6.2 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*), Clause 8.6 (*Preservation of rights*) and Clause 9 (*Default and Remedies Therefor*) hereof and Clause 10.2 (*Rights of the Dutch Security Trustee upon Amortization Event or Certain Other Events of Default*) of the Dutch Facility Agreement. Each Lessee agrees to possess, operate and maintain each Lease Vehicle leased to it in a manner consistent with how such Lessee would possess, operate and maintain such Vehicle were such Lessee the beneficial owner of such Lease Vehicle.

5.2.2 In addition to the foregoing, each Lessee may sublet Lease Vehicles to any of:

(A) any Person(s), so long as (i) the sublease of such Lease Vehicles satisfies the Non-Franchisee Third Party Sublease Contractual Criteria, (ii) the Lease Vehicles being subleased are being used in connection with such Person(s)' business and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Clause 5.2.2(A) does not exceed 1 per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;

(B) any franchisee of any Affiliate of any Lessee (and which franchisee, for the avoidance of doubt, may be an Affiliate of any Lessee), so long as (i) the sublease of such Lease Vehicles satisfies the Franchisee Sublease Contractual Criteria, (ii) such franchisee meets the normal credit and other approval criteria for franchises of such Affiliate and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased pursuant to this Clause 5.2.2(B) at any one time does not exceed 5 per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;

- (C) any Affiliate of any Lessee located in the same jurisdiction as the Lessee, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, provided that no amendments are made to:
- (i) the registration of Dutch FleetCo in the RTL Register; and/or
 - (ii) the registration of Dutch OpCo or, following the events set out in paragraph 5.1.5(B) of Clause 5.1.5 (*Registration of Vehicles*) above, Dutch FleetCo in the RDW Register,
- and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Clause 5.2.2(C) does not exceed 5 per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement;
- (D) subject to the provisions in Sub-Clause 5.2.2(E) below, any Affiliate of any Lessee located in a jurisdiction different to the jurisdiction where the Lessee is located, so long as:
- (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement;
 - (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, provided that no amendments are made to:
 - (a) the registration of Dutch FleetCo in the RTL Register; and/or
 - (b) the registration of Dutch OpCo or, following the events set out in paragraph 5.1.5(B) of Clause 5.1.5 (*Registration of Vehicles*) above, Dutch FleetCo in the RDW Register;
 - (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower FleetCo Class A Baseline Advance Rate in respect of the relevant FleetCo AAA Component, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant Affiliate to such Lease Vehicles are sub-leased to;
 - (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Clause 5.2.2(D) does not exceed 1 per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement; and

- (v) following a Level 1 Minimum Liquidity Test Breach, the subleases of such Lease Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant Affiliate, with all proceeds of such sale to be deposited into the Dutch Collection Account.
- (E) the OpCos located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as:
- (i) the sublease of such Lease Vehicles to such OpCo states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement;
 - (ii) any Lease Vehicles being so subleased must be Non-Program Vehicles;
 - (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower of FleetCo Class A Baseline Advance Rate in respect of the relevant Eligible Investment Grade Non-Program Vehicle Amount or Eligible Non-Investment Grade Non-Program Vehicle Amount, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant OpCo to such Lease Vehicles are sub-leased to;
 - (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(E) (*Vehicle Use*), sub-clause 5.2.2. (E) of the French Master Lease, sub-clause 5.2.2 (E) of the Spanish Master Lease and sub-clause 5.2.2 (E) of the German Master Lease, together with the Net Book Value of the Lease Vehicles being subleased pursuant to Sub-Clause 5.2.2(D) (*Vehicle Use*), sub-clause 5.2.2. (D) of the French Master Lease, sub-clause 5.2.2 (D) of the Spanish Master Lease and sub-clause 5.2.2 (D) of the German Master Lease, does not exceed the lower of (1) ten (10) per cent. of the aggregate Net Book Value of all Eligible Vehicles at any one time or (2) EUR 70,000,000 in total and provided that, in respect of Germany, individually, this should not exceed EUR 16,000,000;
 - (v) the Lease Vehicles being so subleased are being used in connection with such OpCo's business, including use by such OpCo's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, provided that no amendments are made to:
 - (a) the registration of Dutch FleetCo in the RTL Register; and/or
 - (b) the registration of Dutch OpCo or, following the events set out in paragraph 5.1.5(B) of Clause 5.1.5 (*Registration of Vehicles*) above, Dutch FleetCo in the RDW Register, and
 - (vi) following a Level 1 Minimum Liquidity Test Breach, the subleases of such Lease Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant

OpCo on the Servicer's behalf, with all proceeds of such sale to be deposited into the Dutch Collection Account.

With respect to any Lease Vehicles subleased pursuant to this Clause 5.2.2 that meet the conditions of both the preceding paragraphs (A) and (B), as of any date of determination, the Servicer will determine which such Lease Vehicles shall count towards the calculation of the percentage of aggregate Net Book Value in which of the preceding paragraph (A) or (B) as of such date provided that, no such individual Lease Vehicle shall count towards the calculation of the percentage of aggregate Net Book Value with respect to both paragraphs (A) and (B) as of such date.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraph (A) or (B) and the sublessee of each such Lease Vehicle, in each case, as of the last day of the immediately preceding calendar month, each of which deliveries may be satisfied by the applicable Lessee posting such list to a password-protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by email, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (C), (D) and (E) and the sublessee of each such Lease Vehicle, in each case, as of the last day of the immediately preceding calendar month, each of which deliveries will be satisfied by the Servicer having actual knowledge of each such subleased Lease Vehicle and the related sublessee to whom such Lease Vehicle was then being subleased.

The sublease of any Lease Vehicles permitted by this Clause 5 (*Vehicle Operational Covenants*) shall not release any Lessee from any obligations under this Agreement.

5.3 Non-Disturbance

With respect to any Lessee, so long as such Lessee satisfies its obligations hereunder, its quiet enjoyment, possession and use of the Lease Vehicles will not be disturbed during the Term subject, however, to Clause 6.2 (*Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing*), Clause 8.6 (*Preservation of rights*) and Clause 9 (*Default and Remedies Therefor*) hereof and except that the Lessor and the Dutch Security Trustee each retain the right, but not the duty, to inspect the Lease Vehicles leased by such Lessee without disturbing such Lessee's business.

5.4 Manufacturer's Warranties

If a Lease Vehicle is covered by a Manufacturer's warranty, the Lessee, during the Vehicle Term for such Lease Vehicle, shall have the right to make any claims under such warranty that the Lessor could make.

5.5 Program Vehicle Condition Notices

Upon the occurrence of any event or condition with respect to any Lease Vehicle that is then designated as a Program Vehicle that would reasonably be expected to result in a redesignation of such Lease Vehicle pursuant to Clause 2.6.1(B) (*Mandatory Program Vehicle*)

to Non-Program Vehicle Redesignations), the Lessee of such Lease Vehicle shall notify the Lessor and the Servicer of such event or condition in the normal course of operations.

6 Servicer Functions and Compensation

6.1 Servicer Appointment

Dutch FleetCo has appointed the Servicer in accordance with this Agreement to provide the services in accordance with the terms of this Agreement and the Servicer has accepted such appointment. In connection with the rights, powers and discretions conferred on the Servicer under this Agreement, the Servicer shall have the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary in relation to the exercise of such rights, powers and discretions in respect of the performance of the relevant services.

6.2 Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing

6.2.1 With respect to any Lease Vehicle returned by any Lessee pursuant to Clause 2.5 (*Return*), the Servicer shall direct such Lessee as to the return location with respect to such Lease Vehicle. The Servicer shall act as the Lessor's agent in returning or otherwise disposing of each Lease Vehicle on the Vehicle Lease Expiration Date with respect to such Lease Vehicle, in each case in accordance with the Servicing Standard.

6.2.2 Upon the Servicer's receipt of any Program Vehicle returned by any Lessee pursuant to Clause 2.5 (*Return*), the Servicer shall return such Program Vehicle to the nearest related Manufacturer's designated return facility or official auction or other facility designated by such Manufacturer at the sole expense of the Lessee thereof unless paid or payable by the Manufacturer thereof in accordance with the terms of the related Manufacturer Program.

6.2.3 With respect to any Lease Vehicle that (i) is a Non-Program Vehicle and is returned to or at the direction of the Servicer pursuant to Clause 2.5 (*Return*) or (ii) becomes a Rejected Vehicle, the Servicer shall arrange for the disposition of such Lease Vehicle in accordance with the Servicing Standard.

6.2.4 In connection with the disposition of any Lease Vehicle that is a Program Vehicle, the Servicer shall comply with the Servicing Standard in connection with, among other things, the delivery of any documents of transfer signed as necessary, signed condition reports and signed odometer statements to be submitted with such Program Vehicles returned to a Manufacturer pursuant to Clause 2.5 (*Return*) and accepted by or on behalf of the Manufacturer at the time of such Program Vehicle's return.

6.2.5 With respect to each Payment Date, each Lessee and the Lease Vehicles leased by each such Lessee hereunder, the Servicer shall calculate all Depreciation Charges, Rent, Casualty Payment Amounts, Program Vehicle Special Default Payment Amounts, Non-Program Vehicle Special Default Payment Amounts, Early Program Return Payment Amounts, Redesignation to Non-Program Amounts, Redesignation to Program Amounts, Program Vehicle Depreciation Assumption True-Up Amounts, Pre-VLCD Program Vehicle Depreciation Amounts, Assumed Remaining Holding Periods, Capitalized Costs, Accumulated Depreciation and Net Book Values. With respect to each Payment Date, the Servicer shall aggregate each Lessee's Rent due on all

Lease Vehicles leased by such Lessee, together with any other amounts due to the Lessor from such Lessee and any credits owing to such Lessee, and provide to the Lessor and such Lessee a monthly statement of the total amount, in a form reasonably acceptable to the Lessor, no later than the Determination Date with respect to such Payment Date.

6.2.6 Upon the occurrence of a Liquidation Event, the Servicer shall dispose of any Lease Vehicles in accordance with the instructions of the Lessor or the Dutch Security Trustee. To the extent the Servicer fails to so dispose of any such Lease Vehicles, the Lessor and the Dutch Security Trustee shall have the right to otherwise dispose of such Lease Vehicles.

6.2.7 In each case, in accordance with the Servicing Standard, the Servicer shall:

- (A) designate (or redesignate, as the case may be) Dutch Vehicles on its computer systems as being leased hereunder;
- (B) direct payments due in connection with the Manufacturer Programs with respect to Program Vehicles to be deposited directly into the Dutch Collection Account;
- (C) direct that: (A) all sale proceeds from sales of Dutch Vehicles (other than in connection with any related Manufacturer Program) are deposited directly; and (B) if a Dutch Leasing Company Amortization Event with respect to Dutch FleetCo has occurred and is continuing, that insurance proceeds and warranty payments in respect of such Dutch Vehicles are received directly by the Lessor in each case into the Dutch Collection Account;
- (D) furnish the Servicer Report as provided in Clause 6.8 (*Servicer Records and Servicer Reports*);
- (E) subject to Clause 2.6.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignation*), comply with any obligation to return vehicles to the Manufacturer in accordance with the relevant Manufacturer Program; and
- (F) otherwise administer and service the Lease Vehicles.

6.2.8 The Servicer shall have full power and authority, acting alone or through any party properly designated by it hereunder (including, without limitation, the related Sub-Servicers, if any, applied pursuant to Clause 6.7 (*Sub-Servicers*) below) to do any and all things in connection with its servicing and administration duties that it may deem necessary or desirable to accomplish such servicing and administration duties and that does not materially adversely (in the opinion of the Dutch Security Trustee) affect the interests of the Lessor or the Noteholders. Any permissive right of the Servicer contained in this Agreement shall not be construed as a duty.

6.3 Required Contractual Criteria

- (a) The Servicer shall, prior to the expiry of a Vehicle Purchasing Agreement to which Dutch FleetCo is a party, commence negotiations with the relevant Manufacturers and Dealers on behalf of Dutch FleetCo to renew such Vehicle Purchasing Agreement (where a renewal of the Vehicle Purchasing Agreement is sought) and in circumstances where entry into a Vehicle Purchasing Agreement with a new Manufacturer or Dealer is sought (subject to the conditions below), the Servicer shall

negotiate the terms of such new Vehicle Purchasing Agreement on behalf of Dutch FleetCo, including, without limitation, the Required Contractual Criteria (or seeking a waiver from the Dutch Security Trustee in relation to any deviations from the Required Contractual Criteria, provided that the Dutch Security Trustee shall not under any circumstance grant a waiver in respect of a deviation from the substance of paragraphs 1.5 and 1.6 of the Required Contractual Criteria). The Dutch Security Trustee shall grant a waiver in respect of any deviation from paragraph 1.3 of the Required Contractual Criteria such that the bonus payments or other amounts described in paragraph 1.3 of the Required Contractual Criteria are to be payable to or for the account of Dutch FleetCo, provided that each of the following requirements is met:

6.3.1 it receives the approval of the Dutch Security Trustee acting at the written direction of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed); and

6.3.2 subject to usual qualifications or reservations, the Servicer provides the Dutch Security Trustee with satisfactory legal, taxation and accounting reports or opinions establishing that the deviation will not affect the insolvency remoteness of Dutch FleetCo nor materially increase the tax liability of Dutch FleetCo.

(b) With respect to Non-Program Vehicles only and in circumstances where Vehicles are to be acquired from a Dealer where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer that complies with the Required Contractual Criteria or an Auction Seller, the Servicer shall be able to negotiate with such Dealer or Auction Seller the terms of a new Vehicle Purchasing Agreement or Vehicle Purchasing Agreements on behalf of the Dutch FleetCo without being required to comply with the Required Contractual Criteria, provided that each of the following requirements is met:

(i) the number of Non-Program Vehicles acquired pursuant to such Vehicle Purchasing Agreement or Vehicle Purchasing Agreements with a single Dealer in a single or series of related transactions or Auction Seller in a single or series of transactions in the same auction process shall not exceed 50 Non-Program Vehicles;

(ii) at any time of determination, the aggregate Net Book Value of such Non-RCC Compliant Eligible Vehicles shall be no more than EUR 10,000,000; and

(iii) the Vehicle Purchasing Agreement provides that there is an absolute transfer of title of the Non-Program Vehicle from the relevant Dealer or Auction Seller to the Dutch FleetCo, immediately following the payment of the purchase price of the Non-Program Vehicle, and the Dutch FleetCo shall not under any circumstances have any obligations of any nature in favour of such Dealer or Auction Seller under the relevant Vehicle Purchasing Agreement following such payment.

(c) With respect to Non-Program Vehicles only and during the Revolving Period, the Servicer shall be able to negotiate on behalf of the Dutch FleetCo the terms of an Intra-Group Vehicle Purchasing Agreement with other FleetCos or OpCos or other Affiliates of the Dutch FleetCo located in a different jurisdiction than the jurisdiction

where the FleetCo is located, for the purchase of Non-Program Vehicles, provided that the following requirements are satisfied at all times:

- (i) the purchase price to be paid for the purchase of the Non-Program Vehicles shall be the Net Book Value (as determined under US GAAP) of such Non-Program Vehicle;
 - (ii) an Intra-Group Vehicle Purchasing Agreement for Non-Program Vehicle shall be entered into each time any such Non-Program Vehicle is acquired pursuant to this Sub-Clause, in form and substance substantially the same as the template Intra-Group Vehicle Purchasing Agreement set out in Schedule 5 (*Draft Intra-Group Vehicle Purchasing Agreement*); and
 - (iii) once a Non-Program Vehicle is acquired by the Dutch FleetCo pursuant to an Intra-Group Vehicle Purchasing Agreement, the same Non-Program Vehicle may not be transferred or sold to any other FleetCo or Opco or other Affiliates of the Dutch FleetCo other than the disposal of such Non-Program vehicle at the expiry of the relevant Lease Term, and
 - (iv) following a Level 1 Minimum Liquidity Breach, the Servicer shall not be able to negotiate on behalf of the Dutch FleetCo the terms of an intra-group vehicle purchasing agreement with other FleetCos or OpCos.
- (d) The purchase of vehicles between Fleetcos and OpCos pursuant to the above paragraph shall cease if a Level 1 Minimum Liquidity Test Breach occurs.

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Clause 6.2 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

In addition, where necessary to enable the Servicer to deliver the services hereunder, for such purposes the Lessor authorises the Servicer to process personal data on behalf of the Lessor in accordance with this Clause 6.4. When the Servicer processes such personal data, the Servicer shall take appropriate technical and organisational measures designed to protect against unauthorised or unlawful processing or personal data and against accidental loss or destruction of, or damage to, personal data. In particular, the Servicer shall process personal data only for the purposes contemplated by this Agreement and shall act only on the instructions of the Lessor (given for such purposes) and shall comply at all times with the principles and provisions set out in the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (and any subsequent amendments thereto) as if applicable to the Servicer directly and any other applicable laws. The Servicer shall answer the reasonable enquiries of the Lessor to enable the Lessor to monitor the Servicer's compliance with this Clause 6.4 and the Servicer shall not sub-contract its processing of personal data without the prior written consent of the Lessor.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Hertz Automobielen Nederland B.V. acts as Servicer of the Lessor pursuant to this Agreement, and, in such capacity, as the

agent of the Lessor, for the purposes of performing certain duties of the Lessor under this Agreement and the Dutch Related Documents.

6.6 Servicer's Monthly Fee

6.6.1 As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**Dutch Monthly Servicing Fee**") equal to one-twelfth of the Dutch Servicing Fee and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Clause 2.5.1 (*Lessee Right to Return*), provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.

6.6.2 All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegee, in such capacity, a "**Sub-Servicer**") the performance of part (but not all) of the Servicer's obligations as Servicer pursuant to this Agreement on the condition that:

6.7.1 the Servicer shall maintain up-to-date records of the Servicer's obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;

6.7.2 in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;

6.7.3 the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;

6.7.4 the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer's obligations under this Agreement;

6.7.5 any breach in the performance of the Servicer's obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of 14 Business Days of the earlier of:

(A) the Servicer becoming aware of the breach; and

(B) receipt by the Servicer of written notice from the Lessor or the Dutch Security Trustee requiring the same to be remedied; and

6.7.6 neither the Lessor nor the Dutch Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer.

6.8 Servicer Records and Servicer Reports

6.8.1 On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the "**Servicer Records**"), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.

6.8.2 On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the Dutch Security Trustee the Servicer Records as of such date, which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the Dutch Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.8.3 On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the Dutch Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Clauses 6.8.1 and 6.8.2 since the preceding Business Day (such schedule as delivered each Business Day, a "**Servicer Report**"), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the Dutch Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, email, file transfer protocol or otherwise).

6.9 Powers of Attorney

The Lessor shall from time to time, upon receipt of request by the Servicer, promptly give to the Servicer any powers of attorney or other written authorisations or mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, provided that any such powers of attorney or other written authorisations or mandates or instruments must be strictly limited to specific matters. Such powers of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement or when the Lessor terminates such power of attorney.

6.10 Servicer's Agency Limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent Dutch FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorised to perform and discharge by this Agreement and for the period during which this Agreement so authorises it to perform and discharge those functions and duties.

6.11 Resignation of Servicer

The Servicer may, by giving not less than 14 days' written notice to Dutch FleetCo and the Dutch Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the Dutch Facility Agreement are being repaid in full, a replacement Servicer satisfactory to Dutch FleetCo and the Dutch Security Trustee has been or will, simultaneously with the termination of the Servicer's appointment under this Agreement, be

appointed (it being understood that it is Dutch FleetCo's obligation and not the Dutch Security Trustee's obligation to negotiate and make such appointment).

7 Certain Representations and Warranties

Dutch OpCo, as Lessee, represents and warrants to the Lessor and the Dutch Security Trustee that as of the Closing Date, and as of each Vehicle Lease Commencement Date, and each Additional Lessee represents and warrants to the Lessor and the Dutch Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organisation; Power; Qualification

Such Lessee has been duly incorporated and is validly existing as a limited liability company under the laws of The Netherlands, with corporate power under the laws of the Netherlands to execute and deliver this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorisation; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorised, executed and delivered on behalf of such Lessee and, assuming due authorisation, execution and delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganisation, moratorium and other similar laws affecting creditors' rights generally).

7.3 Compliance

The execution, delivery and performance by such Lessee of this Agreement and the Dutch Related Documents to which it is a party will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any security, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the Dutch Related Documents pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the Lessee's articles of association.

7.4 Governmental Approvals

There is no consent, approval, authorisation, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the Dutch Related Documents (other than such consents, approvals, authorisations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorisation, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 Dutch Supplemental Documents True and Correct

All information contained in any material Dutch Supplemental Document that has been submitted, or that may hereafter be submitted, by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

8 Certain Affirmative Covenants

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the Dutch Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the Dutch Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to: (i) maintain and preserve its limited liability existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

8.2.1 Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other Dutch Collateral;

8.2.2 at any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the Dutch Security Trustee (or such other Person who may be designated from time to time by the Lessor or the Dutch Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other Dutch Collateral;

8.2.3 permit any of the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the Dutch Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee

for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the Dutch Security Trustee or the Issuer Security Trustee may reasonably request;

8.2.4 upon the request of the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the Dutch Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the Dutch Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and

8.2.5 during normal business hours and with prior notice of at least three Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled,

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Clause 8.2 that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisers, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the Dutch Security Trustee:

8.5.1 no later than the prescribed statutory deadline required by its articles of association and in any event by no later than 270 calendar days after the end of each financial year, its audited Annual Financial Statements together with the related auditors' report(s);

8.5.2 promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the Dutch Security Trustee pursuant to this Clause 8.5 shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Clause 8.5 may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on Dutch OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the Dutch Security Trustee from time to time) or (ii) on which such documents are posted on Dutch OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the Dutch Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the Dutch Security Trustee).

8.6 Preservation of Rights

Preserve and/or exercise and/or enforce its rights and/or shall procure that the same are preserved, exercised or enforced on its behalf (including by the Dutch Security Trustee) in respect of the Dutch Vehicles, including, but not limited to, promptly notifying any Insolvency Official of a Manufacturer or Dealer of any retention of title existing in respect of one or more Dutch Vehicles in favour of the Lessor.

9 Default and Remedies Therefor

9.1 Events of Default

Any one or more of the following will constitute an event of default (a "**Lease Event of Default**") as that term is used herein:

- 9.1.1** there occurs a default in the payment of any Rent or other amount payable by any Lessee under this Agreement unless, such default in the payment is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;
- 9.1.2** any unauthorised assignment or transfer of this Agreement by any Lessee occurs;
- 9.1.3** the failure of any Lessee to observe or perform any other covenant, condition, agreement or provision hereof, including, but not limited to, usage, and maintenance that in any such case has a Lease Material Adverse Effect, and such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice thereof is delivered by the Lessor or the Dutch Security Trustee to such Lessee or the date an Authorized Officer of such Lessee obtains actual knowledge thereof;
- 9.1.4** if (i) any representation or warranty made by any Lessee herein is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice or other writing furnished by or on behalf of any Lessee to the Lessor or the Dutch Security Trustee is false or misleading on the date as of which the facts therein set forth are stated or certified, (ii) such inaccuracy, breach or falsehood has a Lease Material Adverse Effect, and (iii) the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof

from the Lessor or the Dutch Security Trustee to the applicable Lessee and (y) the date an Authorized Officer of the applicable Lessee learns of such circumstance or condition;

- 9.1.5 an Event of Bankruptcy occurs with respect to Hertz or with respect to any Lessee;
- 9.1.6 this Agreement or any portion thereof ceases to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the Dutch Related Documents) or a proceeding shall be commenced by any Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to any Lessee that at such time is not leasing any Lease Vehicles hereunder;
- 9.1.7 a Servicer Default occurs; or
- 9.1.8 a Liquidation Event occurs.

For the avoidance of doubt, with respect to any Potential Lease Event of Default or Lease Event of Default, if the event or condition giving rise (directly or indirectly) to such Potential Lease Event of Default or Lease Event of Default, as applicable, ceases to be continuing (through cure, waiver or otherwise), then such Potential Lease Event of Default or Lease Event of Default, as applicable, will cease to exist and will be deemed to have been cured for every purpose under the Dutch Related Documents.

9.2 Effect of Lease Event of Default

If any Lease Event of Default set forth in Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, the Lessee's right of possession with respect to any Lease Vehicles leased hereunder shall be subject to the Lessor's option to terminate such right as set forth in Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 Rights of Lessor and Dutch Security Trustee Upon Lease Event of Default

- 9.3.1 If a Lease Event of Default shall occur and be continuing, then the Lessor may proceed by appropriate court action or actions available to it under Dutch law to enforce performance by any Lessee of the applicable covenants and terms of this Agreement or to recover damages for the breach hereof calculated in accordance with Clause 9.5 (*Measure of Damages*).
- 9.3.2 If any Lease Event of Default set forth in Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, then (i) subject to the terms of this Clause 9.3.2, the Lessor or the Dutch Security Trustee (acting on the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed)) shall have the right to serve notice on the other parties hereto, a "**Master Lease Termination Notice**", and following service of such notice shall have the right (a) to terminate any Lessee's rights of use and possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee, (b) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder, (c) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use or dispose of such Lease Vehicles for any purpose whatsoever and (d) to direct delivery by the Servicer of the ascription

codes (*tenaamstellingscode*) for all or a portion of the Lease Vehicles and (ii) the Lessees, at the request of the Lessor or the Dutch Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed), shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the Dutch Security Trustee, as the case may be.

The Lessor may not validly serve a Master Lease Termination Notice unless such decision to serve the Master Lease Termination Notice has been approved by any independent director (as the term may be defined in the relevant constitutional documents of the Lessor) on the board of directors of the Lessor.

- 9.3.3** Each and every power and remedy hereby specifically given to the Lessor will be in addition to every other power and remedy hereby specifically given or now or hereafter available to it under Dutch law and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor, provided, however, that the measure of damages recoverable against such Lessee will in any case be calculated in accordance with Clause 9.5 (*Measure of Damages*). All such powers and remedies will be cumulative, and the exercise of one will not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder will impair any such power or remedy or will be construed to be a waiver of any default or any acquiescence therein, provided that, for the avoidance of doubt, any exercise of any such right or power shall remain subject to each condition expressly specified in any Related Document with respect to such exercise. Any extension of time for payment hereunder or other indulgence duly granted to any Lessee will not otherwise alter or affect the Lessor's rights or the obligations hereunder of such Lessee. The Lessor's acceptance of any payment after it will have become due hereunder will not be deemed to alter or affect the Lessor's rights hereunder with respect to any subsequent payments or defaults therein.

9.4 Liquidation Event and Non-Performance of Certain Covenants

- 9.4.1** If a Liquidation Event shall have occurred and be continuing, the Dutch Security Trustee and the Issuer Security Trustee shall have the rights against each Lessee and the Dutch Collateral provided in the Dutch Security Trust Deed and Issuer Security Trust Deed, upon a Liquidation Event, including, in each case, the right to serve a Master Lease Termination Notice on the other parties hereto, following service of such notice shall have the right (i) to terminate any Lessee's rights of possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee, (ii) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder, (iii) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever and (iv) to direct delivery by the Servicer of the ascription codes (*tenaamstellingscode*) for all or a portion of the Lease Vehicles.
- 9.4.2** During the continuance of a Liquidation Event, the Servicer shall return any or all Lease Vehicles that are Program Vehicles to the related Manufacturers in accordance

with the instructions of the Lessor. To the extent any Manufacturer fails to accept any such Program Vehicles under the terms of the applicable Manufacturer Program, the Lessor shall have the right to otherwise dispose of such Program Vehicles and to direct the Servicer to dispose of such Program Vehicles in accordance with its instructions.

- 9.4.3** Notwithstanding the exercise of any rights or remedies pursuant to this Clause 9.4, the Lessor will, nevertheless, have a right to recover from such Lessee any and all amounts (for the avoidance of doubt, as limited by Clause 9.5 (*Measure of Damages*)) as may be then due.
- 9.4.4** In addition, following the occurrence of a Liquidation Event, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-a-vis each Lessee, necessary or desirable to allow the Dutch Security Trustee to exercise the rights, remedies, powers, privileges and claims given to the Dutch Security Trustee pursuant to Clause 10.2 (*Rights of the Dutch Security Trustee upon Amortization Event or Certain Other Events of Default*) of the Dutch Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the Dutch Security Trustee pursuant to clause 10 of the Dutch Facility Agreement and that the Dutch Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.
- 9.4.5** The Dutch Security Trustee may only take possession of, or exercise any of the rights or remedies specified in this Agreement with respect to, such number of Lease Vehicles necessary to generate disposition proceeds in an aggregate amount sufficient to pay the Dutch Note with respect to which a Liquidation Event is then continuing as set forth in the Issuer Facility Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been pledged to secure such Dutch Note.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the Dutch Security Trustee exercises the remedies granted to the Lessor or the Dutch Security Trustee under Clause 8.6 (*Preservation of rights*), this Clause 9 (*Default and Remedies Therefor*) or Clause 10.2 of the Dutch Facility Agreement, the amount that the Lessor shall be permitted to recover from any Lessee as payment shall be equal to:

- 9.5.1** all Rent for each Lease Vehicle leased by such Lessee hereunder to the extent accrued and unpaid as of the earlier of the date of the return to the Lessor of such Lease Vehicle or disposition by the Servicer of such Lease Vehicle in accordance with the terms of this Agreement and all other payments payable under this Agreement by such Lessee, accrued and unpaid as of such date; plus
- 9.5.2** any reasonable out-of-pocket damages and expenses, including reasonable attorneys' fees and expenses that the Lessor or the Dutch Security Trustee will have sustained by reason of such a Lease Event of Default or Liquidation Event, together with reasonable sums for such attorneys' fees and such expenses as will be expended or incurred in the seizure, storage, rental or sale of the Lease Vehicles leased by such Lessee hereunder or in the enforcement of any right or privilege hereunder or in any consultation or action in such connection, in each case to the extent reasonably attributable to such Lessee; plus

9.5.3 interest from time to time on amounts due from such Lessee and unpaid under this Agreement at EURIBOR plus 1.0 per cent computed from the date of such a Lease Event of Default or Liquidation Event or the date payments were originally due to the Lessor by such Lessee under this Agreement or from the date of each expenditure by the Lessor or the Dutch Security Trustee, as applicable, that is recoverable from such Lessee pursuant to this Clause 9 (*Default and Remedies Therefor*), as applicable, to and including the date payments are made by such Lessee.

9.6 Servicer Default

Any of the following events will constitute a default of the Servicer (a "**Servicer Default**") as that term is used herein:

- 9.6.1 the failure of the Servicer to comply with or perform any provision of this Agreement or any other Related Document and such failure is, in the opinion of the Dutch Security Trustee, materially prejudicial to the Dutch Noteholder and in the case of a default which is remediable such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice is delivered by the Lessor or the Dutch Security Trustee to the Servicer or the date an Authorized Officer of the Servicer obtains actual knowledge thereof;
- 9.6.2 an Event of Bankruptcy occurs with respect to the Servicer;
- 9.6.3 the failure of the Servicer to make any payment when due from it hereunder or under any of the other Dutch Related Documents or to deposit any Dutch Collections received by it into the Dutch Transaction Account when required under the Dutch Related Documents and, in each case, unless such failure is as a result of an administrative or technical error in such case payment has been made within three (3) Business Days;
- 9.6.4 if (I) any representation or warranty made by the Servicer relating to the Dutch Collateral in any Dutch Related Document is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice or other writing relating to the Dutch Collateral furnished by or on behalf of the Servicer to the Lessor or the Dutch Security Trustee pursuant to any Dutch Related Document is false or misleading on the date as of which the facts therein set forth are stated or certified, (II) such inaccuracy, breach or falsehood is, in the opinion of the Dutch Security Trustee materially prejudicial to the Dutch Noteholder, and (III) if such inaccuracy, breach or falsehood can be remedied, the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for at least fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the Dutch Security Trustee to the Servicer and (y) the date an Authorized Officer of the Servicer obtains actual knowledge of such circumstance or condition;
- 9.6.5 a Lease Event of Default occurs which gives rise to a right for the Lessor or the Dutch Security Trustee to serve a Master Lease Termination Notice; or
- 9.6.6 a Liquidation Event occurs.

In the event of a Servicer Default, the Lessor or the Dutch Security Trustee, in each case acting pursuant to Clause 9.24(d) (*Servicer Default*) of the Dutch Facility Agreement, shall have the right to replace the Servicer as servicer.

For the avoidance of doubt, with respect to any Servicer Default, if the event or condition giving rise (directly or indirectly) to such Servicer Default ceases to be continuing (through cure, waiver or otherwise), then such Servicer Default will cease to exist and will be deemed to have been cured for every purpose under the Dutch Related Documents.

9.7 Application of Proceeds

The proceeds of any sale or other disposition pursuant to Clause 9.2 (*Effect of Lease Event of Default*) or Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the Dutch Related Documents.

10 Certification of Trade or Business Use

Each Lessee hereby warrants and certifies that it intends to use the Lease Vehicles that are subject to this Agreement in connection with its trade or business.

11 [Reserved]

12 Additional Lessees

Subject to the prior consent of Dutch FleetCo (such consent not to be unreasonably withheld or delayed) and the Dutch Security Trustee (acting upon the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed), any Affiliate of Dutch OpCo that was incorporated under the laws of The Netherlands (each a "**Permitted Lessee**") shall have the right to become a Lessee under and pursuant to the terms of this Agreement by complying with the provisions of this Clause 12. If a Permitted Lessee desires to become a Lessee under this Agreement, then such Permitted Lessee shall execute (if appropriate) and deliver to the Lessor, the Dutch Security Trustee and the Issuer Security Trustee:

- 12.1** a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each an "**Affiliate Joinder in Lease**");
- 12.2** the articles of association for such Permitted Lessee, together with a recent extract from the Trade Register of the Dutch Chamber of Commerce relating to such Permitted Lessee, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.3** copies of resolutions of the Board of Directors or other authorising action of such Permitted Lessee authorising or ratifying the execution, delivery and performance, respectively, of those documents and matters required of it with respect to this Agreement, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.4** a certificate of an Authorized Officer of such Permitted Lessee certifying the names of the individual or individuals authorised to sign the Affiliate Joinder in Lease and any other Related Documents to be executed by it, together with samples of the true signatures of each such individual;
- 12.5** an Officer's Certificate stating that such joinder by such Permitted Lessee complies with this Clause 12 and an opinion of counsel, which may be based on an Officer's Certificate and is

subject to customary exceptions and qualifications (including, without limitation any insolvency laws, stating that (a) all conditions precedent set forth in this Clause 12 relating to such Joinder by such Permitted Lessee have been complied with and (b) upon the due authorisation, execution and delivery of such Affiliate Joinder in Lease by the parties thereto, such Affiliate Joinder in Lease will be enforceable against such Permitted Lessee; and

- 12.6** any additional documentation that the Lessor, Dutch Security Trustee or the Issuer Security Trustee may reasonably require to evidence the assumption by such Permitted Lessee of the obligations and liabilities set forth in this Agreement.

13 Value Added Tax and Stamp Taxes

13.1 Sums Payable Exclusive of VAT

All sums or other consideration set out in this Agreement or otherwise payable or provided by any party to any other party pursuant to this Agreement shall be deemed to be exclusive of any VAT which is or becomes chargeable (if any) on any supply or supplies for which sums or other consideration (or any part thereof) are the whole or part of the consideration for VAT purposes.

13.2 Payment of Amounts in Respect of VAT

Where, pursuant to the terms of this Agreement, any party (the “**Supplier**”) makes a supply to any other party (the “**Recipient**”) hereto for VAT purposes and VAT is or becomes chargeable on such supply (being VAT for which the Supplier is required to account to the relevant Tax Authority):

13.2.1 where the Supplier is the Lessee, the Recipient shall, following receipt from the Supplier of a valid VAT invoice in respect of such supply, pay to the Supplier (in addition to any other consideration for such supply) a sum equal to the amount of such VAT; and

13.2.2 where the Supplier is the Lessor, the Recipient shall pay to the Supplier (in addition to and at the same time as paying any other consideration for such supply) a sum equal to the amount of such VAT, and the Supplier shall, following receipt of such sum and (unless otherwise required pursuant to any Requirement of Law) not before, provide the Recipient with a valid VAT invoice in respect of such supply.

13.3 Cost and Expenses

References in this Agreement to any fee, cost, loss, disbursement, commission, damages, expense, charge or other liability incurred by any party to this Agreement and in respect of which such party is to be reimbursed or indemnified by any other party under the terms of, or the amount of which is to be taken into account in any calculation or computation set out in, this Agreement shall include such part of such fee, cost, loss, disbursement, commission, damages, expense, charge or other liability as represents any VAT, but only to the extent that such first party is not entitled to a refund (by way of a credit or repayment) in respect of such VAT from any relevant Tax Authority.

14 Security and Assignments

14.1 Rights of Lessor Pledged to Trustee

Each Lessee acknowledges that the Lessor has pledged or will pledge all of its rights under this Agreement to the Dutch Security Trustee pursuant to the Dutch Security Documents. Accordingly, each Lessee agrees that:

- 14.1.1** upon the occurrence of a Lease Event of Default or Liquidation Event, the Dutch Security Trustee may exercise (for and on behalf of the Lessor) any right or remedy against such Lessee provided for herein and such Lessee will not interpose as a defence that such claim should have been asserted by the Lessor;
- 14.1.2** upon the delivery by the Dutch Security Trustee of any notice to such Lessee stating that a Lease Event of Default or a Liquidation Event has occurred, such Lessee will, if so requested by the Dutch Security Trustee, comply with all obligations under this Agreement that are asserted by the Dutch Security Trustee, as the Lessor hereunder, irrespective of whether such Lessee has received any such notice from the Lessor; and
- 14.1.3** such Lessee acknowledges that, pursuant to this Agreement, it has agreed to make all payments of Rent hereunder (and any other payments hereunder) directly to the Dutch Security Trustee for deposit in the Dutch Transaction Account.

14.2 Right of the Lessor to Assign or Transfer its rights or obligations under this Agreement

The Lessor shall have the right to finance the acquisition and ownership of Lease Vehicles under this Agreement by, without limitation, selling, assigning or transferring any of its rights and/or obligations under this Agreement to the Issuer Security Trustee for the benefit of the Noteholders, provided, however, that any such sale, assignment or transfer shall be subject to the rights and interest of the Lessees in the Lease Vehicles, including, but not limited to, the Lessees' right of quiet and peaceful possession of such Lease Vehicles as set forth in Clause 5.3 (*Non-Disturbance*) hereof, and under this Agreement.

14.3 Limitations on the Right of the Lessees to Assign or Transfer their rights or obligations under this Agreement

No Lessee shall assign or transfer or purport to assign or transfer any right or obligation under this Agreement to any other party.

14.4 Security

The Lessor may grant security interests in the Lease Vehicles leased by any Lessee hereunder without consent of any Lessee. Except for Permitted Security, each Lessee shall keep all Lease Vehicles free of all Security arising during the Term. If on the Vehicle Lease Expiration Date for any Lease Vehicle, there is Security on such Lease Vehicle, the Lessor may, in its discretion, remove such Security and any sum of money that may be paid by the Lessor in release or discharge thereof, including reasonable attorneys' fees and costs, will be paid by the Lessee of such Lease Vehicle upon demand by the Lessor.

15 Non-Liability of Lessor

As between the Lessor and each Lessee, acceptance for lease of each Lease Vehicle pursuant to Clause 2.2.6 (*Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection*) shall constitute such Lessee's acknowledgment and agreement that such Lessee has fully inspected such Lease Vehicle, that such Lease Vehicle is in good order and condition and is of the manufacture, design, specifications and capacity selected by such Lessee and that such Lessee is satisfied that the same is suitable for this use. Each Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. Each Lessee acknowledges that the Lessor makes no representation, warranty or covenant, express or implied in any such case, as to the fitness, safeness, design, merchantability, condition, quality, durability, suitability, capacity or workmanship of the Lease Vehicles in any respect or in connection with or for any purposes or uses of any Lessee and makes no representation, warranty or covenant, express or implied in any such case, that the Lease Vehicles will satisfy the requirements of any law or any contract specification, and as between the Lessor and each Lessee, such Lessee agrees to bear all such risks at its sole cost and expense. Each Lessee specifically waives all rights to make claims against the Lessor and any Lease Vehicle for breach of any warranty of any kind whatsoever, and each Lessee leases each Lease Vehicle "as is". Upon the Lessor's acquisition of any Lease Vehicle identified in a request from any Lessee pursuant to Clause 2.2.4, the Lessor shall in no way be liable for any direct or indirect damages or inconvenience resulting from any defect in or loss, theft, damage or destruction of any Lease Vehicle or of the cargo or contents thereof or the time consumed in recovery repairing, adjusting, servicing or replacing the same and there shall be no abatement or apportionment of rental at such time. The Lessor shall not be liable for any failure to perform any provision hereof resulting from fire or other casualty, natural disaster, riot or other civil unrest, war, terrorism, strike or other labour difficulty, governmental regulation or restriction, or any cause beyond the Lessor's direct control. In no event shall the Lessor be liable for any inconveniences, loss of profits or any other special, incidental, or consequential damages, whatsoever or howsoever caused (including resulting from any defect in or any theft, damage, loss or failure of any Lease Vehicle).

The Lessor shall not be responsible for any liabilities (including any loss of profit) arising from any delay in the delivery of, or failure to deliver, any Lease Vehicle to any Lessee.

16 Non-Petition and No Recourse

16.1 Non-Petition

Notwithstanding anything to the contrary in this Agreement or any Dutch Related Document, only the Dutch Security Trustee may pursue the remedies available under the general law or under the Dutch Security Trust Deed to enforce this Agreement, the Dutch Security or the Dutch Note and no other Person shall be entitled to proceed directly against Dutch FleetCo in respect hereof (unless the Dutch Security Trustee, having become bound to proceed in accordance with the terms of the Dutch Related Documents, fails or neglects to do so). Each party to this Agreement hereby agrees with and acknowledges to each of Dutch FleetCo and the Dutch Security Trustee until the date falling one year and one day after the Legal Final Payment Date that:

16.1.1 it shall not have the right to take or join any person in taking any steps against Dutch FleetCo for the purpose of obtaining payment of any amount due from Dutch FleetCo

(other than serving a written demand subject to the terms of the Dutch Security Trust Deed); and

16.1.2 neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Dutch FleetCo, provided that the Dutch Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Dutch Related Documents and Dutch Security Documents.

The provisions of this Clause 16.1 shall survive the termination of this Agreement.

16.2 No Recourse

Each party to this Agreement agrees with and acknowledges to each of Dutch FleetCo and the Dutch Security Trustee that, notwithstanding any other provision of any Dutch Related Document, all obligations of Dutch FleetCo to such entity are limited in recourse as set out below:

16.2.1 sums payable to it in respect of any of Dutch FleetCo's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the Dutch Security Trustee in respect of the Dutch Security, whether pursuant to enforcement of the Dutch Security or otherwise; and

16.2.2 upon the Dutch Security Trustee giving written notice that it has determined in its opinion that there is no reasonable likelihood of there being any further realisations in respect of the Dutch Security (whether arising from an enforcement of the Dutch Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Dutch Related Documents, it shall have no further claim against Dutch FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

The provisions of this Clause 16.2 shall survive the termination of this Agreement.

17 Submission to Jurisdiction

17.1 The parties agree that the courts of Amsterdam have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Agreement and therefore irrevocably submit to the jurisdiction of those courts.

17.2 The parties agree that the courts of Amsterdam are an appropriate and convenient forum to settle Disputes between them and, accordingly, the parties will not argue to the contrary.

18 Governing Law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Dutch law.

19 Notices

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of clause 3.17 of the Master Definitions and Construction Agreement and clause 23 (*Notices*) of the Dutch Security Trust Deed.

20 Entire Agreement

This Agreement and the other agreements specifically referenced herein constitute the entire agreement among the parties hereto and supersede any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof. This Agreement, together with the Manufacturer Programs, the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to this Agreement (including, for the avoidance of doubt, all related joinders, exhibits, annexes, schedules, attachments and appendices), in each case solely to the extent to which such Manufacturer Programs, schedules and documents relate to Lease Vehicles, will constitute the entire agreement regarding the leasing of Lease Vehicles by the Lessor to each Lessee.

21 Modification and Severability

The terms of this Agreement will not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever unless the same shall be in writing and signed and delivered by the Lessor, the Servicer, the Dutch Security Trustee and each Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the Dutch Facility Agreement. If any part of this Agreement is not valid or enforceable according to law, all other parts will remain enforceable. For the avoidance of doubt, the execution and/or delivery of and/or performance under any Affiliate Joinder in Lease, Lease Vehicle Acquisition Schedule or Intra-Lease Lessee Transfer Schedule shall not constitute a waiver, alteration, modification, supplement or termination to or of this Agreement.

22 Survivability

In the event that, during the term of this Agreement, any Lessee becomes liable for the payment or reimbursement of any obligations, claims or taxes pursuant to any provision hereof, such liability will continue, notwithstanding the expiration or termination of this Agreement, until all such amounts are paid or reimbursed by or on behalf of such Lessee.

23 [Reserved]

24 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

25 Electronic Execution

This Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) may be transmitted and/or signed by facsimile or other electronic means (i.e., a "pdf" or "tiff"). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each party hereto. The words "execution", "signed", "signature" and words of like import in this Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) or in any amendment or other modification hereof

(including, without limitation, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

26 Lessee Termination and Resignation

With respect to any Lessee except for Dutch OpCo, upon such Lessee (the "**Resigning Lessee**") delivering irrevocable written notice to the Lessor, the Servicer and the Dutch Security Trustee that such Resigning Lessee desires to resign its role as a Lessee hereunder (such notice, substantially in the form attached as Exhibit A hereto, a "**Lessee Resignation Notice**"), such Resigning Lessee shall immediately cease to be a Lessee hereunder, and, upon such occurrence, event or condition, the Lessor, the Servicer and the Dutch Security Trustee shall be deemed to have released, waived, remised, acquitted and discharged such Resigning Lessee and such Resigning Lessee's directors, officers, employees, managers, shareholders and members of and from any and all claims, expenses, damages, costs and liabilities arising or accruing in relation to such Resigning Lessee on or after the delivery of such Lessee Resignation Notice to the Lessor, the Servicer and the Dutch Security Trustee (the time of such delivery, the "**Lessee Resignation Notice Effective Date**"); provided that, as a condition to such release and discharge, the Resigning Lessee shall pay to the Lessor all payments due and payable with respect to each Lease Vehicle leased by the Resigning Lessee hereunder, including without limitation any payment listed under Clause 4.7 (*Payments*), as applicable to each such Lease Vehicle, as of the Lessee Resignation Notice Effective Date; provided further that, the Resigning Lessee shall return or reallocate all Lease Vehicles at the direction of the Servicer in accordance with Clause 2.5 (*Return*); provided further that, with respect to any Resigning Lessee, such Resigning Lessee shall not be released or otherwise relieved under this Clause 26 from any claim, expense, damage, cost or liability arising or accruing prior to the Lessee Resignation Notice Effective Date with respect to such Resigning Transferor.

27 Third-Party Rights

This Agreement is made for the benefit of the Issuer Security Trustee (and the Noteholders and their assigns) for no consideration pursuant to Section 6:253 (4) of the Dutch Civil Code. A Person (other than the Issuer Security Trustee (and the Noteholders and their assigns)) who is not a party to this Agreement has no right under article 6:253 of the Dutch Civil Code to enforce or to enjoy the benefit of any term of this Agreement. By countersigning this Agreement, the Issuer Security Trustee for itself and acting on behalf of the Noteholders and their assigns accepts the third-party stipulation contained in this Clause 27.

28 Time of the Essence

Subject to any grace periods provided hereunder, time shall be of the essence of this Agreement as regards any time, date or period, whether as originally agreed or altered by agreement between all the parties (and, where required, with consent) or in any other manner provided in this Agreement, for the performance by each Lessee of its obligations under this Agreement.

29 Governing Language

This Agreement is in the English language. If this Agreement is translated into another language, the English text prevails, save that words in Dutch used in this Agreement and having specific legal meaning under Dutch law will prevail over the English translation.

30 Power of Attorney

If an entity incorporated in the Netherlands is represented by an attorney or attorneys in connection with the signing, execution or delivery of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of the Netherlands and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof.

31 Rescission or Nullification of this Agreement

Each Lessee irrevocably waives any right under any applicable law to rescind (*ontbinden*) or nullify (*vernietigen*) this Agreement in whole or in part and any right to suspend (*opschorten*) any obligation under this Agreement.

Lessor

STUURGROEP FLEET (NETHERLANDS) B.V.

By:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

WEIL:

Lessee and Servicer

HERTZ AUTOMOBIELEN NEDERLAND B.V.

By:

Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Dutch Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Annex
Form of Affiliate Joinder in Lease

THIS AFFILIATE JOINDER IN LEASE AGREEMENT (this “**Joinder**”) is executed as of [●] 20[●] (with respect to this Joinder and the Joining Party, the “**Joinder Date**”), by [●], a [●] (“**Joining Party**”), and delivered to Stuurgroep Fleet (Netherlands) B.V., an entity established in The Netherlands (“**Dutch FleetCo**”), as lessor pursuant to the Dutch Master Lease and Servicing Agreement, dated as of [●] 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Lease**”), among Dutch FleetCo as Lessor, Hertz Automobielen Nederland B.V. (“**Dutch OpCo**”) as a Lessee and as Servicer, those affiliates of Dutch OpCo from time to time becoming Lessees thereunder (together with Dutch OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as Dutch security trustee (the “**Dutch Security Trustee**”). Capitalised terms used herein but not defined herein shall have the meanings provided for in the Lease.

Recitals:

Whereas, the Joining Party is a Permitted Lessee; and

Whereas, the Joining Party desires to become a “**Lessee**” under and pursuant to the Lease.

Now, therefore, the Joining Party agrees as follows:

Agreement:

- 1** The Joining Party hereby represents and warrants to and in favour of Dutch FleetCo and the Dutch Security Trustee that (i) the Joining Party is an Affiliate of Dutch OpCo, (ii) all of the conditions required to be satisfied pursuant to Clause 12 (*Additional Lessees*) of the Lease in respect of the Joining Party becoming a Lessee thereunder have been satisfied, and (iii) all of the representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) of the Lease with respect to the Lessees are true and correct as applied to the Joining Party as of the date hereof.
- 2** From and after the date hereof, the Joining Party hereby agrees to assume all of the obligations of a Lessee under the Lease and agrees to be bound by all of the terms, covenants and conditions therein.
- 3** By its execution and delivery of this Joinder, the Joining Party hereby becomes a Lessee for all purposes under the Lease. By its execution and delivery of this Joinder, Dutch FleetCo and the Dutch Security Trustee each acknowledges that the Joining Party is a Lessee for all purposes under the Lease.
- 4** The parties agree that the courts of Amsterdam have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Joinder and therefore irrevocably submit to the jurisdiction of those courts. The parties agree that the courts of Amsterdam are an appropriate and convenient forum to settle Disputes between them and, accordingly, the parties will not argue to the contrary.
- 5** This Joinder and any non-contractual obligations arising out of or in connection with it are governed by Dutch law.

In witness whereof, the Joining Party has caused this Joinder to be duly executed as of the day and year first above written.

[Name of Joining Party]

By: _____

Name: _____

Title: _____

Address: _____

Attention: _____

Telephone: _____

Facsimile: _____

Accepted and Acknowledged by:

STUURGROEP FLEET (NETHERLANDS) B.V.

By: _____

Name: _____

Title: _____

BNP PARIBAS TRUST CORPORATION UK LIMITED

as Dutch Security Trustee

By: _____

Name: _____

Title: _____

Exhibit
Form of Lessee Resignation Notice

[•]

[Dutch FleetCo as Lessor]

[Hertz Automobielen Nederland B.V. as Servicer]

Re: Lessee Termination and Resignation

Ladies and Gentlemen

Reference is hereby made to the Dutch Master Lease and Servicing Agreement, dated as of [•] 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Dutch Master Lease**”), among Dutch FleetCo as Lessor, Hertz Automobielen Nederland B.V. (“**Dutch OpCo**”) as a Lessee and as Servicer, those affiliates of Hertz from time to time becoming Lessees thereunder (together with Dutch OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as Dutch Security Trustee. Capitalised terms used herein and not otherwise defined shall have the meanings assigned to them in the Dutch Master Lease.

Pursuant to Clause 26 (*Lessee Termination and Resignation*) of the Dutch Master Lease, [•] (the “**Resigning Lessee**”) provides Dutch FleetCo, as Lessor, and Dutch OpCo, as Servicer, irrevocable, written notice that such Resigning Lessee desires to resign as “**Lessee**” under the Dutch Master Lease.

Nothing herein shall be construed to be an amendment or waiver of any requirements of the Dutch Master Lease.

[Name of Resigning Lessee]

By: _____

Name: _____

Title: _____

Schedule 1
Common Terms of Motor Third Party Liability Cover

Part A
Non-vitiating endorsement

The Insurer undertakes to each Insured that this Policy will not be invalidated as regards the rights and interests of each such Insured and that the Insurer will not seek to avoid or deny any liability under this Policy because of any act or omission of any other Insured which has the effect of making this Policy void or voidable and/or entitles the Insurer to refuse indemnity in whole or in any material part in respect of any claims under this Policy as against such other Insured. For the purposes of this part only "Insured" shall not include any "Authorised Driver".

Part B
Severability of interest

The Insurer agrees that cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each Insured, provided that the total liability of the Insurers to all of the Insureds collectively shall not exceed the sums insured and the limits of indemnity (including any inner limits set by memorandum or endorsement stated in this Policy).

Part C
Notice of non-payment of premium to be sent to the Dutch Security Trustee

No cancellation unless thirty days' notice.

In the event of non-payment of premium, this Policy may at the sole discretion of the Insurer be cancelled by written notice to the Insureds and [●] [or replacement Dutch Security Trustee], stating when (not less than 30 days thereafter) the cancellation shall be effective. Such notice of cancellation shall be withdrawn and shall be void and ineffective in the event that premium is paid by or on behalf of any of the Insureds prior to the proposed cancellation date.

Notices

The address for delivery of a notice to [●] [or replacement Dutch Security Trustee] will be as follows:

Address:

Tel:

Fax:

Email:

Attention:

Schedule 2
Insurance Broker Letter of Undertaking

Part A
Public/Product Liability Cover

To: [Lessor and the Dutch Security Trustee]

Dear Sirs

Letter of Undertaking

Hertz Automobielen Nederland B.V. (the "Company")

- 1** We confirm that the Public/Product Liability Cover providing protection against public and product liability in respect of Vehicles has been effected for the account of the Company, Stuurgroep Fleet (Netherlands) B.V. and BNP Paribas Trust Corporation UK Limited.
- 2** We confirm that such Public/Product Liability Cover is in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry.
- 3** We confirm that such Public/Product Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by Dutch law.

Yours faithfully

.....
Date: [●]

Part B
Motor Third Party Liability

To: [Lessor]

Dear Sirs

Letter of Undertaking

Hertz Automobielen Nederland B.V., (the "Company")

- 1** We confirm that the Motor Third Party Liability Cover providing protection which is required as a matter of law, including providing protection against (i) liability in respect of bodily injury or death caused to third parties, and (ii) loss or damage to property belonging to third parties, in each case arising out of the use of any Vehicle has been effected for the account of the Company, Stuurgroep Fleet (Netherlands) B.V., and to the extent that each or either of the aforementioned parties are required to do so as a matter of law in the jurisdiction in which each or either of them or a Vehicle is located, for any other Person.
- 2** We confirm that such Motor Third Party Liability Cover is in an amount which is at or above any applicable minimum limits of indemnity/liability required as a matter of law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry.
- 3** We confirm that such Motor Third Party Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by Dutch law.

Yours faithfully

.....

Date: [●]

Schedule 3
Required Contractual Criteria for Vehicle Purchasing Agreements

1 Provisions to be applied to all Vehicle Purchasing Agreements to be entered into by Dutch Fleetco

Each Vehicle Purchasing Agreement will in substance satisfy the following contractual requirements:

1.1 Parties

Vehicle Purchasing Agreements to which Dutch FleetCo is a party may include contractual terms permitting the accession of Dutch OpCo (or another Affiliate of The Hertz Corporation other than Dutch FleetCo) as an additional purchaser/seller.

If any Vehicle Purchasing Agreement provides that Dutch OpCo (or any other Affiliate of The Hertz Corporation other than Dutch FleetCo) may purchase/sell Vehicles in accordance with the terms of such Vehicle Purchasing Agreement, the obligations of Dutch FleetCo and Dutch OpCo (or other Affiliate of The Hertz Corporation other than Dutch FleetCo, as applicable) under that Vehicle Purchasing Agreement will in all cases need to be several, and provide that Dutch FleetCo will not have any liability for the obligations of Dutch OpCo (or such other Affiliate of The Hertz Corporation, as applicable).

Alternatively, existing Vehicle Purchasing Agreements to which Dutch OpCo (or other Affiliate of The Hertz Corporation other than Dutch FleetCo) is a party may be amended to provide that Dutch FleetCo may accede to such Vehicle Purchasing Agreements (satisfying the Dutch Required Contractual Criteria) and that Dutch FleetCo will not have any liability for the obligations of Dutch OpCo (or other Affiliate of The Hertz Corporation).

1.2 Separate obligations

Each Vehicle Purchasing Agreement will satisfy the following criteria:

- (a) Dutch FleetCo shall not under any circumstances have any liability for the obligations of Dutch OpCo (in its capacity as guarantor, purchaser of vehicles or otherwise) thereunder; and
- (b) to the extent that Dutch OpCo (or any other Affiliate of The Hertz Corporation other than Dutch FleetCo) enters into or is a party to any other Vehicle Purchasing Agreements with the same Manufacturer/Dealer (each such Vehicle Purchasing Agreement to which Dutch OpCo or other Affiliate of The Hertz Corporation other than Dutch FleetCo is a party being a "**Dutch OpCo Specific Agreement**"), Dutch FleetCo shall not under any circumstances have any liability for the obligations of Dutch OpCo (or such other Affiliate of The Hertz Corporation, as the case may be) under such Dutch OpCo Specific Agreement.

1.3 Volume rebates etc.

A Vehicle Purchasing Agreement may provide that any bonus payment or other amount (howsoever described) payable or to be made available by a Manufacturer/Dealer as a result of Dutch FleetCo (or Dutch FleetCo and/or Dutch OpCo (and/or any other relevant Affiliate of The Hertz Corporation) under such Vehicle Purchasing Agreement and/or any Dutch OpCo Specific Agreement, as applicable) meeting any minimum vehicle purchase level in that relevant year, be payable to or for the account of Dutch OpCo (rather than Dutch FleetCo). For

the avoidance of doubt, Dutch FleetCo may however take the benefit of reductions applied to purchase prices applicable to vehicles as a result of any such minimum vehicle purchase levels being reached.

Notwithstanding the foregoing where a Vehicle Purchasing Agreement provides that in the event that any minimum vehicle purchase level in the relevant year is not met:

- (a) any bonus, payment, benefit or reductions applied to purchase prices on Vehicles purchased by Dutch FleetCo or other amount (howsoever described) is recoverable by or repayable to a Manufacturer/Dealer; or
- (b) any penalty or other amount (howsoever described) is payable to such Manufacturer/Dealer,

such Vehicle Purchasing Agreement shall provide that, in each case, such amounts will only be reclaimed from, payable by or otherwise recoverable from Dutch OpCo or another Affiliate of The Hertz Corporation other than Dutch FleetCo.

1.4 Confidentiality and public disclosure of terms of Vehicle Purchasing

Each Vehicle Purchasing Agreement will need to be disclosed to the Dutch Security Trustee and possibly other providers of credit or liquidity enhancement to the Transaction.

1.5 Non-petition

Each Vehicle Purchasing Agreement will contain an irrevocable and unconditional covenant or undertaking given by the relevant Manufacturer/Dealer that such Manufacturer/Dealer shall not be entitled and shall not initiate or take any step in connection with:

- (a) liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of Dutch FleetCo; or
- (b) the appointment of an insolvency officer in relation to Dutch FleetCo or any of its assets whatsoever,

provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling one year and one day after the Legal Final Payment Date.

1.6 Limited recourse

Each Vehicle Purchasing Agreement will contain an irrevocable covenant or undertaking given by the relevant Manufacturer/Dealer that such Manufacturer/Dealer shall not be entitled to, and shall not, initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by Dutch FleetCo under the relevant Vehicle Purchasing Agreement; this covenant will be unconditional except that the relevant Manufacturer/Dealer may commence legal proceedings to the extent that the only relief sought against Dutch FleetCo pursuant to such proceedings is the re-possession of relevant Vehicle(s) pursuant to applicable retention of title provisions provided for under the relevant Vehicle Purchasing Agreement, provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling one year and one day after the Legal Final Payment Date.

2 Provisions to be applied to all Manufacturer Programs to be entered into by a FleetCo

Each Manufacturer Program will in substance satisfy the following additional contractual requirements:

2.1 Assignment and transfers

Each Manufacturer Program will contain terms that permit Dutch FleetCo to assign by way of security or pledge any of its rights under such agreement to the Dutch Security Trustee. Any such right to grant security to the relevant Dutch Security Trustee must be unrestricted. Unless pursuant to an Intra-Group Transfer (as defined below) by a Manufacturer (which shall not require consent from Dutch FleetCo), each Manufacturer Program will provide that the Manufacturer/Dealer may not assign, transfer or novate its obligations under such agreement without the prior written consent of Dutch FleetCo. Dutch FleetCo shall not provide such consent unless the Manufacturer/Dealer enters into a guarantee materially in the form set out in Schedule 4 (*Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Program*) or accepts joint and several liability in respect of the transferred obligations substantially on the terms set out in Schedule 4 (*Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Program*). For the purposes hereof, an “**Intra-Group Transfer**” means an assignment, transfer or novation by a Manufacturer of its obligations under a Manufacturer Program to an Affiliate of such Manufacturer which would satisfy the definition of “**Investment Grade Manufacturer**” upon such Affiliate becoming a Manufacturer. For the avoidance of doubt, Manufacturers /Dealers may assign their rights under Manufacturer Programs without the prior written consent of Dutch FleetCo.

2.2 Set-off

Each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Manufacturer Program or under applicable law to set off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by Dutch FleetCo in relation to Vehicles ordered by (but not delivered to) Dutch FleetCo by such Manufacturer/Dealer under that Manufacturer Program, against (ii) amounts owed by the Manufacturer/Dealer to Dutch FleetCo under such Manufacturer Program, provided that each Vehicle Purchasing Agreement entered into or renewed on or after the Closing Date will provide that the Manufacturer/Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Vehicle Purchasing Agreement or under applicable law to set off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by Dutch FleetCo under that Vehicle Purchasing Agreement, against (ii) amounts owed by the Manufacturer/Dealer to Dutch FleetCo under that Manufacturer Program or any other Vehicle Purchasing Agreement. Save and except in relation to any Manufacturer Program with Daimler AG, and/or any of their respective Affiliates or successors or any corporation into which such entities may be merged or converted or with which they may be consolidated or any corporation resulting from any merger, conversion or consolidation of such entities (“**Daimler Entities**”) or any Dealers or agents (or Affiliates or successors thereof) selling Vehicles manufactured or purchased from the Daimler Entities if such Manufacturer Program does not provide for waiver of set-off in accordance with this paragraph, in which case such amounts may be reclaimed from, payable by, or otherwise recoverable from Dutch FleetCo.

Notwithstanding the foregoing, the Manufacturer/Dealers will be entitled to set off any amount owed by Dutch FleetCo in respect of turn-back related damages against any amount of Repurchase Price owed by it to Dutch FleetCo. The Servicer shall use reasonable efforts to procure that each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives all rights to set-off (however arising) any amount:

- (a) owed to it by Dutch OpCo under such Manufacturer Program; or
- (b) owed to it by Dutch OpCo (or any other Affiliate of The Hertz Corporation other than Dutch FleetCo) under any other agreement (including any Dutch OpCo Specific Agreement),

in any such case against amounts owed by the Manufacturer/Dealer to Dutch FleetCo under the relevant Manufacturer Program.

2.3 Manufacturer's/Dealer's obligations to be 'unconditional'

No Manufacturer Program may contain terms that provide that the Repurchase Obligations of the Manufacturer/Dealer are conditional in any respect other than, in relation to (a) a force majeure event¹ or (b) compliance with applicable turn-back procedures (including any Program Minimum Term or Program Maximum Term) and/or (c) turn-back standards in relation to the condition of the relevant Vehicle. For the avoidance of doubt, no Manufacturer Program may provide that the obligations of the Manufacturer/Dealer thereunder are conditional upon:

- (a) any minimum number of Vehicles being purchased: (i) by Dutch FleetCo under such Manufacturer Program; and/or (ii) by Dutch OpCo or any other Person under such Manufacturer Program or any Dutch OpCo Specific Agreement; or
- (b) the solvency of Dutch FleetCo; or
- (c) the solvency of any other Affiliate of The Hertz Corporation other than Dutch FleetCo.

2.4 Termination provisions

To the extent that a Manufacturer/Dealer requires express termination provisions to be included in any Manufacturer Program, such Manufacturer Program may provide that a Manufacturer/Dealer is entitled (upon expiry of a predetermined notice period or otherwise) to terminate such agreement before its scheduled expiry date upon the occurrence of certain events (e.g. liquidation, bankruptcy, insolvency, failure to pay, late payment, partial payment, breach or serious breach of obligations, or any similar or analogous events); provided always that the Manufacturer/Dealer shall not under any circumstances have the right to terminate its obligations (subject to and in accordance with any eligibility criteria and Program Minimum Term or Program Maximum Term) to repurchase (or, if applicable to perform its guaranteed obligations thereunder) in respect of any Vehicle shipped to Dutch FleetCo or its order prior to the termination of such Manufacturer Program.

2.5 Retention of title in favour of Dutch FleetCo

The Manufacturer Program entered into with the Top Two Non-Investment Grade Manufacturers will, where credit terms are made available to the relevant Manufacturer/Dealer (in relation to the payment by it of applicable repurchase prices for Vehicles) provide that title

¹ For these purposes, a "force majeure event" will be constituted by any event which (a) was not foreseen by the parties, (b) is outside their control and could not have been avoided by taking due care or by compliance in all material respects with obligations under the VPA and (c) prevents performance of the obligations of one or more parties under the contract.

to the relevant Vehicle will remain with Dutch FleetCo until the sale proceeds are received by Dutch FleetCo. In practice, Dutch FleetCo may return the registration documents for a Vehicle when it is turned back to such Top Two Non-Investment Grade Manufacturers.

Schedule 4

Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Program

This should be included in each relevant pro forma Manufacturer Program and should be adapted to the relevant Manufacturer Program. This language should only be used where the Existing Supplier agrees to be jointly and severally liable with the New Supplier. Local counsel should be consulted to ensure that it is duly executed and complies with the applicable law.

1 Transfers by the Supplier

The Supplier (the “**Existing Supplier**”) may transfer by means of take-over of contract (*contractsoverneming*) (the “**Transfer**”) to another entity which has all consents and approvals required in order to perform its obligations under this Agreement (the “**New Supplier**”) all of its rights and obligations with regard to all or any of the vehicles the subject of this Agreement as shall be specified (the “**Relevant Vehicles**”).

2 Conditions of transfer

A Transfer will not be effective unless FleetCo receives in compliance with paragraph 3 (*Procedure for transfer*) and at least two Business Days before the date on which the Transfer is intended to take effect (the “**Transfer Date**”):

- (a) notification from the Existing Supplier of the name and contact details of the New Supplier;
- (b) acknowledgment from the New Supplier of its agreement to be bound by the terms of this Agreement, including, without limitation, the Required Contractual Criteria;
- (c) acknowledgment that in no event will Dutch FleetCo be required to deliver any Relevant Vehicle to the New Supplier or its agent outside The Netherlands;
- (d) a duly completed and executed acknowledgment of joint and several liability substantially in the form set out in Annex 2 (the “**Acknowledgment**”) from the Existing Supplier and the New Supplier.

3 Procedure for transfer

- (a) Subject to conditions set out in paragraph 2 (*Conditions of transfer*), a Transfer shall be effected in accordance with paragraph (b) below not less than two Business Days following receipt by FleetCo of a duly completed transfer certificate substantially in the form set out in Annex 1 (the “**Transfer Certificate**”) delivered to it by the Existing Supplier and the New Supplier.
- (b) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Supplier seeks to transfer its rights and obligations under this Agreement in respect of the Relevant Vehicles, each of FleetCo and the Existing Supplier shall be released from further obligations towards one another in respect of the Relevant Vehicles under this Agreement and their respective rights against one another under this Agreement in respect of the Relevant Vehicles shall be cancelled (being the “**Discharged Rights and Obligations**”);

- (ii) each of Dutch FleetCo and the New Supplier shall assume obligations towards one another and/or acquire rights against one another which shall be the same as the Discharged Rights and Obligations insofar as Dutch FleetCo and the New Supplier have assumed and/or acquired the same in place of FleetCo and the Existing Supplier; and
- (iii) the New Supplier shall become a party to the New Agreement.

4 Definitions

In this paragraph and in the Transfer Certificate, the following words shall bear the following meanings:

"Business Day" means any day (other than a Saturday or Sunday) when commercial banks are open for general business in The Netherlands;

"New Agreement" means this Agreement as it shall apply to the New Supplier pursuant to paragraph 1;

"Repurchase Obligations" means the obligations of the Supplier to re-purchase from Dutch FleetCo, at the applicable Repurchase Price, Relevant Vehicles in accordance with the terms of the Agreement; and

"Repurchase Price" means the purchase price or other consideration payable by the Supplier to Dutch FleetCo for the re-purchase by the Supplier of any Relevant Vehicles.

Annex 1
Form of Transfer Certificate

To: Stuurgroep Fleet (Netherlands) B.V. and Hertz Automobielen Nederland B.V.

From: [The Existing Supplier] (the “**Supplier**”) and [The New Supplier] (the “**New Supplier**”)

Dated: [Date]

Stuurgroep Fleet (Netherlands) B.V. – Agreement dated [●] (the “Agreement”)

- 1** We refer to the Agreement. This is a Transfer Certificate as defined in paragraph 1.2 of the Agreement and constitutes a deed of take-over of contract (*akte van contractsoverneming*). Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.
- 2** We refer to paragraph 3 (*Procedure for transfer*):
 - (a) In accordance with paragraph 3 (*Procedure for transfer*), the Existing Supplier hereby transfers by means of take-over of contract (*akte van contractsoverneming*) to the New Supplier, which transfer is hereby accepted by the New Supplier, all of the Existing Supplier’s rights and obligations relating to [the following vehicles set out below] (the “**Relevant Vehicles**”):
[Vehicle Registration Numbers]
OR
[all vehicles which have been or, as the case may be, which may be purchased by FleetCo under the Agreement (the “**Relevant Vehicles**”)]
 - (b) The proposed Transfer Date is the later of [●] or two Business Days after the date you receive this Transfer Certificate.
 - (c) The address, telephone number, fax number and attention details for notices of the New Supplier are:
Address: [Address]
Tel: [Telephone]
Fax: [Fax]
Attn: [Name]
- 3** The New Supplier expressly acknowledges its agreement to be bound by the terms of the Agreement, including, without limitation, the provisions set out in Schedule 3 (*Required Contractual Criteria for Vehicle Purchasing Agreements*).
- 4** The New Supplier acknowledges that it will not transfer its obligations under the New Agreement without the prior written consent of FleetCo and the Existing Supplier.
- 5** The New Supplier acknowledges that FleetCo will not be required, under any circumstances, to deliver any Relevant Vehicle to the New Supplier or its agent outside The Netherlands.
- 6** This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.
- 7** This Transfer Certificate is governed by Dutch law.

[Existing Supplier]

[New Supplier]

By:

By:

For co-operation (*medewerking*) to the above transfers of contract:

Stuurgroep Fleet (Netherlands) B.V.

By:

Hertz Automobielen Nederlands B.V.

By:

Annex 2
Form of Acknowledgment of Joint and Several Liability

To: Stuurgroep Fleet (Netherlands) B.V. ("**Dutch FleetCo**")

From: [EXISTING SUPPLIER] (the "**Existing Supplier**") and [NEW SUPPLIER] (the "**New Supplier**" and, together with the Existing Supplier, the "**Co-Obligors**")

Date: [date]

Stuurgroep Fleet (Netherlands) B.V. — Agreement dated [date] (the "Agreement")

- 1** We refer to the Agreement. This is an Acknowledgment as defined in paragraph 2(d) of the Agreement. Terms defined in the Agreement have the same meaning in this Acknowledgment unless given a different meaning in this Acknowledgment.
- 2** The Co-Obligors agree and acknowledge that they are jointly and severally liable for the due and punctual performance of each and every liability (whether arising in contract or otherwise) the New Supplier may now or hereafter have towards Dutch FleetCo under the terms of the Agreement. The Existing Supplier promises to pay to Dutch FleetCo from time to time and upon two Business Days' written notice all liabilities from time to time due and payable (but unpaid following a notice to the New Supplier of such fact) by the New Supplier under or pursuant to the Agreement or on account of any breach thereof.
- 3** Dutch FleetCo may take action against, or release or compromise the liability of, either Co-Obligor, or grant time or other indulgence, without affecting the liability of the other Co-Obligor under paragraph 2 above. Dutch FleetCo may take action against the Co-Obligors together or such one or more of them as Dutch FleetCo shall think fit.
- 4** The obligations of each Co-Obligor contained in this Acknowledgment in paragraph 2 above and the rights, powers and remedies conferred in respect of that Co-Obligor upon Dutch FleetCo by this Acknowledgment shall not be discharged, impaired or otherwise affected by:
 - (i) the liquidation, winding-up, dissolution, administration or reorganisation of the other Co-Obligor or any change in its status, function, control or ownership;
 - (ii) any of the obligations of the other Co-Obligor under the Agreement being or becoming unenforceable in any respect;
 - (iii) time, waiver, release or other indulgence granted to the other Co-Obligor in respect of its obligations under the Agreement; or
 - (iv) any other act, event or omission which, but for this paragraph 4, might operate to discharge, impair or otherwise affect any of the obligations of the Existing Supplier contained in paragraph 2 above or any of the rights, powers or remedies conferred upon Dutch FleetCo under that paragraph 2.
- 5** This Acknowledgment is governed by Dutch law.

[Existing Supplier] [New Supplier]

By: By:

Schedule 5
Draft Intra-Group Vehicle Purchasing Agreement²

² Draft to be review by CC AMS.

A37279892

WEIL:

202[.]

STUURGROEP FLEET (NETHERLANDS) B.V.

AND

[.]

INTRA-GROUP VEHICLE PURCHASING AGREEMENT

THIS INTRA-GROUP VEHICLE PURCHASING AGREEMENT (this "**Agreement**") is made on [•] 202[•],

BETWEEN:

(1) **STUURGROEP FLEET (NETHERLANDS) B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34275100 ("**Dutch FleetCo**" or the "**Purchaser**"); and

(2) [•], ("[•]" or the "**Seller**").

The Seller and the Purchaser shall be hereinafter jointly referred to as the "Parties".

WHEREAS:

[•]

NOW THEREFORE IT IS HEREBY AGREED:

1 SALE AND PURCHASE AND FURTHER UNDERTAKINGS

- 1.1. The Seller hereby sells to the Purchaser and the Purchaser hereby acquires from the Seller the vehicles identified in the Schedule to this Agreement (the "Vehicles").
- 1.2. From the moment of execution of this Agreement, title to the relevant Vehicle will automatically pass to the Purchaser.
- 1.3. The risk inherent to each Vehicle will pass to the Purchaser from the moment of the sale effected hereby.
- 1.4. The Parties hereby agree that the sale effected hereby is made on arm's length terms.
- 1.5. For the avoidance of doubt, the Purchaser shall have no liability in connection with the obligations of the Seller under this Agreement. The Seller undertakes to the Purchaser that if the Purchaser incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) arising out of, in connection with or based on the sale effected hereby, the Seller shall indemnify the Purchaser an amount equal to the amount so incurred by the Purchaser within five Business Days of written demand.

2 CONSIDERATION

The purchase price to be paid by the Purchaser to the Seller for the purchase of the Vehicles by the Purchaser under this Agreement shall be the Net Book Value (as

determined under US GAAP) of the Vehicles sold under this Agreement (the "**Purchase Price**").

3 REPRESENTATIONS AND WARRANTIES

3.1 The Seller's Representations

The Seller warrants and represents to the Purchaser that as at the date of this Agreement:

- 3.1.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder;
- 3.1.2 the officer or attorney signing this Agreement on behalf of the Seller is duly authorised to do so, and no further approvals and/or authorisations are necessary from the relevant corporate bodies of the Seller for the Seller to enter into this Agreement and perform its obligations hereunder;
- 3.1.3 no steps have been taken for its liquidation, dissolution, declaration of insolvency or analogous circumstance and no liquidator, administrator, receiver or analogous person has been appointed over its assets;
- 3.1.4 it holds full legal title to the Vehicles;
- 3.1.5 the Vehicles are freely transferrable and no charge, lien, security interest or other type of third party rights falls over the Vehicles, except for any rights that the Seller's customers may have as a result of the rental of the Vehicles from the Seller in the ordinary course of business; and
- 3.1.6 the Vehicles are duly registered with the Registry of Vehicles and have the relevant documentation in order to validly circulate in [●].

3.2 The Purchaser's Representations

The Purchaser warrants and represents to the Seller that as at the date of this Agreement:

- 3.2.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder; and
- 3.2.2 the officer or attorney signing this Agreement on behalf of the Purchaser is duly authorised to do so, and no further approvals and/or authorisations are necessary from the relevant corporate bodies of the Purchaser for the Purchaser to enter into this Agreement and perform its obligations hereunder.

4 LIMITED RECOURSE

- 4.1 The Seller may commence legal proceedings against the Purchaser to the extent that the only relief sought against the Purchaser pursuant to such proceedings is the re-possession

by the Seller of the Vehicle in the event of non-payment by the Purchaser of the Purchase Price relating to a Vehicle.

- 4.2 The Seller hereby covenants and undertakes that, other than as specified in paragraph 4.1 above, the Seller shall not be entitled to and shall not initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by the Purchaser hereunder.

5 NON-PETITION

The Seller shall not be entitled to and shall not take any step-in connection with:

5.1.1 The liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of the Purchaser;
or

5.1.2 the appointment of an insolvency officer in relation to the Purchaser or any of its assets whatsoever.

6 SET-OFF

Each Party hereto acknowledges and agrees that all amounts due under this Agreement shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

7 ASSIGNMENT

7.1 Assignment by the Purchaser

The Seller may assign, pledge or transfer by way of security its rights under this Agreement to a security trustee or similar person appointed in relation to a finance transaction without restriction and without the need to obtain the consent of the Seller or any other person.

7.2 Assignment by the Seller

The Seller may not assign, pledge, transfer or novate its obligations under this Agreement without the prior written consent of the Purchaser.

8 SURVIVAL OF CERTAIN PROVISIONS

Clauses 4 (Limited recourse) and 5 (Non-petition) of this Agreement are irrevocable and shall remain in full force and effect notwithstanding the termination of this Agreement.

9 GOVERNING LAW AND JURISDICTION

9.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of The Netherlands.

9.2 Jurisdiction

With respect to any suit, action or proceedings relating to this Agreement, each party irrevocably submits to the exclusive jurisdiction of the courts of Amsterdam, the Netherlands.

10 COUNTERPARTS

This Agreement may be executed in one or more counterparts, and each such counterpart (when executed) shall be deemed an original. Such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorised representatives, have caused this Agreement to be executed and delivered on the date first above written.

SIGNATURE PAGE TO THE SALE AND PURCHASE AGREEMENT

The Purchaser

STUURGROEP FLEET (NETHERLANDS) B.V.

By: _____

Name:

Title:

The Seller

[•]

By: _____

Name:

Title:

Schedule
Description of Vehicles Sold

A37279892

70

WEIL:

Originally dated 25 September 2018 and as amended and restated on 29 April 2021 and further amended and restated on 21 December 2021

GERMAN MASTER LEASE AND SERVICING AGREEMENT

between

HERTZ FLEET LIMITED
as Lessor

HERTZ AUTOVERMIETUNG GMBH
as Initial Lessee and Servicer

those Permitted Lessees from time to time acceding to this Agreement as Lessees

and

BNP PARIBAS TRUST CORPORATION UK LIMITED
as German Security Trustee

Table of Contents

Page

1	DEFINITIONS AND CONSTRUCTION	1
2	NATURE OF AGREEMENT	2
3	TERM	7
4	RENT AND LEASE CHARGES	8
5	VEHICLE OPERATIONAL COVENANTS	12
6	SERVICER FUNCTIONS AND COMPENSATION	16
7	CERTAIN REPRESENTATIONS AND WARRANTIES	22
8	CERTAIN AFFIRMATIVE COVENANTS	24
9	DEFAULT AND REMEDIES THEREFOR	26
10	CERTIFICATION OF TRADE OR BUSINESS USE	29
11	[RESERVED]	30
12	ADDITIONAL LESSEES	30
13	VALUE ADDED TAX	30
14	SECURITY AND ASSIGNMENTS	31
15	LIMITED LIABILITY OF LESSOR	32
16	NON-PETITION AND NO RECOURSE	32
17	SUBMISSION TO JURISDICTION	33
18	GOVERNING LAW	33
19	NOTICES	33
20	ENTIRE AGREEMENT	33
21	MODIFICATION AND SEVERABILITY	34
22	SURVIVABILITY	34
23	[RESERVED]	34
24	COUNTERPARTS	34
25	ELECTRONIC EXECUTION	34
26	LESSEE TERMINATION AND RESIGNATION	34
27	THIRD-PARTY RIGHTS	35
28	[RESERVED]	35
29	GOVERNING LANGUAGE	35
30	POWER OF ATTORNEY	35
31	RESCISSION OR NULLIFICATION OF THIS AGREEMENT	35
	ANNEX A	
	FORM OF AFFILIATE JOINDER IN LEASE	38

Table of Contents

(continued)

Page

EXHIBIT A

FORM OF LESSEE RESIGNATION NOTICE

41

SCHEDULE I

Common Terms of Motor Third Party Liability Cover

42

SCHEDULE II

[RESERVED]

43

SCHEDULE III

Required Contractual Criteria for Vehicle Purchasing Agreements

44

SCHEDULE IV

[RESERVED]

48

SCHEDULE V

Form of Initial Lease Vehicle Acquisition Schedule

49

THIS AGREEMENT (as amended, modified or supplemented from time to time in accordance with the provisions hereof, this “**Agreement**”), is dated 25 September 2018, as amended and restated on 29 April 2021 and further amended and restated on 21 December 2021 between the following parties:

- (1) **HERTZ FLEET LIMITED** (registered number 412465), a company with limited liability incorporated in Ireland with its principal place of business in Ireland, whose registered office is at Hertz Europe Service Centre, Swords Business Park, Swords, Co. Dublin, Ireland (“**German FleetCo**”), as lessor (in such capacity, the “**Lessor**”);
- (2) **HERTZ AUTOVERMIETUNG GMBH** (registered number HRB 52255 in the Commercial Register (*Handelsregister*) of the Local Court (*Amtsgericht*) of Frankfurt am Main), a company with limited liability incorporated in German with its principal place of business in Germany, whose registered office is at Ludwig-Erhard-Strasse 12, 65760 Eschborn, Germany (“**German OpCo**”), as a lessee (the “**Initial Lessee**”) and as servicer (in such capacity as servicer, the “**Servicer**”);
- (3) the Permitted Lessees (as defined herein) that have acceded to this Agreement as Lessees pursuant to Clause 12 (*Additional Lessees*) hereof (each, an “**Additional Lessee**”), as lessees (German OpCo and the Additional Lessees, in their capacities as lessees, each a “**Lessee**” and, collectively, the “**Lessees**”); and
- (4) **BNP PARIBAS TRUST CORPORATION UK LIMITED**, acting through its registered office at 10 Harewood Avenue, London NW1 6AA as German security trustee (in such capacity, the “**German Security Trustee**”).

WHEREAS

- (A) The Lessor has purchased or will purchase German Vehicles from German OpCo pursuant to a German master fleet purchase agreement entered into on or about the date of this Agreement (the “**German Master Fleet Purchase Agreement**”).
- (B) The Lessor desires to lease to each Lessee and each Lessee desires to lease from the Lessor certain Lease Vehicles for use in connection with the business of such Lessee, including use by such Lessee’s employees, directors, officers, representatives, agents and other business associates in their personal or professional capacities.
- (C) The Lessor desires the Servicer to perform various servicing functions with respect to the Lease Vehicles (to the extent relating to the Vehicles purported to be leased pursuant to this Agreement), and the Servicer desires to perform such functions, in accordance with the terms hereof.

THE PARTIES HEREBY AGREE AS FOLLOWS

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

Except as otherwise defined herein, capitalized terms used herein shall have the meanings assigned to such terms in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated on the Signing Date as amended, modified or supplemented from time to time (the “**Master Definitions and Constructions Agreement**”). All Clause, Sub-Clause or paragraph references herein shall refer to clauses, sub-clauses or paragraphs of this Agreement, except as otherwise provided herein.

1.2 Rules of Construction

- (a) In this Agreement, including the preamble, recitals, attachments, schedules, annexes, exhibits and joinders hereto unless the context otherwise requires, words and expressions used have the constructions ascribed to them in Clause 2 (*Principles of Interpretation and Construction*) of the Master Definitions and Constructions Agreement.

- (b) Words in German used in this Agreement and having a specific legal meaning shall prevail over the English translation.

1.3 Effectiveness

The parties hereto acknowledge and agree that the rights and obligations under this Agreement shall become effective at the Effective Time.

2 NATURE OF AGREEMENT

- (a) Each Lessee and the Lessor acknowledges that the relationship between the Lessor and each Lessee pursuant to this Agreement shall be only that of a lessor and a lessee and that any lease of Lease Vehicles granted pursuant to this Agreement shall be a lease governed by German law. No Lessee shall acquire by virtue of this Agreement any right or option to purchase any Lease Vehicles leased to it.
- (b) Each Lessor and the Lessee hereby confirms to and for the benefit of German Security Trustee and FleetCo Secured Parties, that it is the intention of each Lessor and the Lessee that:
- (i) this German Master Lease constitutes a single indivisible lease of all the Vehicles subject to such German Master Lease and not separate leases governed by similar terms; and
 - (ii) this German Master Lease is intended for all purposes (including bankruptcy) to be a single lease with respect to all Vehicles subject to such German Master Lease.
- (c) [Reserved]

2.1 Lease of Vehicles

- (a) *Lease of Existing Fleet.* From the Closing Date and subject to the terms and provisions hereof and the deed of termination and release in connection with Existing/Prior Financing, each of the Initial Lessee and the Lessor hereto agree that:
- (i) on the Closing Date (A) the Lessor shall lease to the Initial Lessee and (B) the Initial Lessee shall lease from the Lessor, in each case, all Vehicles leased (as at the Closing Date) pursuant to the German master lease agreement entered into on 21 December 2007 (as such agreement has been amended and restated from time to time) between Hertz Autovermietung GmbH (as lessee thereunder), Hertz Fleet Limited (as lessor thereunder) and BNP Paribas (as security agent and facility agent thereunder) (which such agreement shall, for the purposes of this Sub-Clause 2.1(a) (*Lease of Vehicles*) be referred to as the “**Terminated German Master Lease**”);
 - (ii) on the Closing Date, all rights and obligations of each party under the Terminated German Master Lease shall be terminated in accordance with the provisions of the deed of termination and release in connection with the Existing/Prior Financing dated on or around the date hereof;
 - (iii) from and including the Closing Date, the Vehicles leased pursuant to Sub-Clause 2.1(a)(i) above shall be leased by the Initial Lessee in accordance with the terms and provisions of this German Master Lease and each party hereto shall have the rights and obligations provided for in this Agreement in connection with the Vehicles referred to in this Sub-Clause 2.1(a) (*Lease of Vehicles*); and
 - (iv) the capitalized cost of each Vehicle leased pursuant to Sub-Clause 2.1(a)(i) above shall be equal to such Vehicle’s net book value immediately prior to such Vehicle’s Vehicle Lease Commencement Date.

- (b) *Agreement to Lease.* From time to time, subject to the terms and provisions hereof (including satisfaction of the conditions precedent set forth in Sub-Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*)), the Lessor agrees to lease to the relevant Lessee, and such Lessee agrees to lease from the Lessor those certain Lease Vehicles identified on Lease Vehicle Acquisition Schedules and Intra-Lease Lessee Transfer Schedules produced from time to time by or on behalf of such Lessee pursuant to Sub-Clauses 2.1(d) (*Lease Vehicle Purchase and Lease Vehicle Acquisition Schedules*) and 2.2(b) (*Intra-Lease Transfers*), respectively.
- (c) *Conditions Precedent to Lease of Lease Vehicles.* The agreement of the Lessor to commence leasing any Lease Vehicle to any Lessee hereunder is subject to the following conditions precedent (*aufschiebende Bedingungen*) being satisfied at the time the Lessor orders such Lease Vehicles and will continue to be satisfied when the Lease Vehicles are delivered to the German FleetCo or to its order:
- (i) *No Default.* No Lease Event of Default shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder, and no Potential Lease Event of Default with respect to any event or condition specified in Sub-Clause 9.1.1 (*Events of Default*), Sub-Clause 9.1.5 (*Events of Default*) or Sub-Clause 9.1.8 (*Events of Default*) shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder;
 - (ii) *Representations and Warranties.* The representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) are true and correct in all material respects (unless any such representation or warranty contains a materiality limitation by its terms, in which case such representation or warranty shall be true and correct) as of such date (unless any such representation or warranty by its terms makes reference to a specific date, in which case, such representation or warranty shall be true and correct for such specific date);
 - (iii) *Eligible Vehicle.* Such Lease Vehicle is an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof;
 - (iv) *Lease Expiration Date.* The Lease Expiration Date has not occurred;
 - (v) *Payment.* If such Lease Vehicle was purchased by German FleetCo on non-credit terms, German FleetCo has paid in full the purchase price for such Lease Vehicle and if such Lease Vehicle was purchased on credit terms by German FleetCo, such Lease Vehicle has been delivered to or (as the case may be) is available for collection by German FleetCo; and
 - (vi) *Purchase pursuant to German Master Fleet Purchase Agreement.* The relevant Vehicle has been purchased by the Lessor pursuant to the terms of the German Master Fleet Purchase Agreement, except for Vehicles subject to Sub-Clause 2.1(a) (*Lease of Vehicles*).
- (d) *Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*
- (i) From time to time, a Lessee shall deliver or cause to be delivered to the Lessor one or more schedules identifying the vehicles such Lessee desires to lease from the Lessor hereunder, which schedules shall include the Basic Lease Vehicle Information (each such schedule, a "**Lease Vehicle Acquisition Schedule**"). Each Lessee hereby agrees that, upon delivery of a Lease Vehicle Acquisition Schedule to the Lessor, it will represent and warrant, to and in favor of the Lessor, that each condition precedent to the leasing of the Lease Vehicles identified in such Lease Vehicle Acquisition Schedule has been satisfied as of the date of such delivery of the relevant Lease Vehicle Acquisition Schedule.

- (ii) During the period from the Vehicle Lease Commencement Date in respect of a Lease Vehicle to the date that such Lease Vehicle is first identified on a Lease Vehicle Acquisition Schedule, the existence of a lease between the Lessor and the relevant Lessee in respect of that Lease Vehicle shall be evidenced and determined by reference to the records of the Lessor and such records shall constitute *prima facie* evidence of such lease.
 - (iii) The Lease Vehicle Acquisition Schedule for each Lease Vehicle to be leased hereunder on the Closing Date shall be substantially in the form as set out in Schedule V (*Form of Initial Lease Vehicle Acquisition Schedule*).
- (e) *Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection.*
- (i) Subject to Sub-Clause 2.1(e)(ii) below, with respect to any vehicle identified on a Lease Vehicle Acquisition Schedule and made available for lease by the Lessor to any Lessee, such Lessee shall have the right to inspect such vehicle within five (5) days of receipt (or such shorter period as may be contemplated under the applicable Vehicle Purchasing Agreement) (the “**Inspection Period**”) of such vehicle and either accept or, if such vehicle is a Non-conforming Lease Vehicle, reject such vehicle; provided that the relevant Lessee is not required to expressly declare its acceptance of the relevant vehicle. If such Lessee rejects the vehicle, it shall notify the Lessor in writing that such vehicle is a Non-conforming Lease Vehicle during the Inspection Period (the delivery date of such written notice, the “**Rejection Date**”). If such Lessee timely notifies the Lessor that such Vehicle is a Non-conforming Lease Vehicle, then such Non-conforming Lease Vehicle with respect to which such Lessee has so notified the Lessor shall be a “**Rejected Vehicle**”.
 - (ii) Notwithstanding Sub-Clause 2.1(e)(i) above, a Lessee will be only entitled to reject any Vehicle delivered to it by or on behalf of the Lessor (A) if the Lessor is itself entitled to reject such Vehicle under the relevant Vehicle Purchasing Agreement pursuant to which such Vehicle was ordered and (B) subject to the same conditions (to the extent applicable) as to rejection as may be applicable to the Lessor under the relevant Vehicle Purchasing Agreement in respect of such Vehicle.
 - (iii) The Lessor shall cause the Servicer to dispose of a Rejected Vehicle described in sub-paragraph (i) above (including by returning such Rejected Vehicle to the seller thereof in accordance with the terms of the applicable Vehicle Purchasing Agreement) in accordance with Sub-Clause 6.2 (*Servicer Functions*).
- (f) *Third party representative.* In making, delivering (which includes, for the avoidance of doubt, electronic delivery), receiving and/or accepting declarations pursuant to this Clause 2.1 (*Lease of Vehicles*), the Lessor and any Lessee may be represented by a duly authorised (*bevollmächtigt*) third party service provider acting in the name and on behalf of the Lessor or the applicable Lessee, respectively. The parties hereto agree that:
- (i) each party so represented shall deliver to the respective other party the relevant original power of attorney or the original of the relevant servicing contract containing such power of attorney, at the time of or prior to the direct declaration made, delivered (which includes, for the avoidance of doubt, electronic delivery), received and/or accepted on behalf of it;
 - (ii) each party so represented shall promptly notify the respective other party of any amendments of such power of attorney;
 - (iii) the Lessor may only be represented by third party service providers incorporated in, and acting from, a jurisdiction other than Germany; and
 - (iv) each party shall procure that its respective service provider shall not sub-delegate its authority to any other Person.

- (g) *Indemnity.* Each Lessee shall indemnify the Lessor in respect of any Liabilities which the Lessor may suffer in circumstances where the Lessor has purchased a Vehicle or Vehicles under an Individual Purchase Agreement (as defined pursuant to the German Master Fleet Purchase Agreement) and a lease is not entered into by the date on which the Lessor pays the purchase price for such Vehicle or Vehicles (including, without limitation, where a lease is not entered into because the conditions precedent in Clause 2.1(c) (*Conditions Precedent to Lease of Leased Vehicles*) are not satisfied).

2.2 Certain Transfers

- (a) *Sales to Lessee.* The Lessor may sell a Lease Vehicle during such Lease Vehicle's Vehicle Term to the relevant Lessee for an amount equal to the market value of such Lease Vehicle.
- (b) *Intra-Lease Transfers.* From time to time, a particular Lessee (the "**Transferor Lessee**") may desire to cease leasing a Lease Vehicle hereunder and another Lessee (the "**Transferee Lessee**") may desire to commence leasing such Lease Vehicle hereunder. Upon delivery by such Lessees to the Lessor of written notice identifying by VIN each Lease Vehicle with respect to which the lease shall be so transferred from such Transferor Lessee to such Transferee Lessee (such notice, an "**Intra-Lease Lessee Transfer Schedule**"), each Lease Vehicle identified in such Intra-Lease Lessee Transfer Schedule shall cease to be leased by the Transferor Lessee and shall contemporaneously commence being leased from the Lessor to the Transferee Lessee, provided that such transfer does not result in the breach of any prescribed limits relating to Lease Vehicles set out in the Related Documents. Each Lessee agrees that upon such a transfer of the lease with respect to any Lease Vehicle from one Lessee to another Lessee pursuant to this Agreement, such Transferor Lessee relinquishes all rights that it has under such lease with respect to such Lease Vehicle pursuant to this Agreement. Each Intra-Lease Lessee Transfer Schedule may be delivered electronically and may be delivered directly by either the applicable Transferor Lessee or the applicable Transferee Lessee or on behalf of either such party by any agent or designee of such party, provided the Transferor Lessee and the Transferee Lessee shall have separately agreed to such Intra-Lease Lessee Transfer Schedule and, with respect to such agreement, may not be represented by the same agent.

2.3 [Reserved]

2.4 Return

- (a) *Lessee Right to Return.* Any Lessee may return any Lease Vehicle (other than any Lease Vehicle that has experienced a Casualty or become an Ineligible Vehicle) then leased by such Lessee at any time prior to such Lease Vehicle's Maximum Lease Termination Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by the Servicer; provided that, for the avoidance of doubt, the Vehicle Term for such Lease Vehicle will continue until the Vehicle Lease Expiration Date thereof, notwithstanding the prior return of such Lease Vehicle pursuant to this Sub-Clause 2.4(a) (*Lessee Right to Return*).
- (b) *Lessee Obligation to Return.*
- (i) Each Lessee shall return each Lease Vehicle leased by such Lessee on or prior to such Lease Vehicle's Maximum Lease Termination Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by the Servicer (taking into account transportation costs and expected realizable disposition proceeds).
- (ii) Each Lessee shall return each Lease Vehicle leased by such Lessee upon the Vehicle Lease Expiration Date to the Lessor unless a Disposition Date has occurred in respect of such Lease Vehicle.

2.5 Redesignation of Vehicles

- (a) *Mandatory Program Vehicle to Non-Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of

determination, the Lessor shall on the date specified in Sub-Clause 2.5(d) (*Timing of Redesignations*) redesignate such Lease Vehicle as a Non-Program Vehicle, if:

- (i) a Manufacturer Event of Default is continuing with respect to the Manufacturer of such Lease Vehicle as of such date; or
 - (ii) as of any such date occurring after the Minimum Program Term End Date with respect to such Lease Vehicle, such Lease Vehicle was returned as of such date pursuant to the terms of the Manufacturer Program with respect to such Lease Vehicle, the Manufacturer of such Lease Vehicle would not be obligated to pay a repurchase price for such Lease Vehicle, or guarantee the disposition proceeds to be received for such Vehicle, in each case in an amount at least equal to (1) the Net Book Value of such Lease Vehicle, as of such date, *minus* (2) the Final Base Rent that would be payable in respect of such Lease Vehicle, assuming that such date were the Disposition Date for such Lease Vehicle, *minus* (3) the Excess Mileage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (4) the Excess Damage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (5) the Pre-VLCD Program Vehicle Depreciation Amount paid or payable with respect to such Lease Vehicle, as of such date, *minus* (6) the Program Vehicle Depreciation Assumption True-Up Amount paid or payable with respect to such Lease Vehicle, as of such date.
- (b) *Optional Program Vehicle to Non-Program Vehicle Redesignations.* In addition to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) and without limitation thereto, with respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, such Lessee may redesignate such Lease Vehicle as a Non-Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee); provided that, such Lessee shall not redesignate any Program Vehicle as a Non-Program Vehicle pursuant to this Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) if, after giving effect to such redesignation, an Aggregate Asset Amount Deficiency would exist, unless such redesignation would decrease the amount of such Aggregate Asset Amount Deficiency.
- (c) *Non-Program Vehicle to Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Non-Program Vehicle leased by any Lessee hereunder as of any date of determination, if such Lease Vehicle was previously designated as a Program Vehicle, then such Lessee may redesignate such Lease Vehicle as a Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee); provided that, such Lessee may not redesignate any such Lease Vehicle as a Program Vehicle if such Lease Vehicle would then be required to be redesignated as a Non-Program Vehicle pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) after designating such Lease Vehicle as a Program Vehicle.
- (d) *Timing of Redesignations.* With respect to any redesignation to be effected pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month following the date on which the applicable event or condition described in Sub-Clause 2.5(a)(i) or (ii) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) occurs. With respect to any redesignation to be effected pursuant to Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) or 2.5(c) (*Non-Program Vehicle to Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month immediately following the calendar month of the date written notice was delivered by the applicable Lessee of such redesignation.
- (e) *Program Vehicle to Non-Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Non-Program Vehicle pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) or Sub-Clause 2.5(b)

(*Optional Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle as of the close of business on the date of such redesignation shall pay to the Lessor on the Payment Date following the effective date of such redesignation, as determined in accordance with Sub-Clause 2.5(d) (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle over the Market Value of such Lease Vehicle, in each case, as of the date of such redesignation (such excess, if any, for such Lease Vehicle, a “**Redesignation to Non-Program Amount**”).

- (f) *Non-Program Vehicle to Program Vehicle Redesignation Payments*. With respect to any Lease Vehicle that is redesignated as a Program Vehicle pursuant to Sub-Clause 2.5(c) (*Non-Program Vehicle to Program Vehicle Redesignations*), the Lessor shall pay to the Lessee of such Lease Vehicle on the Payment Date following the effective date of such redesignation, as determined in accordance with Sub-Clause 2.5(d) (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle (as of the date of such redesignation and calculated assuming that such Lease Vehicle had never been designated as a Non-Program Vehicle) over the Net Book Value of such Lease Vehicle (as of the date of such redesignation but without giving effect to such Lease Vehicle’s redesignation as a Program Vehicle) (such excess, if any, for such Lease Vehicle and such redesignation, the “**Redesignation to Program Amount**”); provided that,
- (i) no payment shall be required to be made and no payment may be made by the Lessor pursuant to this Sub-Clause 2.5(f) (*Non-Program Vehicle to Program Vehicle Redesignation Payments*) to the extent that an Amortization Event or a Potential Amortization Event exists or would be caused by such payment;
 - (ii) the amount of any such payment to be made by the Lessor on any such date shall be capped at and be paid from (and the obligation of the Lessor to make such payment on such date shall be limited to) the amount of funds available to the Lessor on such date; and
 - (iii) if any such payment from the Lessor is limited in amount pursuant to the foregoing paragraph (i) or (ii), the Lessor shall pay to such Lessee the funds available to the Lessor on such Payment Date and shall pay to such Lessee on each Payment Date thereafter the amount available to the Lessor until such Redesignation to Program Amount has been paid in full to such Lessee.

2.6 No set-off or counterclaim

Each Lessee’s obligation to pay all rent and other sums hereunder shall not be subject to any setoff or counterclaim, unless such claims against which such setoff is to be made have become final adjudicated (*rechtskräftig festgestellt*) or remained uncontested (*unbestritten*) by the Lessor.

3 TERM

3.1 Vehicle Term

- (a) *Vehicle Lease Commencement Date*. The “**Vehicle Lease Commencement Date**” with respect to any Lease Vehicle shall mean the date referenced in the applicable Lease Vehicle Acquisition Schedule with respect to such Lease Vehicle, provided that:
- (i) in respect of Lease Vehicles which were leased under the Terminated German Master Lease, such date shall be the Closing Date; and
 - (ii) in respect of Lease Vehicles to be leased pursuant to this Agreement and which were not leased under the Terminated German Master Lease, in no event shall such date be a date later than (i) the date that funds are expended by German FleetCo to acquire such Lease Vehicle or (ii) if earlier, the date on which the Lease Vehicle is delivered (such date of payment, the “**Vehicle Funding Date**” for such Lease Vehicle).

- (b) *Vehicle Term for Lease Vehicles.* The “**Vehicle Term**” with respect to each Lease Vehicle shall extend from the Vehicle Lease Commencement Date through the earliest of:
- (i) the Disposition Date with respect to such Lease Vehicle;
 - (ii) if such Lease Vehicle becomes a Rejected Vehicle, the Rejection Date with respect to such Rejected Vehicle;
 - (iii) the date that is the last Business Day of the month that is:
 - (A) 24 months in the case of Lease Vehicles other than vans, light-duty or heavy-duty trucks or Service Vehicles;
 - (B) 48 months in the case of vans, light-duty or heavy-duty trucks (other than Service Vehicles); or
 - (C) 60 months in the case of Service Vehicles,in each case, after the month in which the Lease Commencement Date occurs with respect to such Lease Vehicle, (the earliest of such three dates being referred to as the “**Vehicle Lease Expiration Date**” for such Lease Vehicle).
- (c) [Reserved]
- (d) *Lease Vehicles with Multiple Vehicle Terms.* For the avoidance of doubt, with respect to any Lease Vehicle that experiences more than one Vehicle Term pursuant to this Agreement, each such Vehicle Term with respect to such Lease Vehicle will be treated as an independent Vehicle Term for all purposes hereunder.

3.2 German Master Lease Term

The “**Lease Commencement Date**” shall mean the Closing Date. The “**Lease Expiration Date**” shall mean the later of (i) the date of the final payment in full of the German Note and (ii) the Vehicle Lease Expiration Date for the last Lease Vehicle leased by a Lessee hereunder. The “**Term**” of this Agreement shall mean the period commencing on the Lease Commencement Date and ending on the Lease Expiration Date.

4 RENT AND LEASE CHARGES

Each Lessee will pay Rent due and payable on a monthly basis as set forth in this Clause 4 (*Rent and Lease Charges*).

4.0 Additional Rent on the First Payment Date

With respect to the Payment Date falling on 26 November 2018 only, the Monthly Base Rent or Monthly Variable Rent, as applicable, shall also include an amount determined by the Servicer in its reasonable discretion to reflect the depreciation and carrying charges accrued prior to the Closing Date which would have been payable by the Lessee in respect of each relevant Lease Vehicle in accordance with the German Prior Lease had such lease not been terminated on the Closing Date.

4.1 Depreciation Records and Depreciation Charges

On each Business Day, the Lessor shall establish or cause to be established the Depreciation Charge with respect to each Lease Vehicle, and the Lessor shall maintain, and upon request by a Lessee, deliver or cause to be delivered to such Lessee a record of such Depreciation Charges (such record, the “**Depreciation Record**”) with respect to each Lease Vehicle leased by such Lessee as of such date, the delivery of which may be satisfied by the Lessor posting or causing to be posted such depreciation

records to a password-protected website made available to such Lessee or by any other reasonable means of electronic transmission (including, without limitation, email or other file transfer protocol), and may be made directly by the Lessor or on its behalf by any agent or designee of the Lessor.

4.2 Monthly Base Rent

With respect to any Payment Date and any Lease Vehicle (other than a Lease Vehicle with respect to which the Disposition Date occurred during such Related Month), the “**Monthly Base Rent**” with respect to such Lease Vehicle for such Payment Date shall equal the *pro rata* portion (based upon the number of days in the Related Month with respect to such Payment Date that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of the last day of such Related Month calculated on a 30/360 day basis.

4.3 Final Base Rent

With respect to any Payment Date and any Lease Vehicle with respect to which the Disposition Date occurred during such Related Month, the “**Final Base Rent**” with respect to any such Lease Vehicle for such Payment Date shall be an amount equal to the *pro rata* portion (based upon the number of days in such Related Month that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of such Disposition Date, calculated on a 30/360 day basis.

4.4 Program Vehicle Depreciation Assumption True-Up Amount

If the Program Vehicle Depreciation Assumption True-Up Amount with respect to any Lease Vehicle is a positive number as of the first day following the end of the Estimation Period for such Lease Vehicle, then the Lessee of such Lease Vehicle shall pay the Lessor such Program Vehicle Depreciation Assumption True-Up Amount with respect to such Lease Vehicle in accordance with Sub-Clause 4.7.1 (*Payments*).

4.5 Monthly Variable Rent

The “**Monthly Variable Rent**” for each Payment Date and each Lease Vehicle other than a Lease Vehicle which was a Credit Vehicle on the last day of the Related Month with respect to such Payment Date (w) leased hereunder as of the last day of the Related Month with respect to such Payment Date, (x) the Disposition Date in respect of which occurred during such Related Month, or (y) that was purchased by the applicable Lessee during such Related Month, in each case shall equal:

- (a) the product of:
 - (i) the sum of:
 - (A) all interest that has accrued on the German Note during the Interest Period for the German Note ending on the second Business Day immediately preceding the Determination Date immediately preceding such Payment Date, plus
 - (B) all German Carrying Charges with respect to such Payment Date, and
 - (ii) the quotient (the “**VR Quotient**”) obtained by dividing:
 - (A) the Net Book Value of such Lease Vehicle as of the last day of such Related Month (or, if earlier, the Disposition Date with respect to such Lease Vehicle) by
 - (B) the aggregate Net Book Value as of the last day of such Related Month (or, in any such case, if earlier, the Disposition Date of such Lease Vehicle) of all such Lease Vehicles leased by the Lessor to the Lessees.
- (b) The total amount of Base Rent and Monthly Variable Rent payable by the Lessee to the Lessor on each Payment Date shall be adjusted by an amount (positive or negative) as reasonably

determined by the Servicer to result in the net income and gains, of the Lessor for the Related Month, calculated in accordance with GAAP, taking into account, inter alia, (i) all interest expenses and other expenses of such Lessor (including, for the avoidance of doubt, such interest and other expenses paid and accrued but not yet paid) (in accordance with GAAP) and (ii) any losses or gains realised as of the last day of the Related Month in respect of the disposal of Non-Program Vehicles by (or on behalf of) the Lessor during such Related Month being equal to one twelfth of the German Minimum Profit Amount (the “**Rental Adjustment**”) provided that the Rental Adjustment shall not result in the total amount of Base Rent and Monthly Variable Rent being reduced below such amount as is required by the Lessor to make any payments to third parties (including without limitation in respect of interest and other amounts payable to the German Noteholder under the German Note) on such Payment Date.

4.6 Casualty; Ineligible Vehicles

On the second day of each calendar month, each Lessee shall deliver to the Servicer a list containing each Lease Vehicle leased by such Lessee that suffered a Casualty or became an Ineligible Vehicle in the preceding calendar month (each such list, a “**Monthly Casualty Report**”). Each such delivery may be satisfied by the applicable Lessee posting such Monthly Casualty Report to a password protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee. On the Disposition Date with respect to each Lease Vehicle that suffers a Casualty or becomes an Ineligible Vehicle, (i) the Lessor shall cause title to such Lease Vehicle to be transferred to the Lessee of such Lease Vehicle and (ii) such Lessee shall be entitled to any physical damage insurance proceeds applicable to such Lease Vehicle.

4.7 Payments

4.7.1 Subject to 4.5(b), on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder to the last day of such Related Month (other than any Lease Vehicle the Disposition Date for which occurred during such Related Month):

- (a) the Monthly Base Rent with respect to such Lease Vehicle as of such Payment Date, plus
- (b) the Pre-VLCD Program Vehicle Depreciation Amount with respect to such Lease Vehicle, if any, plus
- (c) if the Program Vehicle Depreciation Assumption True-Up Amount owing with respect to such Lease Vehicle as of such Payment Date is a positive number, then such Program Vehicle Depreciation Assumption True-Up Amount minus all amounts previously paid by the applicable Lessee in respect of such Program Vehicle Depreciation Assumption True-Up Amount, plus
- (d) the Monthly Variable Rent with respect to such Lease Vehicle as of such Payment Date, plus
- (e) the Redesignation to Non-Program Amount, if any, with respect to such Lease Vehicle for such Payment Date.

4.7.2 Subject to 4.5(b), on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder as of any day during such Related Month and the Disposition Date for which occurred during such Related Month:

- (a) the Casualty Payment Amount with respect to such Lease Vehicle, if any, plus
- (b) the Final Base Rent with respect to such Lease Vehicle, if any, plus

- (c) the Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any, plus
- (d) the Non-Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any, plus
- (e) the Early Program Return Payment Amount with respect to such Lease Vehicle, if any, plus
- (f) the Monthly Variable Rent owing with respect to such Lease Vehicle for such Payment Date.

4.8 Making of Payments

- (a) All payments hereunder shall be made by the applicable Lessee, or by the Servicer or one or more of its Affiliates on behalf of such Lessee, to, or for the account of, the Lessor in immediately available funds.
- (b) All such payments shall be deposited into the German Collection Account (German Branch) not later than 12:00 noon, London time, on such Payment Date.
- (c) If any Lessee pays less than the entire amount of Rent (or any other amounts) due on any Payment Date, after giving full credit for all prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*) with respect to amounts due on such Payment Date, then the payment received from such Lessee in respect of such Payment Date shall be first applied to the Monthly Variable Rent due on such Payment Date.
- (d) In the event any Lessee fails to remit payment of any amount due under this Agreement on or before the Payment Date or when otherwise due and payable hereunder, the amount not paid will be considered delinquent and such Lessee shall pay default interest with respect thereto at a rate equal to (i) the effective interest rate payable by German FleetCo on any overdue amounts owed by German FleetCo with respect to the German Note or (ii) if no such interest is payable by German FleetCo, EURIBOR plus 1.0%, during the period from the Payment Date on which such delinquent amount was payable until such delinquent amount (with accrued interest) is paid.
- (e) EUR is the currency of account payment for any sum due from one party to another under this Agreement.
- (f) *Tax gross-up:*
 - (i) Each Lessee shall make all payments to be made by it under this Agreement without any Tax Deduction, unless a Tax Deduction is a Requirement of Law.
 - (ii) Each Lessee shall, promptly upon becoming aware that it is required to make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lessor and the German Security Trustee accordingly.
 - (iii) If any Lessee is required by law to make a Tax Deduction, the amount of the payment due by such Lessee shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due to the payee if no Tax Deduction had been required.
 - (iv) If any Lessee is required to make a Tax Deduction, such Lessee shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
 - (v) Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, each Lessee shall deliver to the Lessor and the German Security Trustee evidence reasonably satisfactory to the Lessor that the Tax

Deduction has been made or (as applicable) any appropriate payment paid to the relevant Tax Authority.

4.9 Prepayments

On any Business Day, any Lessee, or the Servicer or one or more of its Affiliates on behalf of such Lessee, may, at its option, make a non-refundable payment to the Lessor of all or any portion of the Rent or any other amount that is payable by such Lessee hereunder on the Payment Date occurring in the calendar month of such date of payment or the next succeeding Payment Date, in advance of such Payment Date.

4.10 Ordering and Delivery Expenses

With respect to any Lease Vehicle to be leased by any Lessee hereunder, such Lessee shall pay to or at the direction of the Lessor all applicable costs and expenses of freight, packing, handling, storage, shipment and delivery of such Lease Vehicle and all sales and use tax (if any) to the extent that the same have not been included in the Capitalized Cost of such Lease Vehicle, as such inclusion or exclusion has been reasonably determined by the Servicer.

4.11 [Reserved]

5 VEHICLE OPERATIONAL COVENANTS

5.1 [Reserved]

5.1.1 Maintenance and Repairs. With respect to any Lessee and the Lease Vehicles leased by such Lessee hereunder, such Lessee shall pay for all maintenance and repairs. Each Lessee will pay, or cause to be paid, all usual and routine expenses incurred in the use and operation of Lease Vehicles leased by such Lessee hereunder including, but not limited to, fuel, lubricants, and coolants. Any improvements or additions to any Lease Vehicles shall become and remain the property of the Lessor, except that any addition to any Lease Vehicle made by any Lessee shall remain the property of such Lessee if such addition can be disconnected from such Lease Vehicle without impairing the functioning of such Lease Vehicle or its resale value, excluding such addition.

5.1.2 Insurance. Each Lessee shall:

- (a) unless at any time the Lessor shall otherwise expressly consent in writing, maintain insurances on and in relation to its business and assets against such risks and to such extent as is usual for companies carrying on business such as that carried on by the Lessee until the date on which the Lessee has returned all Lease Vehicles delivered to the Lessee under this Agreement to the Lessor, including insurance coverage which is a Requirement of Law in the jurisdictions of the following parties, for the Lessor, the German Security Trustee, the Issuer Security Trustee, itself and in the case of Motor Third Party Liability Cover (as defined below) any other jurisdiction where the Lease Vehicle is physically located, including providing protection against:
 - (i) liability in respect of bodily injury or death caused to third parties; and/or
 - (ii) loss or damage to property belonging to third parties,

in each case arising out of the use of any Lease Vehicle at or above any applicable minimum limits of indemnity and/or liability imposed by law (the "**Motor Third Party Liability Cover**") (*Kfz-Haftpflichtversicherung*) and, together with the aforementioned insurances, the "**Insurance Policies**"), in each case with licensed insurance companies or underwriters in accordance with the Lessee's customary practice;

- (iii) upon knowledge of the occurrence of an event giving rise to a claim under any of the Insurance Policies, arrange for a claim to be filed with the relevant insurance company or underwriters and provide assistance in attempting to bring the claim to a successful conclusion;
- (iv) ensure that the Insurance Policies are renewed or (as the case may be) replaced in a timely manner and shall pay premiums promptly and in accordance with the requirements of the relevant Insurance Policy;
- (v) notify the Lessor and the German Security Trustee of any material changes to either a Lessee's or the Lessor's insurance coverage under any of the Insurance Policies;
- (vi) promptly notify the Lessor and the German Security Trustee of:
 - (A) any notice of threatened cancellation or avoidance of any of the Insurance Policies received from the relevant insurer; and
 - (B) any failure to pay premiums to the insurer or broker in accordance with the terms of any such Insurance Policies;
- (vii) if any of the Insurance Policies are not kept in full force and effect, and/or if a Lessee fails to pay any premiums thereunder, the Lessor has the right, but no obligation, to replace the relevant Insurance Policy or to pay the premiums due (if permitted under the relevant Insurance Policy), as the case may be, and in either case, the Lessee shall indemnify the Lessor for the amount of any premium and any Liabilities incurred in relation to replacement of the relevant Insurance Policy or payment of the premiums due by the Lessor, as the case may be (such indemnity shall be immediately due and payable by such Lessee);
- (viii) retain custody of the original Insurance Policy documents and any correspondence regarding claims in respect of any of the Insurance Policies affecting the Lessor and shall supply the original Insurance Policy documents only (but not any claims correspondence) to the German Liquidation Co-ordinator and (if so requested) supply the Lessor and the German Security Trustee with copies thereof; and
- (ix) comply, and use reasonable endeavors to ensure that any Affiliate to which a Lease Vehicle has been sub-leased pursuant to this Agreement and any sub-contractor, if any and to the extent required, complies, with the terms and conditions of the Insurance Policies, and shall not consent to, or voluntarily permit any act or omission which might invalidate or render unenforceable the whole or any part of the Insurance Policies.

5.1.3 *Ordering and Delivery Expenses.* Each Lessee shall be responsible for the payment of all ordering and delivery expenses as set forth in Sub-Clause 4.10 (*Ordering and Delivery Expenses*).

5.1.4 *Fees; Traffic Summonses; Penalties and Fines.* With respect to any Lessee and the Lease Vehicles leased by such Lessee hereunder, and notwithstanding the fact that the Lessor is the legal owner of any German Vehicle, each Lessee shall be responsible for the payment of all registration fees, title fees, license fees or other similar governmental fees and taxes, including German motor vehicle tax (*Kraftfahrzeugsteuer*), all costs and expenses in connection with registration of the Lease Vehicles, the transfer of title of, or reflection of the interest of any security holder in, any Lease Vehicle, traffic summonses, penalties, judgments and fines incurred with respect to any Lease Vehicle during the Vehicle Term for such Lease Vehicle or imposed during the Vehicle Term for such Lease Vehicle by any Governmental Authority with respect to such Lease Vehicles and any premiums relating to any of the Insurance Policies under Sub-Clause 5.1.2 (*Insurance*) above, in connection with such Lessee's operation of such Lease Vehicles. The Lessor may, but is not required to, make any and all payments pursuant to this Sub-Clause 5.1.4 (*Fees; Traffic Summonses; Penalties and Fines*) on behalf of such Lessee, provided that, such Lessee will reimburse the Lessor in full for any and all payments made pursuant to this Sub-Clause 5.1.4.

5.1.5 *Registration of Vehicles.* The relevant Lessee and the Servicer shall, with respect to all Vehicles which are intended to be leased to the Lessees pursuant to the terms of this Agreement:

- (a) procure the registration of the Lessee as the registered keeper (*Halter*) of the Vehicles during the relevant Vehicle Term within any applicable time limits for such registration (and in each case arranging for the payment of all applicable registration costs to be for the account of the relevant Lessee pursuant to Sub-Clause 5.1.4 (*Fees; Traffic Summonses; Penalties and Fines*));
- (b) if requested by the Lessor, co-operate in the registration of any other Person as keeper (*Halter*) of any Vehicle leased by such Lessee following effective delivery of a German Acceleration Notice; and
- (c) if requested by the Lessor, co-operate in the registration of any other Person as keeper (*Halter*) of any Vehicle following the applicable Lease Expiration Date or following the Vehicle Lease Expiration Date except where such Vehicle has become a Casualty or an Ineligible Vehicle and title has been transferred to the relevant Lessee.

5.1.6 *Licences, authorizations, consents and approvals.* Each Lessee shall obtain and maintain for so long as it leases Lease Vehicles hereunder, all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and for the purposes of the transactions contemplated by this Agreement, except to the extent that the failure is not reasonably likely to result in a Material Adverse Effect.

5.1.7 *Landlord's lien.* Each Lessee shall use reasonable efforts to discharge any lien or pledge created in favour of a vehicle garage which is in possession of any Lease Vehicle in relation to any maintenance work.

5.2 Vehicle Use

5.2.1 Each Lessee may use Lease Vehicles leased hereunder in connection with its car rental business, including use by such Lessee's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, subject to Sub-Clause 6.2 (*Servicer Functions*), Sub-Clause 8.7 (*Preservation of rights*) and Clause 9 (*Default and Remedies Therefor*) hereof and Sub-Clause 10.2 (*Rights of the German Security Trustee upon Amortization Event or Certain Other Events of Default*) of the German Facility Agreement. Each Lessee agrees to possess, operate and maintain each Lease Vehicle leased to it in a manner consistent with how such Lessee would possess, operate and maintain such Vehicle were such Lessee the owner of such Lease Vehicle.

5.2.2 In addition to the foregoing, each Lessee may sublet Lease Vehicles to any of:

- (A) any Person(s), so long as (i) the sublease of such Lease Vehicles satisfies the Non-Franchisee Third Party Sublease Contractual Criteria, (ii) the Lease Vehicles being subleased are being used in connection with such Person(s)' business and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(A) (*Vehicle Use*) does not exceed one (1) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
- (B) any franchisee of any Affiliate of any Lessee (and which franchisee, for the avoidance of doubt, may be an Affiliate of any Lessee), so long as (i) the sublease of such Lease Vehicles satisfies the Franchisee Sublease Contractual Criteria, (ii) such franchisee meets the normal credit and other approval criteria for franchises of such Affiliate and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased pursuant to this Sub-Clause 5.2.2(B) (*Vehicle Use*) at any one time does not exceed five (5) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
- (C) any Affiliate of any Lessee located in the same jurisdiction as the Lessee, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business,

including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, provided that no amendments are made to the registration of the Lessee as the registered keeper (*Halter*) of the Vehicles and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(C) (*Vehicle Use*) does not exceed five (5) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement; and

- (D) subject to the provisions in Sub-Clause 5.2.2(E) below, any Affiliate of any Lessee located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, provided that no amendments are made to the registration of the Lessee as the registered keeper (*Halter*) of the Vehicles, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower FleetCo Class A Baseline Advance Rate in respect of the relevant FleetCo AAA Component, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant Affiliate to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(D) (*Vehicle Use*) does not exceed one (1) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement and (v) following a Level 1 Minimum Liquidity Test Breach, the subleases of such Lease Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant Affiliate, with all proceeds of such sale to be deposited into the German Collection Account; and
- (E) the OpCos located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as (i) the sublease of such Lease Vehicles to such OpCo states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) any Lease Vehicles being so subleased must be Non-Program Vehicles, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower of FleetCo Class A Baseline Advance Rate in respect of the relevant Eligible Investment Grade Non-Program Vehicle Amount or Eligible Non-Investment Grade Non-Program Vehicle Amount, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant OpCo to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(E) (*Vehicle Use*), sub-clause 5.2.2.(E) of the French Master Lease, sub-clause 5.2.2(E) of the Spanish Master Lease and sub-clause 5.2.2(E) of the Dutch Master Lease, together with the Net Book Value of the Lease Vehicles being subleased pursuant to Sub-Clause 5.2.2(D) (*Vehicle Use*), sub-clause 5.2.2.(D) of the French Master Lease, sub-clause 5.2.2(D) of the Spanish Master Lease and sub-clause 5.2.2(D) of the Dutch Master Lease, does not exceed the lower of (1) ten (10) per cent. of the aggregate Net Book Value of all Eligible Vehicles at any one time or (2) EUR 70,000,000 in total, and provided that, in respect of Germany, individually, this should not exceed EUR 16,000,000 (v) the Lease Vehicles being so subleased are being used in connection with such OpCo's business, including use by such OpCo's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, provided that no amendments are made to the registration of the Lessee as the registered keeper (*Halter*) of the Vehicles, and (vi) following a Level 1 Minimum Liquidity Test Breach, the sublease of such Leased Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant OpCo on the Servicer's behalf, with all proceeds of such sale to be deposited into the German Collection Account.

With respect to any Lease Vehicles subleased pursuant to this Sub-Clause 5.2.2 (*Vehicle Use*) that meet the conditions of both the preceding paragraphs (A) and (B), as of any date of determination, the Servicer will determine which such Lease Vehicles shall count towards the calculation of the percentage of aggregate Net Book Value in which of the preceding paragraphs (A) or (B) as of such

date; provided that, no such individual Lease Vehicle shall count towards the calculation of the percentage of aggregate Net Book Value with respect to both paragraphs (A) and (B) as of such date.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (A) or (B) and the sublessee of each such Lease Vehicle, in each case, as of the last day of the immediately preceding calendar month, each of which deliveries may be satisfied by the applicable Lessee posting such list to a password protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (C), (D) and (E) and the sublessee of each such Lease Vehicle, in each case, as of the last day of the immediately preceding calendar month, each of which deliveries will be satisfied by the Servicer having actual knowledge of each such subleased Lease Vehicle and the related sublessee to whom such Lease Vehicle was then being subleased.

The sublease of any Lease Vehicles permitted by this Clause 5 (*Vehicle Operational Covenants*) shall not release any Lessee from any obligations under this Agreement.

5.3 Non-Disturbance

With respect to any Lessee, so long as such Lessee satisfies its obligations hereunder, its quiet enjoyment, possession and use of the Lease Vehicles will not be disturbed during the Term subject, however, to Sub-Clause 6.2 (*Servicer Functions*), Sub-Clause 8.7 (*Preservation of rights*) and Clause 9 (*Default and Remedies Therefor*) hereof and except that the Lessor and the German Security Trustee each retain the right, but not the duty, to inspect the Lease Vehicles leased by such Lessee without disturbing such Lessee's business.

5.4 Manufacturer's Warranties

If a Lease Vehicle is covered by a Manufacturer's warranty, the relevant Lessee, during the Vehicle Term for such Lease Vehicle, shall have the right to make any claims under such warranty that the Lessor could make.

5.5 Program Vehicle Condition Notices

Upon the occurrence of any event or condition with respect to any Lease Vehicle that is then designated as a Program Vehicle that would reasonably be expected to result in a redesignation of such Lease Vehicle pursuant to Sub-Clause 2.5(a)(ii) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle shall notify the Lessor and the Servicer of such event or condition in the normal course of operations.

6 SERVICER FUNCTIONS AND COMPENSATION

6.1 Servicer Appointment

German FleetCo has appointed the Servicer in accordance with this Agreement to provide the services in accordance with the terms of this Agreement and the Servicer has accepted such appointment. In connection with the rights, powers and discretions conferred on the Servicer under this Agreement, the Servicer shall have the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary in relation to the exercise of such rights, powers and discretions in respect of the performance of the relevant services.

6.2 Servicer Functions

- (a) With respect to any Lease Vehicle returned by any Lessee pursuant to Sub-Clause 2.4 (*Return*), the Servicer shall direct such Lessee as to the return location with respect to such

Lease Vehicle. The Servicer shall act as the Lessor's agent in returning or otherwise disposing of each Lease Vehicle on the Vehicle Lease Expiration Date with respect to such Lease Vehicle, in each case in accordance with the Servicing Standard. In the event the Servicer is the Lessee, the Lessee shall act in its own capacity when returning any Program Vehicle to the Manufacturer pursuant to the applicable Manufacturer Program.

- (b) Upon the Servicer's receipt of any Program Vehicle returned by any Lessee pursuant to Sub-Clause 2.4 (*Return*), the Servicer shall return such Program Vehicle to the nearest related Manufacturer's designated return facility or official auction or other facility designated by such Manufacturer at the sole expense of the Lessee thereof unless paid or payable by the Manufacturer thereof in accordance with the terms of the related Manufacturer Program.
- (c) With respect to any Lease Vehicle that is (i) a Non-Program Vehicle and is returned to or at the direction of the Servicer pursuant to Sub-Clause 2.4 (*Return*) or (ii) becomes a Rejected Vehicle, the Servicer shall, subject to the direction of the Lessor, use commercially reasonable efforts, at its own expense, to arrange for the sale of each Non-Program Vehicle to a third party and maximise the sale price thereof (having regard to the then current wholesale or, where the context requires, retail market value of such Non-Program Vehicles). In the event that the sale price is proposed to be at a price which is outside of the guidelines agreed with the Lessor, the Servicer shall seek for approval by the Lessor such that the Lessor either confirms that such sale complies with any guidelines agreed between the Lessor and the Servicer in this respect or any individual instructions from the Lessor.
- (d) In connection with the disposition of any Lease Vehicle that is a Program Vehicle, the Servicer shall comply with the Servicing Standard in connection with, among other things, the delivery of any documents of transfer signed as necessary, signed condition reports and signed odometer statements to be submitted with such Program Vehicles returned to a Manufacturer pursuant to Sub-Clause 2.4 (*Return*) and accepted by or on behalf of the Manufacturer at the time of such Program Vehicle's return.
- (e) Upon the occurrence of a Liquidation Event, the Servicer shall dispose of any Lease Vehicles in accordance with the instructions of the Lessor or the German Security Trustee. To the extent the Servicer fails to so dispose of any such Lease Vehicles, the Lessor and the German Security Trustee shall have the right to otherwise dispose of such Lease Vehicles.
- (f) In each case, in accordance with the Servicing Standard, the Servicer shall:
 - (i) if a Program Vehicle or a Non-Program Vehicle is sold to a third party, direct that the funds paid for such Vehicle by the purchaser are deposited into the German Collection Account;
 - (ii) comply with all Requirements of Law and (in respect of a Program Vehicle) all requirements under the relevant agreements relating to the Manufacturer Program (each, a "**Program Agreement**") with respect to each Vehicle in connection with the transfer of ownership by the Lessor of such Vehicle, including, without limitation, any warranty or servicing booklet;
 - (iii) assist the Lessor in managing the on-going operation of the Vehicle Purchasing Agreements, including, without limitation:
 - (A) where required under a Program Agreement, arrange for the furnishment and repair of Program Vehicles (or, as the case may be, agree damage costs payable) in accordance with the return standards of the respective Program Agreement prior to or (as the case may be) following the inspection of the Program Vehicles by the Manufacturer or Dealer (which cost shall be charged to the Lessee);
 - (B) verify or (as the case may be) countersign the inspection report in respect of the Program Vehicles in accordance with the terms of the Program

Agreement (including, without limitation, upon consolidation with the Lessor, assist the Lessor with exercising the right to dispute any items in the inspection report);

- (C) maintain all German Vehicle Documents and, where permitted under the Vehicle Purchasing Agreement, allow the relevant Manufacturer, Dealer or their agents access to such records; and
 - (D) assist the Lessor with filing claims with the relevant Manufacturer, Dealer or transporter for damage in transit and other delivery claims related to the Vehicles; and
 - (iv) otherwise administer and service the Lease Vehicles; and
 - (v) subject to Clause 2.5(a) (Mandatory Program Vehicle to Non-Program Vehicle *Redesignation*), comply with any obligation to return vehicles to the Manufacturer in accordance with the relevant Manufacturer Program.
- (g) The Servicer shall have full power and authority, acting alone or through any party properly designated by it hereunder (including, without limitation, the related Sub-Servicers, if any, applied pursuant to Sub-Clause 6.7 (*Sub-Servicers*) below) to do any and all things in connection with its servicing and administration duties that it may deem necessary or desirable to accomplish such servicing and administration duties and that does not materially adversely (in the opinion of the German Security Trustee) affect the interests of the Lessor or the Noteholders. Any permissive right of the Servicer contained in this Agreement shall not be construed as a duty.
- (h) In each case, in accordance with the Servicing Standard, the Servicer shall:
- (i) monitor compliance by the Lessee of its obligations under Clause 5.1.2 (*Insurance*). If the Insurance Policies are not maintained by the Lessee, the Servicer shall, if required to do so by the Lessor, make arrangements in respect of the relevant Insurance Policy, as contemplated by Clause 5.1(a)(vii) (*Insurance*);
 - (ii) upon knowledge of the occurrence of an event giving rise to a claim of the Lessor or the Servicer under any of the Insurance Policies, the Servicer shall assist the Lessor in filing the Lessor's claim or arrange for the Servicer's claim to be filed with the relevant insurance company or underwriters and provide assistance in attempting to bring the claim to successful conclusion; and
 - (iii) ensure that the Insurance Policies are renewed or (as the case may be) replaced in a timely manner in accordance with the requirements of the relevant Insurance Policy.
- (i) The Lessor shall, in accordance with the Servicing Standard and to the extent permitted by law, furnish the Servicer with all such information as the Servicer may require to enable it, to the extent permitted by law, to prepare any tax return for tax purposes in Germany (if necessary). The Servicer shall, to the extent permitted by law, provide the Lessor with all such administrative assistance as is necessary in relation to compliance by the Lessor with German tax legislation (including the preparation of tax returns for the purposes of German tax).
- (j) The Servicer shall, to the extent permitted by law, provide the Lessor with administrative assistance in relation to compliance by the Lessor with relevant VAT legislation in Germany (including, without limitation, assistance in relation to the preparation and filing of VAT returns and the issue of VAT invoices).
- (k) The Servicer shall, to the extent permitted by law, assist the Lessor with any of its duties and obligations which may arise under the relevant regulatory and/or administrative law, including the preparation of the notification of the competent commercial regulatory authority (*Gewerbeaufsichtsamt*) if required under Section 14 of the German Trade, Commerce and

Industry Regulation Act (*Gewerbeordnung*), on a prompt and timely basis to enable the Lessor to perform its obligations under the Related Documents and conduct its business.

- (l) Upon becoming aware of the same, the Servicer shall promptly notify the Lessor and the German Security Trustee of any litigation instituted against the Lessor in which it is alleged that the Lessor has breached the terms of any applicable law or regulation.
- (m) The Servicer shall:
 - (i) keep or procure that the German Vehicle Documents are kept in safe custody;
 - (ii) inform the German FleetCo of the location at which the German Vehicle Documents are kept promptly after the date of this Agreement and promptly notify the German FleetCo and the German Security Trustee of any changes to such location effected thereafter; and
 - (iii) keep the German Vehicle Documents in such manner as to ensure each is uniquely identifiable and distinguishable, by a reference number, from the records and other documents which relate to other agreements which are held by or on behalf of the Servicer.
- (n) The Servicer shall, subject to any applicable Requirement of Law, permit the German FleetCo and (following the delivery of a Master Lease Termination Notice or a Lease Event of Default which is continuing and is not remedied or waived) the German Security Trustee and any other Person reasonably nominated by the German FleetCo and (following the delivery of a Master Lease Termination Notice or a Lease Event of Default which is continuing and is not remedied or waived) the German Security Trustee at any time during normal business hours upon reasonable notice to have access to the German Vehicle Documents and the Servicer Records.

6.3 Required Contractual Criteria

- (a) The Servicer shall, prior to the expiry of a Vehicle Purchasing Agreement to which German FleetCo is a party, commence negotiations with the relevant Manufacturers and Dealers on behalf of German FleetCo to renew such Vehicle Purchasing Agreement (where a renewal of the Vehicle Purchasing Agreement is sought) and in circumstances where entry into a Vehicle Purchasing Agreement with a new Manufacturer or Dealer is sought (subject to the conditions below) the Servicer shall negotiate the terms of such new Vehicle Purchasing Agreement on behalf of German FleetCo including, without limitation, the Required Contractual Criteria (or seeking a waiver from the German Security Trustee in relation to any deviations from the Required Contractual Criteria, provided that the German Security Trustee shall not under any circumstance grant a waiver in respect of a deviation from the substance of paragraphs 1.4 and 1.5 of the Required Contractual Criteria). The German Security Trustee shall grant a waiver in respect of any deviation from paragraph 1.3 of the Required Contractual Criteria such that the bonus payments or other amounts described in paragraph 1.3 of the Required Contractual Criteria are to be payable to or for the account of German FleetCo, provided that each of the following requirements is met:
 - (i) it receives the approval of the German Security Trustee acting at the written direction of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed); and
 - (ii) subject to usual qualifications or reservations, the Servicer provides the German Security Trustee with satisfactory legal, taxation and accounting reports or opinions establishing that the deviation will not affect the insolvency remoteness of German FleetCo nor materially increase the tax liability of German FleetCo.
- (b) With respect to Non-Program Vehicles only and in circumstances where Vehicles are to be acquired from a Dealer where it is not reasonably practicable to enter into a Vehicle

Purchasing Agreement with such Dealer that complies with the Required Contractual Criteria or an Auction Seller, the Servicer shall be able to negotiate with such Dealer or Auction Seller the terms of a new Vehicle Purchasing Agreement or Vehicle Purchasing Agreements on behalf of the German FleetCo without being required to comply with the Required Contractual Criteria, provided that each of the following requirements is met:

- (i) the number of Non-Program Vehicles acquired pursuant to such Vehicle Purchasing Agreement or Vehicle Purchasing Agreements with a single Dealer in a single or series of related transactions or Auction Seller in a single or series of transactions in the same auction process shall not exceed 50 Non-Program Vehicles;
 - (ii) at any time of determination, the aggregate Net Book Value of such Non-RCC Compliant Eligible Vehicles shall be no more than EUR 10,000,000; and
 - (iii) the Vehicle Purchasing Agreement provides that there is an absolute transfer of title of the Non-Program Vehicle from the relevant Dealer or Auction Seller to the German FleetCo, immediately following the payment of the purchase price of the Non-Program Vehicle, and the German FleetCo shall not under any circumstances have any obligations of any nature in favour of such Dealer or Auction Seller under the relevant Vehicle Purchasing Agreement following such payment.
- (c) The Servicer, on behalf of the German Fleetco, and/or the German Fleetco shall not at any time enter into Intra-Group Vehicle Purchasing Agreement for purchase of Vehicles with other Fleetcos or Opcos (other than the German Opco).

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Sub-Clause 6.2 (*Servicer Functions*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

To the extent that, in the context of this Agreement, the Lessor receives any personal data from the Servicer or the Servicer receives any personal data from the Lessor, the receiving party shall process such personal data only for the purposes of this Agreement and shall comply with applicable data protection laws (in particular, with the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC) when processing such personal data.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Hertz Autovermietung GmbH acts as Servicer of the Lessor pursuant to this Agreement, and, in such capacity, as the agent of the Lessor, for purposes of performing certain duties of the Lessor under this Agreement and the German Related Documents.

6.6 Servicer's Monthly Fee

- (a) As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**German Monthly Servicing Fee**") equal to 0.50% per annum, payable at one-twelfth the annual rate, on the outstanding Net Book Value of the Lease Vehicles as of the last day of the Related Month with respect to such Payment Date and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Sub-Clause 2.4(a) (*Lessee Right to Return*); provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.
- (b) All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and

without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set-off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegee, in such capacity, a “**Sub-Servicer**”) the performance of part (but not all) of the Servicer’s obligations as Servicer pursuant to this Agreement on the condition that:

- (a) the Servicer shall maintain up-to-date records of the Servicer’s obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;
- (b) in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;
- (c) the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;
- (d) the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer’s obligations under this Agreement and the Sub-Servicer shall be appropriately licensed to perform any such obligations;
- (e) any breach in the performance of the Servicer’s obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of fourteen (14) Business Days of the earlier of:
 - (i) the Servicer becoming aware of the breach; and
 - (ii) receipt by the Servicer of written notice from the Lessor or the German Security Trustee requiring the same to be remedied; and
- (f) neither the Lessor nor the German Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer; and
- (g) any delegation to a Sub-Servicer may not affect the Servicer’s centre of main interest within the meaning of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) on insolvency proceedings or cause an establishment of the Servicer within the meaning of such regulation.

6.8 Servicer Records and Servicer Reports

- (a) On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the “**Servicer Records**”), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.
- (b) On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the German Security Trustee the Servicer Records as of such date, which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the German Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

- (c) On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the German Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Sub-Clauses 6.8(a) and (b) (*Servicer Records and Servicer Reports*) since the preceding Business Day (such schedule as delivered each Business Day, a “**Servicer Report**”), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the German Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.9 Powers of Attorney

The Lessor shall from time to time upon receipt of request by the Servicer, promptly give to the Servicer any powers of attorney or other written authorizations or mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, provided that any such powers of attorney or other written authorizations or mandates or instruments must be strictly limited to specific matters. Such powers of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement.

6.10 Servicer’s agency limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent German FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorized to perform and discharge by this Agreement and for the period during which this Agreement so authorizes it to perform and discharge those functions and duties.

6.11 Resignation of Servicer

The Servicer may, by giving not less than fourteen (14) days’ written notice to German FleetCo and the German Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the German Facility Agreement are being repaid in full, a replacement Servicer satisfactory to German FleetCo and the German Security Trustee and with the appropriate licences and registrations has been or will, simultaneously with the termination of the Servicer’s appointment under this Agreement, be appointed (it being understood that it is German FleetCo’s obligation and not the German Security Trustee’s obligation to negotiate and make such appointment).

7 CERTAIN REPRESENTATIONS AND WARRANTIES

German OpCo, as Lessee, represents and warrants to the Lessor and the German Security Trustee that as of the Closing Date, and will represent and warrant as of each Vehicle Lease Commencement Date, and each Additional Lessee (with respect to itself only) will represent and warrant to the Lessor and the German Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organization; Power; Qualification

Such Lessee has been duly incorporated and is validly existing as a limited liability company under the laws of Germany, with corporate power under the laws of Germany to execute and (where relevant) deliver this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorization; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorized, executed and (where relevant) delivered on behalf of such Lessee and, assuming due authorization, execution and (where relevant) delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors’ rights generally).

7.3 Compliance

The execution, delivery (where relevant) and performance by such Lessee of this Agreement and the German Related Documents to which it is a party will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any security, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the German Related Documents pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the Lessee's articles of association.

7.4 Governmental Approvals

There is no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the German Related Documents (other than such consents, approvals, authorizations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorization, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 German Supplemental Documents True and Correct

All information contained in any material German Supplemental Document that has been submitted, or that may hereafter be submitted by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

7.11 Ordinary business

Under this Agreement, the Lessee acts in the scope of its ordinary business.

7.12 Place of performing its duties

When performing its duties under this Agreement, the Lessee (or any representatives or agents of the Lessee) will not act out of or make use of a fixed place of business, a branch office or office facility located in Germany over which the Lessor (or its directors) has the power of control (*Verfügungsgewalt*).

7.13 Day-to-day management in relation to the Lessor's business

The managers, employees, representatives or agents of the Lessee will not make any day-to-day management decision in relation to the Lessor's business and will comply with any guidelines issued by the Lessor regarding the performance of any duty under this Agreement.

8 CERTAIN AFFIRMATIVE COVENANTS

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the German Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the German Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to (i) maintain and preserve its limited liability existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

- (a) Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other German Collateral;
- (b) At any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the German Security Trustee (or such other Person who may be designated from time to time by the Lessor or the German Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other German Collateral;
- (c) Permit any of the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the German Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the German Security Trustee or the Issuer Security Trustee may reasonably request;
- (d) Upon the request of the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the German Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the German Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and
- (e) During normal business hours and with prior notice of at least three (3) Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and

the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled,

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Sub-Clause 8.2 (*Books, Records, Inspections and Access to Information*) that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisors, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the German Security Trustee:

- (a) no later than the prescribed statutory deadline required by its articles of association and in any event by no later than 270 calendar days after the end of each financial year, its audited Annual Financial Statements together with the related auditors' report(s);
- (b) promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the German Security Trustee pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on German OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the German Security Trustee from time to time) or (ii) on which such documents are posted on German OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the German Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the German Security Trustee).

8.6 German withholding tax

Assist and cooperate with the Lessor to the extent reasonably necessary in the opinion of the Lessor regarding the Lessor's claims and obligations pertaining to German withholding tax, in particular, assistance with respect to the Lessor's application for a refund of German withholding tax and the Lessor's application for an exemption certificate relating to German withholding tax (pursuant to the provisions in particular of Section 50d of the German Income Tax Act (*Einkommensteuergesetz*)).

8.7 Preservation of rights

Preserve and/or exercise and/or enforce its rights and/or shall procure that the same are preserved, exercised or enforced on its behalf (including by the German Security Trustee) in respect of the German Vehicles.

9 DEFAULT AND REMEDIES THEREFOR

9.1 Events of Default

Any one or more of the following will constitute an event of default (a "**Lease Event of Default**") as that term is used herein:

- 9.1.1** there occurs a default in the payment of any Rent or other amount payable by any Lessee under this Agreement unless such default in the payment is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;
- 9.1.2** any unauthorized assignment or transfer of this Agreement by any Lessee occurs;
- 9.1.3** the failure of any Lessee to observe or perform any other covenant, condition, agreement or provision hereof, including, but not limited to, usage, and maintenance that in any such case has a Lease Material Adverse Effect, and such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice thereof is delivered by the Lessor or the German Security Trustee to such Lessee or the date an Authorized Officer of such Lessee obtains actual knowledge thereof;
- 9.1.4** if (i) any representation or warranty made by any Lessee herein is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing furnished by or on behalf of any Lessee to the Lessor or the German Security Trustee is false or misleading on the date as of which the facts therein set forth are stated or certified, (ii) such inaccuracy, breach or falsehood has a Lease Material Adverse Effect, and (iii) the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the German Security Trustee to the applicable Lessee and (y) the date an Authorized Officer of the applicable Lessee learns of such circumstance or condition;
- 9.1.5** an Event of Bankruptcy occurs with respect to Hertz or with respect to any Lessee;
- 9.1.6** this Agreement or any portion thereof ceases to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the German Related Documents) or a proceeding shall be commenced by any Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to any Lessee that at such time is not leasing any Lease Vehicles hereunder;
- 9.1.7** a Servicer Default occurs; or
- 9.1.8** a Liquidation Event occurs.

For the avoidance of doubt, with respect to any Potential Lease Event of Default or Lease Event of Default, if the event or condition giving rise (directly or indirectly) to such Potential Lease Event of Default or Lease Event of Default, as applicable, ceases to be continuing (through cure, waiver or otherwise), then such Potential Lease Event of Default or Lease Event of Default, as applicable, will cease to exist and will be deemed to have been cured for every purpose under the German Related Documents.

9.2 Effect of Lease Event of Default.

If any Lease Event of Default set forth in Sub-Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, the relevant Lessee's leases with respect to any Lease Vehicles leased hereunder shall be subject to the Lessor's option to terminate such leases as set forth in Sub-

Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 Rights of Lessor and German Security Trustee Upon Lease Event of Default

9.3.1 If a Lease Event of Default shall occur and be continuing, then the Lessor may proceed by appropriate court action or actions available to it under German law to enforce performance by any Lessee of the applicable covenants and terms of this Agreement or to recover damages for the breach hereof calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*).

9.3.2 If any Lease Event of Default set forth in Sub-Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, then (i) subject to the terms of this Clause 9.3.2, the Lessor or the German Security Trustee (acting on the written instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed)) shall have the right to serve notice on the other parties hereto whereby any Lessee's leases hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee are terminated, a "**Master Lease Termination Notice**", and following service of such notice shall have the right to (a) take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder the lease of which has been so terminated and (b) peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever and (ii) the Lessees, at the request of the Lessor or the German Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed), shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the German Security Trustee as the case may be.

The Lessor may not validly serve a Master Lease Termination Notice unless such decision to serve the Master Lease Termination Notice has been approved by any independent director (as the term may be defined in the relevant constitutional documents of the Lessor) on the board of directors of the Lessor.

9.3.3 Each and every power and remedy hereby specifically given to the Lessor will be in addition to every other power and remedy hereby specifically given or now or hereafter available to it under German law and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor; *provided, however*, that the measure of damages recoverable against such Lessee will in any case be calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*). All such powers and remedies will be cumulative, and the exercise of one will not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder will impair any such power or remedy or will be construed to be a waiver of any default or any acquiescence therein; *provided that*, for the avoidance of doubt, any exercise of any such right or power shall remain subject to each condition expressly specified in any Related Document with respect to such exercise. Any extension of time for payment hereunder or other indulgence duly granted to any Lessee will not otherwise alter or affect the Lessor's rights or the obligations hereunder of such Lessee. The Lessor's acceptance of any payment after it will have become due hereunder will not alter or affect the Lessor's rights hereunder with respect to any subsequent payments or defaults therein.

9.4 Liquidation Event and Non-Performance of Certain Covenants

(a) If a Liquidation Event shall have occurred and be continuing, the German Security Trustee and the Issuer Security Trustee shall have the rights against each Lessee and the German Collateral provided in the German Security Trust Deed and Issuer Security Trust Deed, upon a Liquidation Event, including, in each case, the right to serve a Master Lease Termination Notice on the other parties hereto and following service of such notice shall have the right (i) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder the lease of which has been terminated and (ii) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever.

- (b) During the continuance of a Liquidation Event, the Servicer shall return any or all Lease Vehicles that are Program Vehicles to the related Manufacturers in accordance with the instructions of the Lessor. To the extent any Manufacturer fails to accept any such Program Vehicles under the terms of the applicable Manufacturer Program, the Lessor shall have the right to otherwise dispose of such Program Vehicles and to direct the Servicer to dispose of such Program Vehicles in accordance with its instructions.
- (c) Notwithstanding the exercise of any rights or remedies pursuant to this Sub-Clause 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*), the Lessor will, nevertheless, have a right to recover from such Lessee any and all amounts (for the avoidance of doubt, as limited by Sub-Clause 9.5 (*Measure of Damages*)) as may be then due.
- (d) In addition, following the occurrence of a Liquidation Event, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-a-vis each Lessee, necessary or desirable to allow the German Security Trustee to exercise the rights, remedies, powers, privileges and claims given to the German Security Trustee pursuant to Sub-Clause 10.2 (*Rights of the German Security Trustee upon Amortization Event or Certain Other Events of Default*) of the German Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the German Security Trustee pursuant to Clause 10 of the German Facility Agreement and that the German Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.
- (e) The German Security Trustee may only take possession of, or exercise any of the rights or remedies specified in this Agreement with respect to, such number of Lease Vehicles necessary to generate disposition proceeds in an aggregate amount sufficient to pay each German Note with respect to which a Liquidation Event is then continuing as set forth in the German Facility Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been transferred to secure such German Note.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the German Security Trustee exercises the remedies granted to the Lessor or the German Security Trustee under Sub-Clause 8.7 (*Preservation of rights*), this Clause 9 (*Default and Remedies Therefor*) or Sub-Clause 10.2 of the German Facility Agreement, the amount that the Lessor shall be permitted to recover from any Lessee as payment shall be equal to:

- (i) all Rent for each Lease Vehicle leased by such Lessee hereunder to the extent accrued and unpaid as of the earlier of the date of the return to the Lessor of such Lease Vehicle or disposition by the Servicer of such Lease Vehicle in accordance with the terms of this Agreement and all other payments payable under this Agreement by such Lessee, accrued and unpaid as of such date; *plus*
- (ii) any reasonable out-of-pocket damages and expenses, including reasonable attorneys' fees and expenses that the Lessor or the German Security Trustee will have sustained by reason of such a Lease Event of Default or Liquidation Event, together with reasonable sums for such attorneys' fees and such expenses as will be expended or incurred in the seizure, storage, rental or sale of the Lease Vehicles leased by such Lessee hereunder or in the enforcement of any right or privilege hereunder or in any consultation or action in such connection, in each case to the extent reasonably attributable to such Lessee; *plus*
- (iii) interest from time to time on amounts due from such Lessee and unpaid under this Agreement at EURIBOR *plus* 1.0% computed from the date of such a Lease Event of Default or Liquidation Event or the date payments were originally due to the Lessor by such Lessee under this Agreement or from the date of each expenditure by the Lessor or the German Security Trustee, as applicable, that is recoverable from such Lessee pursuant to this Clause 9 (*Default and Remedies Therefor*), as applicable, to and including the date payments are made by such Lessee.

9.6 Servicer Default

Any of the following events will constitute a default of the Servicer (a “**Servicer Default**”) as that term is used herein:

- (i) the failure of the Servicer to comply with or perform any provision of this Agreement or any other Related Document and such failure is, in the opinion of the German Security Trustee materially prejudicial to the German Noteholders and in the case of a default which is remediable, such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice is delivered by the Lessor or the German Security Trustee to the Servicer or the date an Authorized Officer of the Servicer obtains actual knowledge thereof;
- (ii) an Event of Bankruptcy occurs with respect to the Servicer;
- (iii) the failure of the Servicer to make any payment when due from it hereunder or under any of the other German Related Documents or to deposit any German Collections received by it into the German Collection Account when required under the German Related Documents and, in each case, unless such failure is as a result of an administrative or technical error in such case payment has been made within three (3) Business Days;
- (iv) if (I) any representation or warranty made by the Servicer relating to the German Collateral in any German Related Document is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing relating to the German Collateral furnished by or on behalf of the Servicer to the Lessor or the German Security Trustee pursuant to any German Related Document is false or misleading on the date as of which the facts therein set forth are stated or certified, (II) such inaccuracy, breach or falsehood is, in the opinion of the German Security Trustee materially prejudicial to any of the German Noteholders, and (III) if such inaccuracy, breach or falsehood can be remedied, the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for at least fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the German Security Trustee to the Servicer and (y) the date an Authorized Officer of the Servicer obtains actual knowledge of such circumstance or condition;
- (v) a Lease Event of Default occurs which gives rise to a right for the Lessor or the German Security Trustee to serve a Master Lease Termination Notice; or
- (vi) a Liquidation Event occurs.

In the event of a Servicer Default, the Lessor or the German Security Trustee, in each case acting pursuant to Sub-Clause 9.24(d) (*Servicer Default*) of the German Facility Agreement, shall have the right to replace the Servicer as servicer with a replacement servicer which shall be appropriately licensed.

For the avoidance of doubt, with respect to any Servicer Default, if the event or condition giving rise (directly or indirectly) to such Servicer Default ceases to be continuing (through cure, waiver or otherwise), then such Servicer Default will cease to exist and will be deemed to have been cured for every purpose under the German Related Documents.

9.7 Application of Proceeds

The proceeds of any sale or other disposition pursuant to Sub-Clause 9.2 (*Effect of Lease Event of Default*) or Sub-Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the German Related Documents.

10 CERTIFICATION OF TRADE OR BUSINESS USE

Each Lessee hereby warrants and certifies that it intends to use the Lease Vehicles that are subject to this Agreement in connection with its trade or business.

11 [RESERVED]

12 ADDITIONAL LESSEES

Subject to the prior consent of German FleetCo (such consent not to be unreasonably withheld or delayed) and the German Security Trustee (acting upon the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Germany Security Trust Deed and the Issuer Security Trust Deed), any Affiliate of German OpCo that was incorporated under the laws of Germany (each, a “**Permitted Lessee**”) shall have the right to become a Lessee under and pursuant to the terms of this Agreement by acceding to this Agreement (*Vertragsbeitritt*) pursuant to this Clause 12 (*Additional Lessees*). If a Permitted Lessee desires to become a Lessee under this Agreement, then such Permitted Lessee shall execute (if appropriate) and deliver to the Lessor, the German Security Trustee or the Issuer Security Trustee:

- 12.1** a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each, an “**Affiliate Joinder in Lease**”);
- 12.2** the articles of association for such Permitted Lessee, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.3** copies of resolutions of the Board of Directors or other authorizing action of such Permitted Lessee authorizing or ratifying the execution, delivery (where relevant) and performance, respectively, of those documents and matters required of it with respect to this Agreement, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.4** a certificate of an Authorized Officer of such Permitted Lessee certifying the names of the individual or individuals authorized to sign the Affiliate Joinder in Lease and any other Related Documents to be executed by it, together with samples of the true signatures of each such individual;
- 12.5** an Officer’s Certificate stating that such joinder by such Permitted Lessee complies with this Clause 12 (*Additional Lessees*) and an opinion of counsel, which may be based on an Officer’s Certificate and is subject to customary exceptions and qualifications (including, without limitation any insolvency laws), stating that (a) all conditions precedent set forth in this Clause 12 (*Additional Lessees*) relating to such joinder by such Permitted Lessee have been complied with and (b) upon the due authorization, execution and delivery (where relevant) of such Affiliate Joinder in Lease by the parties thereto, such Affiliate Joinder in Lease will constitute legal and valid obligations of such Permitted Lessee; and
- 12.6** any additional documentation that the Lessor, the German Security Trustee or the Issuer Security Trustee may reasonably require to evidence the accession by such Permitted Lessee to this Agreement and the assumption of the obligations and liabilities set forth in this Agreement.

13 VALUE ADDED TAX

13.1 Sums payable exclusive of VAT

All sums or other consideration set out in this Agreement or otherwise payable or provided by any party to any other party pursuant to this Agreement shall be deemed to be exclusive of any VAT which is or becomes chargeable (if any) on any supply or supplies for which sums or other consideration (or any part thereof) are the whole or part of the consideration for VAT purposes.

13.2 Payment of amounts in respect of VAT

Where, pursuant to the terms of this Agreement, any party (the “**Supplier**”) makes a supply to any other party (the “**Recipient**”) hereto for VAT purposes and VAT is or becomes chargeable on such supply (being VAT for which the Supplier is required to account to the relevant Tax Authority):

- (a)** where the Supplier is the Lessee, the Recipient shall, following receipt from the Supplier of a valid VAT invoice in respect of such supply, pay to the Supplier (in addition to any other consideration for such supply) a sum equal to the amount of such VAT; and

- (b) where the Supplier is the Lessor, the Recipient shall pay to the Supplier (in addition to and at the same time as paying any other consideration for such supply) a sum equal to the amount of such VAT, and the Supplier shall, following receipt of such sum and (unless otherwise required pursuant to any Requirement of Law) not before, provide the Recipient with a valid VAT invoice in respect of such supply.

13.3 Cost and expenses

References in this Agreement to any fee, cost, loss, disbursement, commission, damages, expense, charge or other liability incurred by any party to this Agreement and in respect of which such party is to be reimbursed or indemnified by any other party under the terms of, or the amount of which is to be taken into account in any calculation or computation set out in this Agreement shall include such part of such fee, cost, loss, disbursement, commission, damages, expense, charge or other liability as represents any VAT, but only to the extent that such first party is not entitled to a refund (by way of a credit or repayment) in respect of such VAT from any relevant Tax Authority.

14 SECURITY AND ASSIGNMENTS

14.1 Rights of Lessor pledged to Trustee

Each Lessee acknowledges that the Lessor has transferred or will transfer all of its rights under this Agreement to the German Security Trustee pursuant to the German Security Documents. Accordingly, each Lessee agrees that:

- (i) upon the occurrence of a Lease Event of Default or Liquidation Event, the German Security Trustee may exercise (for and on behalf of the Lessor) any right or remedy against such Lessee provided for herein and such Lessee will not interpose as a defense that such claim should have been asserted by the Lessor;
- (ii) upon the delivery by the German Security Trustee of any notice to such Lessee stating that a Lease Event of Default or a Liquidation Event has occurred, such Lessee will, if so requested by the German Security Trustee, comply with all obligations under this Agreement that are asserted by the German Security Trustee (including on behalf of the Lessor), irrespective of whether such Lessee has received any such notice from the Lessor; and
- (iii) such Lessee acknowledges that pursuant to this Agreement it has agreed to make all payments of Rent hereunder (and any other payments hereunder) directly to the German Collection Account, which is pledged to the German Security Trustee.

14.2 Right of the Lessor to Assign or Transfer its rights or obligations under this Agreement

The Lessor shall have the right to finance the acquisition and ownership of Lease Vehicles under this Agreement by, without limitation, selling, assigning or transferring any of its rights and/or obligations under this Agreement to the Issuer Security Trustee for the benefit of the Noteholders; provided, however, that any such sale, assignment or transfer shall be subject to the rights and interest of the Lessees in the Lease Vehicles, including but not limited to the Lessees' right of quiet and peaceful possession of such Lease Vehicles as set forth in Sub-Clause 5.3 (*Non-Disturbance*) hereof, and under this Agreement.

14.3 Limitations on the Right of the Lessees to Assign or Transfer its rights or obligations this Agreement

No Lessee shall assign or transfer or purport to assign or transfer any right or obligation under this Agreement to any other party.

14.4 Security

The Lessor may grant security interests in the Lease Vehicles leased by any Lessee hereunder without consent of any Lessee. Except for Permitted Security, each Lessee shall keep all Lease Vehicles free of all Security arising during the Term. If on the Vehicle Lease Expiration Date for any Lease Vehicle,

there is Security on such Lease Vehicle, the Lessor may, in its discretion, remove such Security and any sum of money that may be paid by the Lessor in release or discharge thereof, including reasonable attorneys' fees and costs, will be paid by the Lessee of such Lease Vehicle upon demand by the Lessor.

15 LIMITED LIABILITY OF LESSOR

As between the Lessor and each Lessee, acceptance for lease of each Lease Vehicle pursuant to Sub-Clause 2.1(e) (*Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection*) shall constitute such Lessee's acknowledgment and agreement that such Lessee has fully inspected such Lease Vehicle, that such Lease Vehicle is in good order and condition and is of the manufacture, design, specifications and capacity selected by such Lessee, that such Lessee is satisfied that the same is suitable for this use. Each Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. The Lessor will not be liable to any Lessee and any Lessee will procure that the Lessor will not be liable to any ultimate rental customers of any Lessee or any other person in respect of any cost, loss or damage (consequential or otherwise) arising out of the condition, the use, the operation, the rental, the maintenance, repair, delay or failure in delivery of any Vehicle, or the interruption or suspension of possession, use or quiet enjoyment (*ungestörter Besitz*) in respect of any Vehicle, provided that the aforementioned limitations shall not apply in respect of liabilities for (i) damages caused intentionally or by gross negligence (*grobe Fahrlässigkeit*) or by a negligent (*fahrlässig*) breach of any material contractual obligation (*vertragswesentliche Pflicht*) by the Lessor or (ii) damages to persons (*Personenschäden*). Material contractual obligations (*vertragswesentliche Pflichten*) are any obligations whose fulfilment is necessary for the proper execution of the contract and whose observance contractual partners regularly rely upon.

16 NON-PETITION AND NO RECOURSE

16.1 Non-Petition

Notwithstanding anything to the contrary in this Agreement or any German Related Document, only the German Security Trustee may pursue the remedies available under the general law or under the German Security Trust Deed to enforce this Agreement, the German Security or a German Note and no other Person shall be entitled to proceed directly German FleetCo in respect hereof (unless the German Security Trustee, having become bound to proceed in accordance with the terms of the German Related Documents, fails or neglects to do so). Each party to this Agreement hereby agrees with and acknowledges to each of German FleetCo and the German Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against German FleetCo for the purpose of obtaining payment of any amount due from German FleetCo (other than serving a written demand subject to the terms of the German Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to German FleetCo, provided that, the German Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant German Related Documents and German Security Documents,

provided that the aforementioned limitations shall not apply in respect of liabilities for (i) damages caused intentionally or by gross negligence (*grobe Fahrlässigkeit*) or by a negligent (*fahrlässig*) breach of any material contractual obligation (*vertragswesentliche Pflicht*) by the Lessor or (ii) damages to persons (*Personenschäden*). Material contractual obligations (*vertragswesentliche Pflichten*) are any obligations whose fulfilment is necessary for the proper execution of the contract and whose observance contractual partners regularly rely upon.

The provisions of this Sub-Clause 16.1 (*Non-Petition*) shall survive the termination of this Agreement.

16.2 No Recourse

Each party to this Agreement agrees with and acknowledges to each of German FleetCo and the German Security Trustee that, notwithstanding any other provision of any German Related Document, all obligations of German FleetCo to such entity are limited in recourse as set out below:

- (a) sums payable to it in respect of any of German OpCo's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the German Security Trustee in respect of the German Security whether pursuant to enforcement of the German Security or otherwise; and
- (b) upon the German Security Trustee giving written notice that it has determined in its opinion that there is no reasonable likelihood of there being any further realisations in respect of the German Security (whether arising from an enforcement of the German Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant German Related Documents, it shall have no further claim against German FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full,

provided that the aforementioned limitations shall not apply in respect of liabilities for (i) damages caused intentionally or by gross negligence (*grobe Fahrlässigkeit*) or by a negligent (*fahrlässig*) breach of any material contractual obligation (*vertragswesentliche Pflicht*) by the Lessor or (ii) damages to persons (*Personenschäden*). Material contractual obligations (*vertragswesentliche Pflichten*) are any obligations whose fulfilment is necessary for the proper execution of the contract and whose observance contractual partners regularly rely upon.

The provisions of this Sub-Clause 16.2 (*No Recourse*) shall survive the termination of this Agreement.

17 SUBMISSION TO JURISDICTION

With respect to any suit, action, dispute or proceedings relating to this Agreement, each party irrevocably submits to the exclusive jurisdiction of the courts of Frankfurt am Main, and agrees that the courts of Frankfurt am Main are the most appropriate and convenient courts to settle any suit, action, dispute or proceedings and accordingly no party will be able to argue to the contrary.

18 GOVERNING LAW

This Agreement is governed by, and shall be construed in accordance with, the laws of the Federal Republic of Germany (excluding its conflict of law rules). Any non-contractual rights and obligations arising out of or in connection with this Agreement shall also be governed by, and construed in accordance with, the laws of the Federal Republic of Germany.

19 NOTICES

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of Clause 3.17 of the Master Definitions and Construction Agreement and Clause 22 (*Notices*) of the German Security Trust Deed.

20 ENTIRE AGREEMENT

This Agreement and the other agreements specifically referenced herein constitute the entire agreement among the parties hereto and supersede any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof. This Agreement, together with the Manufacturer Programs, the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to this Agreement (including, for the avoidance of doubt, all related joinders, exhibits, annexes, schedules, attachments and appendices), in each case solely to the extent to which such Manufacturer Programs,

schedules and documents relate to Lease Vehicles will constitute the entire agreement regarding the leasing of Lease Vehicles by the Lessor to each Lessee.

21 MODIFICATION AND SEVERABILITY

The terms of this Agreement will not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever unless the same shall be in writing and signed and delivered by the Lessor, the Servicer, the German Security Trustee and each Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the German Facility Agreement. The right of a Party to terminate this Agreement for just cause (*Kündigung aus wichtigem Grund*) shall remain unaffected. If any part of this Agreement is not valid or enforceable according to law, all other parts will remain enforceable. For the avoidance of doubt, the execution and/or delivery (where relevant) of and/or performance under any Affiliate Joinder in Lease, Lease Vehicle Acquisition Schedule or Intra-Lease Lessee Transfer Schedule shall not constitute a waiver, alteration, modification, supplement or termination to or of this Agreement.

22 SURVIVABILITY

In the event that, during the term of this Agreement, any Lessee becomes liable for the payment or reimbursement of any obligations, claims or taxes pursuant to any provision hereof, such liability will continue, notwithstanding the expiration or termination of this Agreement, until all such amounts are paid or reimbursed by or on behalf of such Lessee.

23 [RESERVED]

24 COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

25 ELECTRONIC EXECUTION

This Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) may be transmitted and/or signed by facsimile or other electronic means (i.e., a “pdf” or “tiff”). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each party hereto. The words “execution,” “signed,” “signature,” and words of like import in this Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) or in any amendment or other modification hereof (including, without limitation, waivers and consents) shall include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

26 LESSEE TERMINATION AND RESIGNATION

With respect to any Lessee except for German OpCo, upon such Lessee (the “**Resigning Lessee**”) delivering irrevocable written notice to the Lessor, the Servicer and the German Security Trustee that such Resigning Lessee desires to resign its role as a Lessee hereunder (such notice, substantially in the form attached as Exhibit A hereto, a “**Lessee Resignation Notice**”), such Resigning Lessee shall immediately cease to be a Lessee hereunder, and, upon such occurrence, event or condition, the Lessor, the Servicer, the German Security Trustee and the other Lessees hereby (subject to discharge by the Resigning Lessee of its obligations pursuant to this Clause 26) release, waive, remise, acquit and discharge such Resigning Lessee and such Resigning Lessee’s directors, officers, employees, managers, shareholders and members of and from any and all claims, expenses, damages, costs and liabilities arising or accruing in relation to such Resigning Lessee on or after the delivery of such Lessee Resignation Notice to the Lessor, the Servicer and the German Security Trustee (the time of such delivery, the “**Lessee Resignation Notice Effective Date**”); provided that, as a condition to such release and discharge, the Resigning Lessee shall pay to the Lessor all payments due and payable with

respect to each Lease Vehicle leased by Resigning Lessee hereunder, including without limitation any payment listed under Sub-Clause 4.7.1 and 4.7.2 (*Payments*), as applicable to each such Lease Vehicle, as of the Lessee Resignation Notice Effective Date; provided further that, the Resigning Lessee shall return or reallocate all Lease Vehicles at the direction of the Servicer in accordance with Sub-Clause 2.4 (*Return*); provided further that, with respect to any Resigning Lessee, such Resigning Lessee shall not be released or otherwise relieved under this Clause 26 (*Lessee Termination and Resignation*) from any claim, expense, damage, cost or liability arising or accruing prior to the Lessee Resignation Notice Effective Date with respect to such Resigning Lessee.

27 THIRD-PARTY RIGHTS

Other than the Issuer Security Trustee (and the Noteholders and their assigns), for whose benefit this Agreement is made, any Person who is not a party to this Agreement and, for the avoidance of doubt, the parties hereto agree that this Agreement shall not in any way be construed as a contract for the benefit or protection of third parties (*Vertrag zu Gunsten/mit Schutzwirkung zu Gunsten Dritter*).

28 [RESERVED]

29 GOVERNING LANGUAGE

This Agreement is in the English language. If this Agreement is translated into another language, the English text prevails, save that words in German used in this Agreement and having specific legal meaning under German law will prevail over the English translation.

30 POWER OF ATTORNEY

If an entity incorporated in Germany is represented by an attorney or attorneys in connection with the signing, execution or delivery (where relevant) of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of Germany and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof.

31 RESCISSION OR NULLIFICATION OF THIS AGREEMENT

Without prejudice to any other provision hereof, if one or more provisions hereof is or becomes invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, or if any party becomes aware of any omission (*Vertragslücke*) hereto of any terms which were intended to be included in this Agreement, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party or parties or such omission (*Vertragslücke*) shall not, to the fullest extent permitted by applicable law, render invalid, illegal or unenforceable such provision or provisions in any other jurisdiction or with respect to any other party or parties hereto. Such invalid, illegal or unenforceable provision or such omission (*Vertragslücke*) shall be replaced by the parties with a provision which comes as close as reasonably possible to the commercial intentions of the invalid, illegal or unenforceable or omitted provision.

Lessor

SIGNED for and on behalf
of **HERTZ FLEET LIMITED** by its lawfully

appointed attorney _____
(Attorney signature)

in the presence of:

(Witness' Signature)

(Witness' Name)

(Witness' Address)

(Witness' Occupation)

Lessee and Servicer

HERTZ AUTOVERMIETUNG GMBH

By:

Name:
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

German Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

ANNEX A

FORM OF AFFILIATE JOINDER IN LEASE

THIS AFFILIATE JOINDER IN LEASE AGREEMENT (this “**Joinder**”) is executed as of _____, 20__ (with respect to this Joinder and the Joining Party, the “**Joinder Date**”), by _____, a _____ (“**Joining Party**”), and delivered to Hertz Fleet Limited, an entity established in Ireland (“**German FleetCo**”), as lessor pursuant to the German Master Lease and Servicing Agreement, the German Security Trustee (as defined below) and the other Lessees, dated as of 25 September, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Lease**”), among German FleetCo, as Lessor, Hertz Autovermietung GmbH (“**German OpCo**”), as a Lessee and as Servicer, those affiliates of German OpCo from time to time acceding as Lessees thereunder (together with German OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as German security trustee (the “**German Security Trustee**”). Capitalized terms used herein but not defined herein shall have the meanings provided for in the Lease.

R E C I T A L S:

WHEREAS, the Joining Party is a Permitted Lessee; and

WHEREAS, the Joining Party desires to become a “**Lessee**” under and pursuant to the Lease.

NOW, THEREFORE, the Joining Party agrees as follows:

A G R E E M E N T:

1. The parties to this Joinder agree that the Joining Party shall accede (*Vertragsbeitritt*) to the Lease as of the Joinder Date.
2. The Joining Party hereby represents and warrants to and in favor of German FleetCo and the German Security Trustee that (i) the Joining Party is an Affiliate of German OpCo, (ii) all of the conditions required to be satisfied pursuant to Clause 12 (*Additional Lessees*) of the Lease in respect of the Joining Party becoming a Lessee thereunder have been satisfied, and (iii) all of the representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) of the Lease with respect to the Lessees are true and correct as applied to the Joining Party as of the date hereof.
3. From and after the date hereof, the Joining Party hereby agrees to assume all of the obligations of a Lessee under the Lease and agrees to be bound by all of the terms, covenants and conditions therein.
4. By its execution of this Joinder, the Joining Party hereby becomes a Lessee for all purposes under the Lease. By its execution of this Joinder, German FleetCo and the German Security Trustee each acknowledges that the Joining Party is a Lessee for all purposes under the Lease.
5. The parties agree that the courts of Frankfurt am Main have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Joinder and therefore irrevocably submit to the jurisdiction of those courts. The parties agree that the courts of Frankfurt am Main are an appropriate and convenient forum to settle Disputes between them and, accordingly, the parties will not argue to the contrary.
6. This Joinder is governed by German law. Any non-contractual obligations arising out of or in connection with this Joinder are governed by German law.

[Name of Joining Party]

By: _____

Name: _____

Title: _____

Address: _____

Attention: _____

Telephone: _____

Facsimile: _____

Accepted and Acknowledged by:

HERTZ FLEET LIMITED

By: _____

Name: _____

Title: _____

HERTZ AUTOVERMIETUNG GMBH

By: _____

Name: _____

Title: _____

BNP PARIBAS TRUST CORPORATION UK LIMITED
as German Security Trustee

By: _____

Name: _____

Title: _____

[OTHER LESSEES]

A36887653
WEIL:

EXHIBIT A
FORM OF LESSEE RESIGNATION NOTICE

[]

[German FleetCo, as Lessor]

[Hertz Autovermietung GmbH, as Servicer]

Re: Lessee Termination and Resignation

Ladies and Gentlemen:

Reference is hereby made to the German Master Lease and Servicing Agreement, dated as of 25 September, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**German Master Lease**”), among German FleetCo, as Lessor, Hertz Autovermietung GmbH (“**German OpCo**”), as a Lessee and as Servicer, those affiliates of Hertz from time to time acceding as Lessees thereunder (together with German OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as German Security Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the German Master Lease.

Pursuant to Clause 26 (*Lessee Termination and Resignation*) of the German Master Lease, [] (the “**Resigning Lessee**”) provides German FleetCo, as Lessor, German OpCo, as Lessee and Servicer, and the other parties to the German Master Lease, irrevocable, written notice that such Resigning Lessee desires to resign as “**Lessee**” under the German Master Lease, as of [date].

Nothing herein shall be construed to be an amendment or waiver of any requirements of the German Master Lease.

[Name of Resigning Lessee]

By: _____

Name: _____

Title: _____

SCHEDULE I

Common Terms of Motor Third Party Liability Cover

Part A Non-vitiating endorsement

The Insurer undertakes to each Insured that this Policy will not be invalidated as regards the rights and interests of each such Insured and that the Insurer will not seek to avoid or deny any liability under this Policy because of any act or omission of any other Insured which has the effect of making this Policy void or voidable and/or entitles the Insurer to refuse indemnity in whole or in any material part in respect of any claims under this Policy as against such other Insured. For the purposes of this clause only "Insured" shall not include any "Authorised Driver".

Part B Severability of interest

The Insurer agrees that cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each Insured, provided that the total liability of the Insurers to all of the Insureds collectively shall not exceed the sums insured and the limits of indemnity (including any inner limits set by memorandum or endorsement stated in this Policy).

Part C Notice of non-payment of premium to be sent to the German Security Trustee

No cancellation unless thirty (30) days' notice.

In the event of non-payment of premium, this Policy may at the sole discretion of the Insurer be cancelled by written notice to the Insureds and [●] [or replacement German Security Trustee], stating when (not less than thirty (30) days thereafter) the cancellation shall be effective. Such notice of cancellation shall be withdrawn and shall be void and ineffective in the event that premium is paid by or on behalf of any of the Insureds prior to the proposed cancellation date.

Notices

The address for delivery of a notice to [●] [or replacement German Security Trustee] will be as follows:

Address:

Tel:

Fax:

Email:

Attention:

SCHEDULE II

[Reserved]

SCHEDULE III

Required Contractual Criteria for Vehicle Purchasing Agreements

1 PROVISIONS TO BE APPLIED TO ALL VEHICLE PURCHASING AGREEMENTS TO BE ENTERED INTO BY GERMAN FLEETCO OR GERMAN OPCO

Each Vehicle Purchasing Agreement will in substance satisfy the following contractual requirements:

1.1 Parties

Each Vehicle Purchasing Agreement will satisfy the following criteria:

- (a) the rights and obligations of each of German FleetCo and German OpCo shall in all cases be several and not joint (*nicht gesamtschuldnerisch*); and
- (b) German FleetCo shall not under any circumstances have any liability for the obligations of German OpCo arising under or in connection with such agreement.

1.2 Confidentiality

- (a) Each Vehicle Purchasing Agreement will provide that, subject only as provided in sub-paragraph (b) below, none of German FleetCo, German OpCo or the Supplier may disclose the terms of such agreement to any third party (other than their Affiliates, agents and professional advisors, and the agents and professional advisors of their Affiliates) without the prior written consent of:

- (i) in the case of disclosure by German FleetCo or German OpCo, the Supplier; and
- (ii) in the case of disclosure by the Supplier, German FleetCo and German OpCo,

provided always that such prohibition on disclosure shall not apply to any disclosure in accordance with any requirement of or direction by any regulatory body or authority or as otherwise required by applicable law.

- (b) Each Vehicle Purchasing Agreement will permit German FleetCo to disclose any term of the agreement in connection with any proposed issue of securities which is secured, directly or indirectly, on any Relevant Vehicle or German FleetCo's rights under the agreement (each, a "**Finance Transaction**"):
 - (i) to any Affiliate of German Fleetco or any issuer, security trustee, lead manager or arranger (or any person appointed in a similar role), rating agency, servicer (debt service manager), monoline insurer or any other person providing credit support or enhancement for a proposed Finance Transaction, as well as their agents, professional advisors and Affiliates; provided that any person to whom disclosure is made under this sub-paragraph (i) shall be under a duty of confidentiality in connection with such information;
 - (ii) to any regulatory body or authority in accordance with any requirement of or direction by these authorities; and
 - (iii) (other than in relation to any Initial Purchase Price, Repurchase Price or any requirement in relation to the number of Relevant Vehicles required to be purchased by German OpCo pursuant to the agreement) pursuant to any prospectus, preliminary prospectus or investor presentation prepared in connection with a proposed Finance Transaction; provided that such disclosure is consistent with requirements under any applicable law, regulation, listing rule or stock exchange requirement.

1.3 Volume Rebates etc.

A Vehicle Purchasing Agreement may provide that any bonus payment or other amount (howsoever described) payable or to be made available by a Manufacturer /Dealer as a result of German FleetCo (or German FleetCo and/or German OpCo (and/or any other relevant Affiliate of The Hertz Corporation) under such Vehicle Purchasing Agreement and/or any German OpCo Specific Agreement, as applicable) meeting any minimum vehicle purchase level in that relevant year, be payable to or for the account of German OpCo (rather than German FleetCo). For the avoidance of doubt, German FleetCo may however take the benefit of reductions applied to purchase prices applicable to vehicles as a result of any such minimum vehicle purchase levels being reached.

Notwithstanding the foregoing where a Vehicle Purchasing Agreement provides that in the event that any minimum vehicle purchase level in the relevant year is not met:

- (a) any bonus, payment, benefit or reductions applied to purchase prices on Vehicles purchased by German FleetCo or other amount (howsoever described) is recoverable by or repayable to a Manufacturer /Dealer; or
- (b) any penalty or other amount (howsoever described) is payable to such Manufacturer /Dealer,

such Vehicle Purchasing Agreement shall provide that, in each case, such amounts will only be reclaimed from, payable by, or otherwise recoverable from German OpCo or another Affiliate of The Hertz Corporation other than German FleetCo.

1.4 Non-petition

Each Vehicle Purchasing Agreement will contain an irrevocable and unconditional covenant and undertaking given by the relevant Supplier that, until 01.01.2020, such Supplier shall not petition or take any step for:

- (a) the liquidation, insolvency or any similar or analogous proceedings or circumstances of German FleetCo; or
- (b) the appointment of an insolvency officer in relation to German FleetCo or any of its assets,

provided that the aforementioned limitations shall not apply in respect of liabilities for (i) damages caused intentionally or by gross negligence (*grobe Fahrlässigkeit*) or by a negligent (*fahrlässig*) breach of any material contractual obligation (*vertragswesentliche Pflicht*) by German FleetCo or (ii) damages to persons (*Personenschäden*). Material contractual obligations (*vertragswesentliche Pflichten*) are any obligations whose fulfilment is necessary for the proper execution of the contract and whose observance contractual partners regularly rely upon.

1.5 Limited recourse

Each Vehicle Purchasing Agreement will contain an irrevocable and unconditional covenant and undertaking given by the relevant Supplier that, until 01.01.2020, such Supplier shall not take any step for any legal proceedings to recover any amount owed to it by German FleetCo under the relevant Vehicle Purchasing Agreement, provided that the aforementioned limitations shall not apply in respect of:

- (a) liabilities for (i) damages caused intentionally or by gross negligence (*grobe Fahrlässigkeit*) or by a negligent (*fahrlässig*) breach of any material contractual obligation (*vertragswesentliche Pflicht*) by German FleetCo or (ii) damages to persons (*Personenschäden*). Material contractual obligations (*vertragswesentliche Pflichten*) are any obligations whose fulfilment is necessary for the proper execution of the contract and whose observance contractual partners regularly rely upon; and
- (b) legal proceedings against German FleetCo to the extent that the only relief sought against German FleetCo pursuant to such proceedings is the re-possession of a Relevant Vehicle pursuant to applicable retention of title provisions provided for under the relevant Vehicle Purchasing Agreement.

1.6 Assignment

- (a) Each Vehicle Purchasing Agreement will contain terms that permit both German FleetCo and the Supplier to assign or pledge their respective rights under such agreement or (with regard to the Supplier) any other vehicle purchase contract without the need to obtain the consent of each other or a third party.
- (b) The Vehicle Purchasing Agreements will not permit German FleetCo or the Supplier to transfer any of its respective obligations thereunder without the prior written consent of each other party to the agreement.

1.7 Termination provisions

Each Vehicle Purchasing Agreement will entitle the parties to terminate such agreement subject to and in accordance with the terms thereof, provided that the Supplier shall not at any time be entitled to terminate its repurchase obligations in relation to any Relevant Vehicle (each an "**Repurchase Obligation**", together the "**Repurchase Obligations**") which has previously been shipped to or to the order of German FleetCo, provided further that the provisions of paragraph 1.5 (*Non-petition*), 1.6 (*Limited recourse*) and 2.1 (*Set-off*) shall survive termination of a Vehicle Purchasing Agreement. The right of any party to terminate any Vehicle Purchasing Agreement for just cause (*Kündigung aus wichtigem Grund*) shall remain unaffected.

2 PROVISIONS TO BE APPLIED TO ALL MANUFACTURER PROGRAMS TO BE ENTERED INTO BY A GERMAN FLEETCO

Each Manufacturer Program will in substance satisfy the following additional contractual requirements:

2.1 Set-off

- (a) Subject to paragraph 2.1(b) below, Manufacturer Programs may provide that the Supplier may set off amounts owed by it to German FleetCo against amounts owed to it by German FleetCo or by German OpCo under that Manufacturer Program or any other Vehicle Purchasing Agreement which have been finally adjudicated (*rechtskräftig festgestellt*) or which are uncontested (*unbestritten*) by German FleetCo or German OpCo, respectively.
- (b) Each Manufacturer Program will provide that the Supplier may not, however, set off any other amounts owed to it by German OpCo (including unpaid Initial Purchase Price in relation to Vehicles, including Relevant Vehicles, delivered to or to the order of German OpCo, or ordered by the German OpCo) against amounts owed by the Supplier to German FleetCo (in particular, any amounts in respect of the Repurchase Price) under that Manufacturer Program or any other Vehicle Purchasing Agreement, save and except in relation to any Manufacturer Program with Daimler AG and/or any of their respective Affiliates or successors or any corporation into which such entities may be merged or converted or with which they may be consolidated or any corporation resulting from any merger, conversion or consolidation of such entities ("**Daimler Entities**") or any Dealers or agents (or Affiliates or successors thereof) selling Vehicles manufactured or purchased from the Daimler Entities if such Manufacturer Program does not provide for waiver of set-off in accordance with this paragraph, in which case such amounts may be reclaimed from, payable by, or otherwise recoverable from German FleetCo.
- (c) Manufacturer Programs will provide that German FleetCo may set off any amount owed by the Supplier to it against any amount owed by German FleetCo to the Supplier.

2.2 Repurchase Obligations

The Manufacturer Program will provide that the Repurchase Obligations are unconditional and irrevocable obligations of the Supplier, subject only to the fulfilment of:

- (a) any applicable procedures or requirements, including any minimum or maximum holding periods set out in the Vehicle Purchasing Agreement and required to be followed by German Fleetco (or its agents, if any) in relation to the Repurchase Obligations; and
- (b) any applicable provisions or eligibility criteria set out in the Vehicle Purchasing Agreement requiring Relevant Vehicles to meet specified condition standards or eligibility criteria in relation to the Repurchase Obligations.

Without limiting the generality of the foregoing, no Manufacturer Program may provide that the obligations of the Supplier thereunder are conditional upon German FleetCo, German OpCo or any other person, individually or in aggregate, purchasing any minimum number of Vehicles or meeting any other minimum threshold level over or within any period or the solvency of German FleetCo, German OpCo or any other Affiliate of German FleetCo. The Repurchase Obligations shall not lapse under any circumstances in the case of an insolvency of German OpCo.

2.3 Retention of title

The Manufacturer Program will provide that:

- (a) the Supplier shall retain title to the Relevant Vehicle until the time of payment of the Initial Purchase Price for such Vehicle by either German OpCo or German FleetCo to the Supplier; and
- (b) title to the Relevant Vehicle shall not pass to the Supplier until the time of payment of the Repurchase Price for such Vehicle by the Supplier (or if specified by the Supplier at the time of payment, by a third party), following which title to the Relevant Vehicle shall automatically pass to the Supplier.

SCHEDULE IV

[Reserved]

THE SYMBOL "[*]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL AND (ii) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Originally dated 25 September 2018 and as further amended and restated on 29 April 2021 and further amended and restated on 21 December 2021
SPANISH MASTER LEASE AND SERVICING AGREEMENT

between

STUURGROEP FLEET (NETHERLANDS) B.V.
as Dutch FleetCo

STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA
as Lessor

HERTZ DE ESPAÑA, S.L.U.
as Lessee and Servicer

those Permitted Lessees from time to time becoming Lessees hereunder

and

BNP PARIBAS TRUST CORPORATION UK LIMITED
as Spanish Security Trustee

Linklaters

1	DEFINITIONS AND CONSTRUCTION	1
2	NATURE OF AGREEMENT	2
3	TERM	10
4	RENT AND LEASE CHARGES	10
5	VEHICLE OPERATIONAL COVENANTS	14
6	SERVICER FUNCTIONS AND COMPENSATION	19
7	CERTAIN REPRESENTATIONS AND WARRANTIES	26
8	CERTAIN AFFIRMATIVE COVENANTS	27
9	DEFAULT AND REMEDIES THEREFOR	29
10	CERTIFICATION OF TRADE OR BUSINESS USE	33
11	[RESERVED]	34
12	ADDITIONAL LESSEES	34
13	VALUE ADDED TAX AND STAMP TAXES	34
14	SECURITY AND ASSIGNMENTS	35
15	NON-LIABILITY OF LESSOR	36
16	NON-PETITION AND NO RECOURSE	37
17	[RESERVED]	38
18	GOVERNING LAW AND JURISDICTION	38
19	NOTICES	38
20	ENTIRE AGREEMENT	38
21	MODIFICATION AND SEVERABILITY	38
22	SURVIVABILITY	38
23	[reserved]	39
24	COUNTERPARTS	39
25	ELECTRONIC EXECUTION	39
26	LESSEE TERMINATION AND RESIGNATION	39
27	THIRD-PARTY BENEFICIARIES	39
28	TIME OF THE ESSENCE	40
29	GOVERNING LANGUAGE	40
30	POWER OF ATTORNEY	40
	ANNEX A	
	FORM OF ACCESSION AGREEMENT	43
	EXHIBIT A	
	FORM OF LESSEE RESIGNATION NOTICE	46

SCHEDULE I Common Terms of Motor Third Party Liability Cover	47
SCHEDULE II INSURANCE BROKER LETTER OF UNDERTAKING	48
SCHEDULE III REQUIRED CONTRACTUAL CRITERIA FOR VEHICLE PURCHASING AGREEMENTS	50
SCHEDULE IV Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Program	55
Annex [1] Form of Transfer Certificate	57
Annex [2] Form of Acknowledgement of Joint and Several Liability	59
SCHEDULE VI Draft Intra-Group Sale and Purchase Agreement	3
SCHEDULE VI Form of Initial Lease Vehicle Acquisition Schedule	10

THIS AGREEMENT is made on 25 September 2018 and as amended and restated on 29 April 2021 and further amended and restated on 21 December 2021 between the following parties:

- (1) **STUURGROEP FLEET (NETHERLANDS) B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Siriusdreef 62, 2132 WT Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34275100 ("**Dutch FleetCo**");
- (2) **STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA**, an entity incorporated in The Netherlands acting through its Spanish branch ("**Spanish FleetCo**"), as lessor (in such capacity, the "**Lessor**");
- (3) **HERTZ DE ESPAÑA, S.L.U.**, a limited liability company incorporated and existing under the laws of the Kingdom of Spain, with registered office at calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (Spain) and Spanish Tax Id number B-28121549 ("**Spanish OpCo**"), as a lessee and as servicer (in such capacity as servicer, the "**Servicer**");
- (4) those various Permitted Lessees (as defined herein) from time to time becoming Lessees hereunder pursuant to Clause 12 (*Additional Lessees*) hereof (each, an "**Additional Lessee**"), as lessees (Spanish OpCo and the Additional Lessees, in their capacities as lessees, each a "**Lessee**" and, collectively, the "**Lessees**"); and
- (5) **BNP PARIBAS TRUST CORPORATION UK LIMITED**, acting through its registered office at 10 Harewood Avenue, London NW1 6AA as Spanish security trustee (in such capacity, the "**Spanish Security Trustee**").

WHEREAS

- (A) The Lessor has purchased or will purchase Spanish Vehicles from various parties on arm's-length terms pursuant to one or more other motor vehicle purchase agreements or otherwise, in each case, that the Lessor determines shall be leased hereunder.
- (B) The Lessor desires to lease to each Lessee and each Lessee desires to lease from the Lessor certain Lease Vehicles for use in connection with the business of such Lessee, including use by such Lessee's employees, directors, officers, representatives, agents and other business associates in their personal or professional capacities.
- (C) The Lessor and each Lessee desire the Servicer to perform various servicing functions with respect to the Lease Vehicles (to the extent relating to the Vehicles purported to be leased pursuant to this Agreement), and the Servicer desires to perform such functions, in accordance with the terms hereof.

THE PARTIES HEREBY AGREE AS FOLLOWS

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

Except as otherwise defined herein, capitalized terms used herein shall have the meanings assigned to such terms in the master definitions and constructions agreement signed by, amongst others, the parties hereto dated the Signing Date as amended, modified or supplemented from time to time (the "**Master Definitions and Constructions Agreement**").

All Clause, Sub-Clause or paragraph references herein shall refer to clauses, sub-clauses or paragraphs of this Agreement, except as otherwise provided herein.

1.2 Rules of Construction

- (a) In this Agreement, including the preamble, recitals, attachments, schedules, annexes, exhibits and joinders hereto unless the context otherwise requires, words and expressions used have the constructions ascribed to them in Clause 2 (*Principles of Interpretation and Construction*) of the Master Definitions and Constructions Agreement.
- (b) If any obligations of a party to this Agreement or provisions of this Agreement are subject to or contrary to any mandatory principles of applicable law, compliance with such obligations and/or provisions of this Agreement shall be deemed to be subject to such mandatory principles (or waived) to the extent necessary to be in compliance with such law.
- (c) In this Agreement, the term "**sub-lease**" means any underlease, sub-lease, license or mandate in relation to the use of a Lease Vehicle between a Lessee, as lessor, and a sub-lessee, as lessee but does not include, for the avoidance of doubt, any arrangements and normal business operations involving the ultimate return of Lease Vehicles from locations not operated by a Lessee to drop locations of such Lessee (and ancillary use or transportation of such Lease Vehicles in relation thereto).
- (d) Words in Spanish used in this Agreement and having a specific legal meaning should prevail over the English translation.

1.3 Scope of Agreement

The parties hereto acknowledge that this Agreement is only being entered into in connection with the Vehicles purported to be leased pursuant to this Agreement, the Spanish Collateral and the Spanish Related Documents and that there is a separate Dutch Master Lease being entered into between, *inter alios*, Dutch FleetCo and Dutch OpCo in connection with the Dutch Vehicles, Dutch Collateral and the Dutch Related Documents.

1.4 Effectiveness

The parties hereto acknowledge and agree that the rights and obligations under this Agreement shall become effective at the Effective Time.

2 NATURE OF AGREEMENT

- (a) Each Lessee and the Lessor intend that this Agreement is a lease and that the relationship between the Lessor and each Lessee pursuant to this Agreement shall always be only that of a lessor and a lessee, and each Lessee hereby declares, acknowledges and agrees that the Lessor is the owner of the Lease Vehicles, and legal title to the Lease Vehicles is held by the Lessor. No Lessee shall acquire by virtue of this Agreement any right, equity, title or interest in or to any Lease Vehicles, except the leasehold interest established by this Agreement. The parties agree that this Agreement is a lease on arm's length terms and agree to treat the leasehold interest established by this Agreement as a lease for all purposes, including accounting, regulatory and otherwise.
- (b) Each Lessor and the Lessee hereby confirms to and for the benefit of Spanish Security Trustee and FleetCo Secured Parties, that it is the intention of each Lessor and the Lessee that:

- (i) this Spanish Master Lease constitutes a single indivisible lease of all the Vehicles subject to such Spanish Master Lease and not separate leases governed by similar terms; and
 - (ii) this Spanish Master Lease is intended for all purposes (including bankruptcy) to be a single lease with respect to all Vehicles subject to such Spanish Master Lease.
- (c) [Reserved]

2.1 Lease of Vehicles

- (a) *Purchase of Existing Fleet from Spanish OpCo.*
- (i) On the Closing Date, (A) Spanish OpCo shall transfer to Spanish FleetCo all Vehicles to which it has legal title as of the Closing Date and (B) Spanish FleetCo shall accede to all Vehicle Purchasing Agreements to which Spanish OpCo is party as of the Closing Date and shall be bound by the terms and provisions of such Vehicle Purchasing Agreements as if it were an original party thereto.
 - (ii) On the Closing Date and subject to the terms and provisions hereof, (A) the Lessor shall lease to each Lessee and (B) each Lessee shall lease from the Lessor, in each case, all Vehicles transferred pursuant to Sub-Clause 2.1(a)(i) above.
 - (iii) The capitalized cost of the Vehicles transferred pursuant to Sub-Clause 2.1(a)(i) above shall be the aggregate Net Book Value of such Vehicles as at the Closing Date.
- (b) *Agreement to Lease.* From time to time, subject to the terms and provisions hereof (including satisfaction of the conditions precedent set forth in Sub-Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*)), the Lessor agrees to lease to each Lessee, and each Lessee agrees to lease from the Lessor those certain Lease Vehicles identified on Lease Vehicle Acquisition Schedules and Intra-Lease Lessee Transfer Schedules produced from time to time by or on behalf of such Lessee pursuant to Sub-Clauses 2.1(d) (*Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*) and 2.2(b) (*Intra-Lease Transfers*), respectively.
- (c) *Conditions Precedent to Lease of Lease Vehicles.* The agreement of the Lessor to commence leasing any Lease Vehicle to any Lessee hereunder is subject to the following conditions precedent being satisfied at the time the Lessor orders such Lease Vehicles and will continue to be satisfied when the Lease Vehicles are delivered to the Spanish FleetCo or to its order:
- (i) *No Default.* No Lease Event of Default shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder, and no Potential Lease Event of Default with respect to any event or condition specified in Sub-Clause 9.1.1 (*Events of Default*), Sub-Clause 9.1.5 (*Events of Default*) or Sub-Clause 9.1.8 (*Events of Default*) shall have occurred and be continuing on the Vehicle Lease Commencement Date for such Lease Vehicle or would result from the leasing of such Lease Vehicle hereunder;
 - (ii) *Funding.* Spanish FleetCo shall have sufficient available funding to purchase such Lease Vehicle;

- (iii) *Representations and Warranties.* The representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) are true and correct in all material respects (unless any such representation or warranty contains a materiality limitation by its terms, in which case such representation or warranty shall be true and correct) as of such date (unless any such representation or warranty by its terms makes reference to a specific date, in which case, such representation or warranty shall be true and correct for such specific date);
 - (iv) *Eligible Vehicle.* Such Lease Vehicle is an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof;
 - (v) *Vehicle Purchasing Agreement.* Such Lease Vehicle has been ordered in accordance with the terms of the relevant Vehicle Purchasing Agreement;
 - (vi) *Lease Expiration Date.* The Lease Expiration Date has not occurred; and
 - (vii) *Payment.* If such Lease Vehicle was purchased by Spanish FleetCo on non-credit terms, Spanish FleetCo has paid in full the purchase price for such Lease Vehicle and if such Lease Vehicle was purchased on credit terms by Spanish FleetCo, such Lease Vehicle has been delivered to or (as the case may be) is available for collection by Spanish FleetCo.
- (d) *Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*
- (i) Each Lessee may from time to time request that the Lessor acquires vehicles for the purpose of leasing such vehicles in accordance with the terms of this Agreement. The Lessor may, in its absolute discretion, and provided that the conditions precedent in Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) above have been satisfied or waived by the Spanish Security Trustee, order the relevant vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement.
 - (ii) Any order of Vehicles will be made by Spanish Opco acting in its capacity as Spanish Servicer on behalf of Spanish Fleetco. The Lessor shall not incur any Liability of any type whatsoever if it does not or cannot accept any order of new Vehicle (including if the conditions precedent set out under Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) are satisfied).
 - (iii) Before making any order of Vehicle, the Spanish Servicer shall verify that the conditions precedent set out under Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) are or will be complied with. Any waiver of a condition precedent will require the prior written consent of the Spanish Security Trustee.
 - (iv) Each Lessee shall deliver or cause to be delivered to the Lessor one or more schedules identifying the vehicles which the Lessor has acquired pursuant to a Vehicle Purchasing Agreement following a request by such Lessee, which schedules shall include the Basic Lease Vehicle Information (each such schedule, a "**Lease Vehicle Acquisition Schedule**"). Each Lessee hereby agrees that each such delivery of a Lease Vehicle Acquisition Schedule shall be deemed hereunder to constitute a representation and warranty by such Lessee, to and in favor of the Lessor, that each condition precedent to the leasing of the Lease Vehicles identified in such Lease Vehicle Acquisition Schedule has been satisfied as of the date on which the relevant Lease Vehicles were ordered and delivered.

- (v) During the period from the Vehicle Lease Commencement Date in respect of a Lease Vehicle to the date that such Lease Vehicle is first identified on a Lease Vehicle Acquisition Schedule, the existence of a lease between the Lessor and a Lessee in respect of that Lease Vehicle shall be evidenced and determined by reference to the records of the Lessor (which such records shall be held to be correct for all purposes unless manifestly erroneous).
- (vi) The Lease Vehicle Acquisition Schedule for each Lease Vehicle to be leased hereunder on the Closing Date shall be substantially in the form as set out in Schedule VII (*Form of Initial Lease Vehicle Acquisition Schedule*).
- (e) The Lessee shall indemnify the Lessor in respect of any Liabilities which the Lessor may suffer in circumstances where the Lessor has ordered a Vehicle or Vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement and (i) the Lessee has cancelled or amended the aforementioned Vehicle or Vehicles and/or (ii) the Lessor has accepted an order but subsequently is made aware of an event which would give rise to a Master Lease Termination Notice being served and rejects such notice, and/or (iii) a lease is not entered into by the date on which the Lessor pays the purchase price for such Vehicle or Vehicles (including, without limitation, where a lease is not entered into because the conditions precedent in Clause 2.1(c) (*Conditions Precedent to Lease of Lease Vehicles*) above are not satisfied).
- (f) *Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection.*
 - (i) Subject to Sub-Clause 2.1(f)(ii) below, with respect to any vehicle identified on a Lease Vehicle Acquisition Schedule and made available for lease by the Lessor to any Lessee, such Lessee shall have the right to inspect such vehicle within five (5) days of receipt (or such shorter period as may be contemplated under the applicable Vehicle Purchasing Agreement) (the "**Inspection Period**") of such vehicle and either accept or, if such vehicle is a Non-conforming Lease Vehicle, reject such vehicle; provided that, such Lessee shall be deemed to have accepted such vehicle as a Lease Vehicle unless it has notified the Lessor in writing that such vehicle is a Non-conforming Lease Vehicle during the Inspection Period (the delivery date of such written notice, the "**Rejection Date**"). If such Lessee timely notifies the Lessor that such Vehicle is a Non-conforming Lease Vehicle, then such Non-conforming Lease Vehicle with respect to which such Lessee has so notified the Lessor shall be a "**Rejected Vehicle**".
 - (ii) Notwithstanding Sub-Clause 2.1(f)(i) above, a Lessee will only be entitled to reject any Lease Vehicle delivered to it by or on behalf of the Lessor (A) if the Lessor is itself entitled to reject such Lease Vehicle under the relevant Vehicle Purchasing Agreement pursuant to which such Vehicle was ordered and (B) subject to the same conditions (to the extent applicable) as to rejection as may be applicable to the Lessor under the relevant Vehicle Purchasing Agreement in respect of such Vehicle.
 - (iii) The Lessor shall cause the Servicer to dispose of a Rejected Vehicle described in sub-paragraph (i) above (including by returning such Rejected Vehicle to the seller thereof in accordance with the terms of the applicable Vehicle Purchasing Agreement) in accordance with Sub-Clause 6.2 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*).

2.2 Certain Transfers

- (a) *Sales to Lessee.* The Lessor may sell a Lease Vehicle during such Lease Vehicle's Vehicle Term to the relevant Lessee for an amount equal to the net book value under GAAP of such Lease Vehicle, and in any event, subject to compliance with arm's length principles.
- (b) *Intra-Lease Transfers.* From time to time, a particular Lessee (the "**Transferor Lessee**") may desire to cease leasing a Lease Vehicle hereunder and another Lessee (the "**Transferee Lessee**") may desire to commence leasing such Lease Vehicle hereunder. Upon delivery by such Lessees to the Lessor of written notice identifying by VIN each Lease Vehicle to be so transferred from such Transferor Lessee to such Transferee Lessee (such notice, an "**Intra-Lease Lessee Transfer Schedule**"), each Lease Vehicle identified in such Intra-Lease Lessee Transfer Schedule shall cease to be leased by the Transferor Lessee and shall contemporaneously commence being leased to the Transferee Lessee, provided that such transfer does not result in the breach of any prescribed limits relating to Lease Vehicles set out in the Related Documents. Each Lessee agrees that upon such a transfer of any Lease Vehicle from one Lessee to another Lessee pursuant to this Agreement, such Transferor Lessee relinquishes all rights that it has in such Lease Vehicle pursuant to this Agreement. Each Intra-Lease Lessee Transfer Schedule may be delivered electronically and may be delivered directly by either the applicable Transferor Lessee or the applicable Transferee Lessee or on behalf of either such party by any agent or designee of such party.

2.3 [Reserved]

2.4 Return

- (a) *Lessee Right to Return.* Any Lessee may return any Lease Vehicle (other than any Lease Vehicle that has experienced a Casualty or become an Ineligible Vehicle) then leased by such Lessee at any time prior to such Lease Vehicle's Maximum Lease Termination Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by the Servicer; provided that, for the avoidance of doubt, the Vehicle Term for such Lease Vehicle will continue until the Vehicle Lease Expiration Date thereof, notwithstanding the prior return of such Lease Vehicle pursuant to this Sub-Clause 2.4(a) (*Lessee Right to Return*).
- (b) *Lessee Obligation to Return.*
 - (i) Each Lessee shall return (or shall oblige any sublessee to return) each Lease Vehicle leased by such Lessee on or prior to such Lease Vehicle's Maximum Lease Termination Date to the Servicer at the location for such Lease Vehicle's return reasonably specified by the Servicer (or in the case of sub-lease to another jurisdiction pursuant to condition 5.2.2(E) below where the servicer of such relevant jurisdiction will dispose of such Lease Vehicle on the Servicer's behalf, at the location for such Lease Vehicle's return reasonably specified by the servicer of such relevant jurisdiction, including for the avoidance of doubt at a location in such other jurisdiction) (taking into account transportation costs and expected realizable disposition proceeds).
 - (ii) Each Lessee shall return each Lease Vehicle leased by such Lessee upon the Vehicle Lease Expiration Date to the Lessor unless a Disposition Date has occurred in respect of such Lease Vehicle.

2.5 Redesignation of Vehicles

- (a) *Mandatory Program Vehicle to Non-Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, the Lessor shall on the date specified in Sub-Clause 2.5(d) (*Timing of Redesignations*) redesignate such Lease Vehicle as a Non-Program Vehicle, if:
- (i) a Manufacturer Event of Default is continuing with respect to the Manufacturer of such Lease Vehicle as of such date; or
 - (ii) as of any such date occurring after the Minimum Program Term End Date with respect to such Lease Vehicle, such Lease Vehicle was returned as of such date pursuant to the terms of the Manufacturer Program with respect to such Lease Vehicle, the Manufacturer of such Lease Vehicle would not be obligated to pay a repurchase price for such Lease Vehicle, or guarantee the disposition proceeds to be received for such Vehicle, in each case in an amount at least equal to (1) the Net Book Value of such Lease Vehicle, as of such date, *minus* (2) the Final Base Rent that would be payable in respect of such Lease Vehicle, assuming that such date were the Disposition Date for such Lease Vehicle, *minus* (3) the Excess Mileage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (4) the Excess Damage Charges with respect to such Lease Vehicle, that would be applicable as of such date, assuming that such date were the Disposition Date, *minus* (5) the Pre-VLCD Program Vehicle Depreciation Amount paid or payable with respect to such Lease Vehicle, as of such date, *minus* (6) the Program Vehicle Depreciation Assumption True-Up Amount paid or payable with respect to such Lease Vehicle, as of such date.
- (b) *Optional Program Vehicle to Non-Program Vehicle Redesignations.* In addition to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) and without limitation thereto, with respect to any Lease Vehicle that is a Program Vehicle leased by any Lessee hereunder as of any date of determination, such Lessee may redesignate such Lease Vehicle as a Non-Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee); provided that, such Lessee shall not redesignate any Program Vehicle as a Non-Program Vehicle pursuant to this Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) if, after giving effect to such redesignation, an Aggregate Asset Amount Deficiency would exist, unless such redesignation would decrease the amount of such Aggregate Asset Amount Deficiency.
- (c) *Non-Program Vehicle to Program Vehicle Redesignations.* With respect to any Lease Vehicle that is a Non-Program Vehicle leased by any Lessee hereunder as of any date of determination, if such Lease Vehicle was previously designated as a Program Vehicle, then such Lessee may redesignate such Lease Vehicle as a Program Vehicle upon written notice to the Lessor (which written notice may be delivered electronically and may be delivered directly by such Lessee or on its behalf by any agent or designee of such Lessee); provided that, such Lessee may not redesignate any such Lease Vehicle as a Program Vehicle if such Lease Vehicle would then be required to be redesignated as a Non-Program Vehicle pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) after designating such Lease Vehicle as a Program Vehicle.
- (d) *Timing of Redesignations.* With respect to any redesignation to be effected pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the

calendar month following the date on which the applicable event or condition described in Sub-Clause 2.5(a)(i) or (ii) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) occurs. With respect to any redesignation to be effected pursuant to Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) or 2.5(c) (*Non-Program Vehicle to Program Vehicle Redesignations*), such redesignation shall occur as of the first calendar day of the calendar month immediately following the calendar month of the date written notice was delivered by the applicable Lessee of such redesignation.

- (e) *Program Vehicle to Non-Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Non-Program Vehicle pursuant to Sub-Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) or Sub-Clause 2.5(b) (*Optional Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle as of the close of business on the date of such redesignation shall pay to the Lessor on the Payment Date following the effective date of such redesignation, as determined in accordance with Sub-Clause 2.5(d) (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle over the Market Value of such Lease Vehicle, in each case, as of the date of such redesignation (such excess, if any, for such Lease Vehicle, a **"Redesignation to Non-Program Amount"**).
- (f) *Non-Program Vehicle to Program Vehicle Redesignation Payments.* With respect to any Lease Vehicle that is redesignated as a Program Vehicle pursuant to Sub-Clause 2.5(c) (*Non-Program Vehicle to Program Vehicle Redesignations*), the Lessor shall pay to the Lessee of such Lease Vehicle on the Payment Date following the effective date of such redesignation, as determined in accordance with Sub-Clause 2.5(d) (*Timing of Redesignations*), an amount equal to the excess, if any, of the Net Book Value of such Lease Vehicle (as of the date of such redesignation and calculated assuming that such Lease Vehicle had never been designated as a Non-Program Vehicle) over the Net Book Value of such Lease Vehicle (as of the date of such redesignation but without giving effect to such Lease Vehicle's redesignation as a Program Vehicle) (such excess, if any, for such Lease Vehicle and such redesignation, the **"Redesignation to Program Amount"**); provided that,
 - (i) no payment shall be required to be made and no payment may be made by the Lessor pursuant to this Sub-Clause 2.5(f) (*Non-Program Vehicle to Program Vehicle Redesignation Payments*) to the extent that an Amortization Event or a Potential Amortization Event exists or would be caused by such payment;
 - (ii) the amount of any such payment to be made by the Lessor on any such date shall be capped at and be paid from (and the obligation of the Lessor to make such payment on such date shall be limited to) the amount of funds available to the Lessor on such date; and
 - (iii) if any such payment from the Lessor is limited in amount pursuant to the foregoing paragraph (i) or (ii), the Lessor shall pay to such Lessee the funds available to the Lessor on such Payment Date and shall pay to such Lessee on each Payment Date thereafter the amount available to the Lessor until such Redesignation to Program Amount has been paid in full to such Lessee.

2.6 Hell-or-High-Water Lease

Each Lessee's obligation to pay all rent and other sums hereunder shall be absolute and unconditional, and shall not be subject to any abatement, setoff (except as required under Sub-Clause 4.8(f) below), counterclaim, deduction or reduction for any reason whatsoever. The obligations and liabilities of each Lessee hereunder shall in no way be released,

discharged or otherwise affected (except as may be expressly provided herein) for any reason, including without limitation:

- (i) any defect in the condition, merchantability, quality or fitness for use of the Lease Vehicles or any part thereof;
- (ii) any damage to, removal, abandonment, salvage, loss, scrapping or destruction of or any requisition or taking of the Lease Vehicles or any part thereof;
- (iii) any restriction, prevention or curtailment of or interference with any use of the Lease Vehicles or any part thereof;
- (iv) any defect in or any Security on title to the Lease Vehicles or any part thereof;
- (v) any change, waiver, extension, indulgence or other action or omission in respect of any obligation or liability of such Lessee or the Lessor;
- (vi) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to such Lessee, the Lessor or any other Person, or any action taken with respect to this Agreement by any trustee or receiver of any Person mentioned above, or by any court;
- (vii) any claim that such Lessee has or might have against any Person, including without limitation the Lessor;
- (viii) any failure on the part of the Lessor or such Lessee to perform or comply with any of the terms hereof or of any other agreement;
- (ix) any invalidity or unenforceability or disaffirmance of this Agreement or any provision hereof or any of the other Spanish Related Documents or any provision of any thereof, in each case whether against or by such Lessee or otherwise;
- (x) any insurance premiums payable by such Lessee with respect to the Lease Vehicles; or
- (xi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not such Lessee shall have notice or knowledge of any of the foregoing and whether or not foreseen or foreseeable.

This Agreement shall not be cancellable by any Lessee (subject to Clause 26 (*Lessee Termination and Resignation*)) and, except as expressly provided by this Agreement, each Lessee, to the extent permitted by law, waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Agreement, or to any diminution or reduction of Rent or other amounts payable by such Lessee hereunder. All payments by each Lessee made hereunder shall be final (except to the extent of adjustments provided for herein), absent manifest error and, except as otherwise provided herein, no Lessee shall seek to recover any such payment or any part thereof for any reason whatsoever, absent manifest error. All covenants and agreements of each Lessee herein shall be performed at its cost, expense and risk unless expressly otherwise stated.

3 TERM

3.1 Vehicle Term

- (a) *Vehicle Lease Commencement Date.* The “**Vehicle Lease Commencement Date**” with respect to any Lease Vehicle shall mean the date referenced in the applicable Lease Vehicle Acquisition Schedule with respect to such Lease Vehicle, provided that:
- (i) in respect of Lease Vehicles which were leased under the Terminated Dutch Master Lease, such date shall be the Closing Date;
 - (ii) in respect of Lease Vehicles to be leased pursuant to this Agreement and which were not leased under the Terminated Dutch Master Lease, in no event shall such date be a date later than (i) the date that funds are expended by Spanish FleetCo to acquire such Lease Vehicle or (ii) if earlier, the date on which the Lease Vehicle is delivered (such date of payment, the “**Vehicle Funding Date**” for such Lease Vehicle).
- (b) *Vehicle Term for Lease Vehicles.* The “**Vehicle Term**” with respect to each Lease Vehicle shall extend from the Vehicle Lease Commencement Date through the earliest of:
- (i) the Disposition Date with respect to such Lease Vehicle;
 - (ii) if such Lease Vehicle becomes a Rejected Vehicle, the Rejection Date with respect to such Rejected Vehicle; and
 - (iii) the Maximum Lease Termination Date with respect to such Lease Vehicle
- (the earliest of such three dates being referred to as the “**Vehicle Lease Expiration Date**” for such Lease Vehicle).
- (c) [Reserved]
- (d) *Lease Vehicles with Multiple Vehicle Terms.* For the avoidance of doubt, with respect to any Lease Vehicle that experiences more than one Vehicle Term pursuant to this Agreement, each such Vehicle Term with respect to such Lease Vehicle will be treated as an independent Vehicle Term for all purposes hereunder.

3.2 Spanish Master Lease Term

The “**Lease Commencement Date**” shall mean the Closing Date. The “**Lease Expiration Date**” shall mean the later of (i) the date of the final payment in full of the Spanish Note and (ii) the Vehicle Lease Expiration Date for the last Lease Vehicle leased by the Lessee hereunder. The “**Term**” of this Agreement shall mean the period commencing on the Lease Commencement Date and ending on the Lease Expiration Date.

4 RENT AND LEASE CHARGES

Each Lessee will pay Rent due and payable on a monthly basis as set forth in this Clause 4 (*Rent and Lease Charges*).

4.1 Depreciation Records and Depreciation Charges

On each Business Day, the Lessor shall establish or cause to be established the Depreciation Charge with respect to each Lease Vehicle, and the Lessor shall maintain, and upon request

by a Lessee, deliver or cause to be delivered to such Lessee a record of such Depreciation Charges (such record, the “**Depreciation Record**”) with respect to each Lease Vehicle leased by such Lessee as of such date, the delivery of which may be satisfied by the Lessor posting or causing to be posted such depreciation records to a password-protected website made available to such Lessees or by any other reasonable means of electronic transmission (including, without limitation, email or other file transfer protocol), and may be made directly by the Lessor or on its behalf by any agent or designee of the Lessor.

4.2 **Monthly Base Rent**

With respect to any Payment Date and any Lease Vehicle (other than a Lease Vehicle with respect to which the Disposition Date occurred during such Related Month), the “**Monthly Base Rent**” with respect to such Lease Vehicle for such Payment Date shall equal the pro rata portion (based upon the number of days in the Related Month with respect to such Payment Date that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of the last day of such Related Month calculated on a 30/360 day basis.

4.3 **Final Base Rent**

With respect to any Payment Date and any Lease Vehicle with respect to which the Disposition Date occurred during such Related Month, the “**Final Base Rent**” with respect to any such Lease Vehicle for such Payment Date shall be an amount equal to the pro rata portion (based upon the number of days in such Related Month that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of such Disposition Date, calculated on a 30/360 day basis.

4.4 **Program Vehicle Depreciation Assumption True-Up Amount**

If the Program Vehicle Depreciation Assumption True-Up Amount with respect to any Lease Vehicle is a positive number as of the first day following the end of the Estimation Period for such Lease Vehicle, then the Lessee of such Lease Vehicle shall pay the Lessor such Program Vehicle Depreciation Assumption True-Up Amount with respect to such Lease Vehicle in accordance with Sub-Clause 4.7.1 (*Payments*).

4.5 **Monthly Variable Rent**

The “**Monthly Variable Rent**” for each Payment Date and each Lease Vehicle other than a Lease Vehicle which was a Credit Vehicle on the last day of the Related Month with respect to such Payment Date (w) leased hereunder as of the last day of the Related Month with respect to such Payment Date, (x) the Disposition Date in respect of which occurred during such Related Month, or (y) that was purchased by the applicable Lessee during such Related Month, in each case shall equal to the product of the sum of:

- (A) all interest that has accrued on the Spanish Note during the Interest Period for the Spanish Note ending on the second Business Day immediately preceding the Determination Date immediately preceding such Payment Date, plus
 - (B) all Spanish Carrying Charges with respect to such Payment Date, and
- (ii) the quotient (the “**VR Quotient**”) obtained by dividing:
- (A) the Net Book Value of such Lease Vehicle as of the last day of such Related Month (or, if earlier, the Disposition Date with respect to such Lease Vehicle) by

- (B) the aggregate Net Book Value as of the last day of such Related Month (or, in any such case, if earlier, the Disposition Date of such Lease Vehicle) of all such Lease Vehicles leased by the Lessor to the Lessees.

4.6 Casualty; Ineligible Vehicles

On the second day of each calendar month, each Lessee shall deliver to the Servicer a list containing each Lease Vehicle leased by such Lessee that suffered a Casualty or became an Ineligible Vehicle in the preceding calendar month (each such list, a "**Monthly Casualty Report**"). Each such delivery may be satisfied by the applicable Lessee posting such Monthly Casualty Report to a password protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee. On the Disposition Date with respect to each Lease Vehicle that suffers a Casualty or becomes an Ineligible Vehicle, (i) the Lessor shall cause title to such Lease Vehicle to be transferred to or at the direction of the Lessee of such Lease Vehicle and (ii) such Lessee shall be entitled to any physical damage insurance proceeds applicable to such Lease Vehicle.

4.7 Payments

4.7.1 Subject to Clause 4.7.3 below, on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder to the last day of such Related Month (other than any Lease Vehicle the Disposition Date for which occurred during such Related Month):

- (a) the Monthly Base Rent with respect to such Lease Vehicle as of such Payment Date, plus
- (b) the Pre-VLCD Program Vehicle Depreciation Amount with respect to such Lease Vehicle, if any, plus
- (c) if the Program Vehicle Depreciation Assumption True-Up Amount owing with respect to such Lease Vehicle as of such Payment Date is a positive number, then such Program Vehicle Depreciation Assumption True-Up Amount minus all amounts previously paid by the applicable Lessee in respect of such Program Vehicle Depreciation Assumption True-Up Amount, plus
- (d) the Monthly Variable Rent with respect to such Lease Vehicle as of such Payment Date, plus
- (e) the Redesignation to Non-Program Amount, if any, with respect to such Lease Vehicle for such Payment Date.

4.7.2 Subject to Clause 4.7.3 below, on each Payment Date and with respect to the Related Month thereto, after giving full credit for any prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*), each Lessee shall pay to the Lessor an amount equal to the sum of the following amounts with respect to each Lease Vehicle leased by such Lessee hereunder as of any day during such Related Month and the Disposition Date for which occurred during such Related Month:

- (a) the Casualty Payment Amount with respect to such Lease Vehicle, if any, plus

- (b) the Final Base Rent with respect to such Lease Vehicle, if any, plus
- (c) the Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any, plus
- (d) the Non-Program Vehicle Special Default Payment Amount with respect to such Lease Vehicle, if any, plus
- (e) the Early Program Return Payment Amount with respect to such Lease Vehicle, if any, plus
- (f) the Monthly Variable Rent owing with respect to such Lease Vehicle for such Payment Date.

4.7.3 The total amount of Rent payable by the Lessee to the Lessor on each Payment Date shall be adjusted by an amount (positive or negative) as reasonably determined by the Servicer to result in the net income and gains, of the Lessor for the Related Month, calculated in accordance with GAAP, taking into account, inter alia, (i) all interest expenses and other expenses of such Lessor (including, for the avoidance of doubt, such interest and other expenses paid and accrued but not yet paid) (in accordance with GAAP) and (ii) any losses or gains realized as of the last day of the Related Month in respect of the disposal of Non-Program Vehicles by (or on behalf of) the Lessor during such Related Month, being equal to one twelfth of the Spanish Minimum Profit Amount (the "**Rental Adjustment**") provided that the Rental Adjustment shall not result in the Rent being reduced below such amount as is required by the Lessor to make any payments to third parties (including without limitation in respect of interest and other amounts payable to the Spanish Noteholder under the Spanish Note) on such Payment Date.

4.8 Making of Payments

- (a) All payments hereunder shall be made by the applicable Lessee, or by the Servicer or one or more of its Affiliates on behalf of such Lessee, to, or for the account of, the Lessor in immediately available funds, without setoff, counterclaim or deduction of any kind, except as required under Sub-Clause 4.8(f) below.
- (b) All such payments shall be deposited into the Spanish Transaction Account not later than 12:00 noon, London time, on such Payment Date.
- (c) If any Lessee pays less than the entire amount of Rent (or any other amounts) due on any Payment Date, after giving full credit for all prepayments made pursuant to Sub-Clause 4.9 (*Prepayments*) with respect to amounts due on such Payment Date, then the payment received from such Lessee in respect of such Payment Date shall be first applied to the Monthly Variable Rent due on such Payment Date.
- (d) In the event any Lessee fails to remit payment of any amount due under this Agreement on or before the Payment Date or when otherwise due and payable hereunder, the amount not paid will be considered delinquent and such Lessee shall pay default interest with respect thereto at a rate equal to (i) the effective interest rate payable by Spanish FleetCo on any overdue amounts owed by Spanish FleetCo with respect to the Spanish Note or (ii) if no such interest is payable by Spanish FleetCo, EURIBOR plus 1.0%, during the period from the Payment Date on which such delinquent amount was payable until such delinquent amount (with accrued interest) is paid.
- (e) EUR is the currency of account payment for any sum due from one party to another under this Agreement.
- (f) *Tax gross-up:*

- (i) Each Lessee shall make all payments to be made by it under this Agreement without any Tax Deduction, unless a Tax Deduction is a Requirement of Law.
- (ii) Each Lessee shall, promptly upon becoming aware that it is required to make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lessor and the Spanish Security Trustee accordingly.
- (iii) If any Lessee is required by law to make a Tax Deduction, the amount of the payment due by such Lessee shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due to the payee if no Tax Deduction had been required.
- (iv) If any Lessee is required to make a Tax Deduction, such Lessee shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- (v) Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, each Lessee shall deliver to the Lessor and the Spanish Security Trustee evidence reasonably satisfactory to the Lessor that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant Tax Authority.

4.9 Prepayments

On any Business Day, any Lessee, or the Servicer or one or more of its Affiliates on behalf of such Lessee, may, at its option, make a non-refundable payment to the Lessor of all or any portion of the Rent or any other amount that is payable by such Lessee hereunder on the Payment Date occurring in the calendar month of such date of payment or the next succeeding Payment Date, in advance of such Payment Date.

4.10 Ordering and Delivery Expenses

With respect to any Lease Vehicle to be leased by any Lessee hereunder, such Lessee shall pay to or at the direction of the Lessor all applicable costs and expenses of freight, packing, handling, storage, shipment and delivery of such Lease Vehicle and all sales and use tax (if any) to the extent that the same have not been included in the Capitalized Cost of such Lease Vehicle, as such inclusion or exclusion has been reasonably determined by the Servicer.

4.11 [Reserved]

5 VEHICLE OPERATIONAL COVENANTS

5.1 [Reserved]

- 5.1.1** *Maintenance and Repairs.* With respect to any Lessee and the Lease Vehicles leased by such Lessee hereunder, such Lessee shall pay for all maintenance and repairs. Each Lessee will pay, or cause to be paid, all usual and routine expenses incurred in the use and operation of Lease Vehicles leased by such Lessee hereunder including, but not limited to, fuel, lubricants, and coolants. Any improvements or additions to any Lease Vehicles shall become and remain the property of the Lessor, except that any addition to any Lease Vehicle made by any Lessee shall remain the property of such Lessee if such addition can be disconnected from such Lease Vehicle without impairing the functioning of such Lease Vehicle or its resale value, excluding such addition.

5.1.2 *Insurance.* Each Lessee shall:

- (i) arrange for the following insurances to be effected and maintained until the Lease Expiration Date:
 - (A) for the Lessor, for itself and, to the extent each or any of the Lessor or a Lessee is required to do so as a Requirement of Law in the jurisdiction in which each or any of the Lessor or a Lessee is located, for any other Person, insurance cover which is a Requirement of Law, including providing protection against:
 - (1) liability in respect of bodily injury or death caused to third parties; and
 - (2) loss or damage to property belonging to third parties,in each case arising out of the use of any Lease Vehicle at or above any applicable minimum limits of indemnity/liability as a Requirement of Law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry (the “**Motor Third Party Liability Cover**”); and
 - (B) for the Lessor, the Spanish Security Trustee and itself, insurance cover providing protection against public and product liability in respect of Vehicles which the Lessor leases to the Lessees in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry (the “**Public/Product Liability Cover**”),

(each an “**Insurance Policy**” and, together the “**Insurance Policies**”), in each case with licensed insurance companies or underwriters;
- (ii) use reasonable endeavors to ensure that the Motor Third Party Liability Cover is endorsed by a non-vitiating clause substantially in the form as set out in Part A (*Non-vitiating endorsement*) of Schedule I (*Common Terms of Motor Third Party Liability Cover*);
- (iii) use reasonable endeavors to ensure that the Motor Third Party Liability Cover is endorsed by a severability of interest clause substantially in the form as set out in Part B (*Severability of interest*) of Schedule I (*Common Terms of Motor Third Party Liability Cover*);
- (iv) use reasonable endeavors to ensure that the Motor Third Party Liability Cover is endorsed by a “non-payment of premium” clause substantially in the form as set out in Part C (*Notice of non-payment of premium to be sent to the Spanish Security Trustee*) of Schedule I (*Common Terms of Motor Third Party Liability Cover*);
- (v) upon knowledge of the occurrence of an event giving rise to a claim under any of the Insurance Policies, arrange for a claim to be filed with the relevant insurance company or underwriters and provide assistance in attempting to bring the claim to a successful conclusion;
- (vi) ensure that the Insurance Policies are renewed or (as the case may be) replaced in a timely manner and shall pay premiums promptly and in accordance with the requirements of the relevant Insurance Policy;
- (vii) notify the Lessor and the Spanish Security Trustee of any material changes to either a Lessee’s or the Lessor’s insurance coverage under any of the Insurance Policies;

- (viii) promptly notify the Lessor and the Spanish Security Trustee of:
 - (A) any notice of threatened cancellation or avoidance of any of the Insurance Policies received from the relevant insurer; and
 - (B) any failure to pay premiums to the insurer or broker in accordance with the terms of any such Insurance Policies;
- (ix) if any of the Insurance Policies are not kept in full force and effect, and/or if a Lessee fails to pay any premiums thereunder, the Lessor has the right, but no obligation, to replace the relevant Insurance Policy or to pay the premiums due (if permitted under the relevant Insurance Policy), as the case may be, and in either case, the Lessee shall indemnify the Lessor for the amount of any premium and any Liabilities incurred in relation to replacement of the relevant Insurance Policy or payment of the premiums due by the Lessor, as the case may be (such indemnity shall be immediately due and payable by such Lessee);
- (x) retain custody of the original Insurance Policy documents and any correspondence regarding claims in respect of any of the Insurance Policies affecting the Lessor and shall supply the original Insurance Policy documents only (but not any claims correspondence) to the Spanish Liquidation Co-ordinator and (if so requested) supply the Lessor and the Spanish Security Trustee with copies thereof;
- (xi) comply, and use reasonable endeavors to ensure that any Affiliate to which a Lease Vehicle has been sub-leased pursuant to this Agreement and any sub-contractor, if any and to the extent required, complies, with the terms and conditions of the Insurance Policies, and shall not consent to, or voluntarily permit any act or omission which might invalidate or render unenforceable the whole or any part of the Insurance Policies;
- (xii) in respect of the Public/Product Liability Cover, if such insurance is obtained through a placing broker (or such placing broker is replaced with another), use reasonable endeavors to obtain a letter of undertaking substantially in the form set out in Schedule II (*Insurance Broker Letter of Undertaking*) Part A (*Public/Product Liability Cover*); and
- (xiii) in respect of the Motor Third Party Liability Cover, if such insurance is obtained through a placing broker (or such placing broker is replaced with another), use reasonable endeavors to obtain a letter of undertaking substantially in the form set out in Schedule II (*Insurance Broker Letter of Undertaking*) Part B (*Motor Third Party Liability*).

5.1.3 *Ordering and Delivery Expenses.* Each Lessee shall be responsible for the payment of all ordering and delivery expenses as set forth in Sub-Clause 4.10 (*Ordering and Delivery Expenses*).

5.1.4 *Fees; Traffic Summonses; Penalties and Fines.* With respect to any Lessee and the Lease Vehicles leased by such Lessee hereunder, and notwithstanding the fact that the Lessor is the legal owner of any Spanish Vehicle, each Lessee shall be responsible for the payment of all registration fees, title fees, license fees or other similar governmental fees and taxes, all costs and expenses in connection with the transfer of title of, or reflection of the interest of any security holder in, any Lease Vehicle, traffic summonses, penalties, judgments and fines incurred with respect to any Lease Vehicle during the Vehicle Term for such Lease Vehicle or imposed during the Vehicle Term for such Lease Vehicle by any Governmental Authority with respect to such Lease Vehicles and any premiums relating to any of the Insurance Policies under Sub-Clause 5.1.2 (*Insurance*) above, in connection with such Lessee's operation of such Lease Vehicles. The Lessor may, but is not required to, make any and all payments pursuant to this Sub-Clause 5.1.4 (*Fees; Traffic Summonses; Penalties and Fines*) on behalf

of such Lessee, provided that, such Lessee will reimburse the Lessor in full for any and all payments made pursuant to this Sub-Clause 5.1.4.

- 5.1.5** Provide a list of registered Vehicles to the Board of Directors upon the Board of Directors' reasonable request, which shall be limited to a maximum of two requests per calendar year.
- 5.1.6** *Licences, authorizations, consents and approvals.* Each Lessee shall obtain and maintain for so long as it leases Lease Vehicles hereunder, all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and for the purposes of the transactions contemplated by this Agreement, except to the extent that the failure is not reasonably likely to result in a Material Adverse Effect.
- 5.1.7** *Landlord's lien.* Each Lessee shall use reasonable efforts to discharge any lien or pledge created in favour of a vehicle garage which is in possession of any Lease Vehicle in relation to any maintenance work.

5.2 Vehicle Use

5.2.1 Each Lessee may use Lease Vehicles leased hereunder in connection with its car rental business, including use by such Lessee's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, subject to Sub-Clause 6.1 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*), Sub-Clause 8.6 (*Preservation of rights*) and Clause 8.6 (*Default and Remedies Therefor*) hereof and Sub-Clause 10.2 (*Rights of the Spanish Security Trustee upon Amortization Event or Certain Other Events of Default*) of the Spanish Facility Agreement. Each Lessee agrees to possess, operate and maintain each Lease Vehicle leased to it in a manner consistent with how such Lessee would possess, operate and maintain such Vehicle were such Lessee the beneficial owner of such Lease Vehicle.

5.2.2 In addition to the foregoing, each Lessee may sublet Lease Vehicles to any of:

- (A)** any Person(s), so long as (i) the sublease of such Lease Vehicles satisfies the Non-Franchisee Third Party Sublease Contractual Criteria, (ii) the Lease Vehicles being subleased are being used in connection with such Person(s)' business and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(A) (*Vehicle Use*) does not exceed one (1) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
- (B)** any franchisee of any Affiliate of any Lessee (and which franchisee, for the avoidance of doubt, may be an Affiliate of any Lessee), so long as (i) the sublease of such Lease Vehicles satisfies the Franchisee Sublease Contractual Criteria, (ii) such franchisee meets the normal credit and other approval criteria for franchises of such Affiliate and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased pursuant to this Sub-Clause 5.2.2(B) (*Vehicle Use*) at any one time does not exceed five (5) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
- (C)** any Affiliate of any Lessee located in the same jurisdiction as the jurisdiction in which the Lessee is incorporated, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities and (iii) the aggregate Net Book Value of the Lease Vehicles being

subleased at any one time pursuant to this Sub-Clause 5.2.2(C) does not exceed five (5) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement;

- (D) subject to the provisions of Sub-Clause 5.2.2(E) below, any Affiliate of any Lessee in a jurisdiction different than the jurisdiction where the Lessee is located (other than France), so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower FleetCo Class A Baseline Advance Rate in respect of the relevant FleetCo AAA Component, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant Affiliate to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(D) does not exceed one (1) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement and (v) following a Level 1 Minimum Liquidity Test Breach, the subleases of such Lease Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant Affiliate, with all proceeds of such sale to be deposited into the Spanish Collection Account; and
- (E) in addition to the provisions of Sub-Clause 5.2.2(D) above, the OpCos located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as (i) the sublease of such Lease Vehicles to such OpCo states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) any Lease Vehicles being so subleased must be Non-Program Vehicles, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower of FleetCo Class A Baseline Advance Rate in respect of the relevant Eligible Investment Grade Non-Program Vehicle Amount or Eligible Non-Investment Grade Non-Program Vehicle Amount, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant OpCo to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(E) (*Vehicle Use*), sub-clause 5.2.2. (E) of the Dutch Master Lease Agreement, sub-clause 5.2.2 (E) of the French Master Lease Agreement and sub-clause 5.2.2 (E) of the German Master Lease Agreement, together with the Net Book Value of the Lease Vehicles being subleased pursuant to Sub-Clause 5.2.2(D) (*Vehicle Use*), sub-clause 5.2.2. (D) of the Dutch Master Lease, sub-clause 5.2.2 (D) of the French Master Lease and sub-clause 5.2.2 (D) of the German Master Lease, does not exceed the lower of (1) ten (10) per cent. of the aggregate Net Book Value of all Eligible Vehicles at any one time or (2) EUR 70,000,000 in total and provided that, in respect of Germany, individually, this should not exceed EUR 16,000,000, (v) the Lease Vehicles being so subleased are being used in connection with such OpCo's business, including use by such OpCo's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities; and (vi) following a Level 1 Minimum Liquidity Test Breach, the sublease of such Leased Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant OpCo on the Servicer's behalf, with all proceeds of such sale to be deposited into the Spanish Collection Account.

With respect to any Lease Vehicles subleased pursuant to this Sub-Clause 5.2.2 (*Vehicle Use*) that meet the conditions of both the preceding paragraphs (A) and (B), as of any date of determination, the Servicer will determine which such Lease Vehicles shall count towards the

calculation of the percentage of aggregate Net Book Value in which of the preceding paragraphs (A) or (B) as of such date; provided that, no such individual Lease Vehicle shall count towards the calculation of the percentage of aggregate Net Book Value with respect to both paragraphs (A) and (B) as of such date.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (A) or (B) and the sublessee of each such Lease Vehicle (in addition to details on the Manufacturer of such Lease Vehicle and if such Lease Vehicle is designated as Program Vehicle or Non-Program Vehicle), in each case, as of the last day of the immediately preceding calendar month, each of which deliveries may be satisfied by the applicable Lessee posting such list to a password protected website made available to the Servicer or by any other reasonable means of electronic transmission (including by e-mail, file transfer protocol or otherwise) and may be so delivered directly by the applicable Lessee or on its behalf by any agent or designee of such Lessee.

On the first day of each calendar month, each Lessee shall deliver to the Servicer a list identifying each Lease Vehicle subleased by such Lessee pursuant to the preceding paragraphs (C) to (E) and the sublessee of each such Lease Vehicle (in addition to details on the Manufacturer of such Lease Vehicle and if such Lease Vehicle is designated as Program Vehicle or Non-Program Vehicle), in each case, as of the last day of the immediately preceding calendar month, each of which deliveries will be satisfied by the Servicer having actual knowledge of each such subleased Lease Vehicle and the related sublessee to whom such Lease Vehicle was then being subleased.

The sublease of any Lease Vehicles permitted by this Clause 5 (*Vehicle Operational Covenants*) shall not release any Lessee from any obligations under this Agreement.

5.3 Non-Disturbance

With respect to any Lessee, so long as such Lessee satisfies its obligations hereunder, its quiet enjoyment, possession and use of the Lease Vehicles will not be disturbed during the Term subject, however, to Sub-Clause 6.1 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*), Sub-Clause 8.6 (*Preservation of rights*) and Clause 8.6 (*Default and Remedies Therefor*) hereof and except that the Lessor and the Spanish Security Trustee each retain the right, but not the duty, to inspect the Lease Vehicles leased by such Lessee without disturbing such Lessee's business.

5.4 Manufacturer's Warranties

If a Lease Vehicle is covered by a Manufacturer's warranty, the Lessee, during the Vehicle Term for such Lease Vehicle, shall have the right to make any claims under such warranty that the Lessor could make.

5.5 Program Vehicle Condition Notices

Upon the occurrence of any event or condition with respect to any Lease Vehicle that is then designated as a Program Vehicle that would reasonably be expected to result in a redesignation of such Lease Vehicle pursuant to Sub-Clause 2.5(a)(ii) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle shall notify the Lessor and the Servicer of such event or condition in the normal course of operations.

6 SERVICER FUNCTIONS AND COMPENSATION

6.1 Servicer Appointment

Spanish FleetCo has appointed the Servicer in accordance with this Agreement to provide the services in accordance with the terms of this Agreement and the Servicer has accepted such appointment. In connection with the rights, powers and discretions conferred on the Servicer under this Agreement, the Servicer shall have the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary in relation to the exercise of such rights, powers and discretions in respect of the performance of the relevant services.

6.2 Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing

- (a) With respect to any Lease Vehicle returned by any Lessee pursuant to Sub-Clause 2.4 (*Return*), the Servicer shall direct such Lessee as to the return location with respect to such Lease Vehicle. The Servicer shall act as the Lessor's agent in returning or otherwise disposing of each Lease Vehicle on the Vehicle Lease Expiration Date with respect to such Lease Vehicle, in each case in accordance with the Servicing Standard.
- (b) Upon the Servicer's receipt of any Program Vehicle returned by any Lessee pursuant to Sub-Clause 2.4 (*Return*), the Servicer shall return such Program Vehicle to the nearest related Manufacturer's designated return facility or official auction or other facility designated by such Manufacturer at the sole expense of the Lessee thereof unless paid or payable by the Manufacturer thereof in accordance with the terms of the related Manufacturer Program.
- (c) With respect to any Lease Vehicle that is (i) a Non-Program Vehicle and is returned to or at the direction of the Servicer pursuant to Sub-Clause 2.4 (*Return*) or (ii) becomes a Rejected Vehicle, the Servicer shall arrange for the disposition of such Lease Vehicle in accordance with the Servicing Standard.
- (d) In connection with the disposition of any Lease Vehicle that is a Program Vehicle, the Servicer shall comply with the Servicing Standard in connection with, among other things, the delivery of any documents of transfer signed as necessary, signed condition reports and signed odometer statements to be submitted with such Program Vehicles returned to a Manufacturer pursuant to Sub-Clause 2.4 (*Return*) and accepted by or on behalf of the Manufacturer at the time of such Program Vehicle's return.
- (e) With respect to each Payment Date, each Lessee and the Lease Vehicles leased by each such Lessee hereunder, the Servicer shall calculate all Depreciation Charges, Rent, Casualty Payment Amounts, Program Vehicle Special Default Payment Amounts, Non-Program Vehicle Special Default Payment Amounts, Early Program Return Payment Amounts, Redesignation to Non-Program Amounts, Redesignation to Program Amounts, Program Vehicle Depreciation Assumption True-Up Amounts, Pre-VLCD Program Vehicle Depreciation Amounts, Assumed Remaining Holding Periods, Capitalized Costs, Accumulated Depreciation and Net Book Values. With respect to each Payment Date, the Servicer shall aggregate each Lessee's Rent due on all Lease Vehicles leased by such Lessee, together with any other amounts due to the Lessor from such Lessee and any credits owing to such Lessee, and provide to the Lessor and such Lessee a monthly statement of the total amount, in a form reasonably acceptable to the Lessor, no later than the Determination Date with respect to such Payment Date.
- (f) Upon the occurrence of a Liquidation Event, the Servicer shall dispose of any Lease Vehicles in accordance with the instructions of the Lessor or the Spanish Security Trustee. To the extent the Servicer fails to so dispose of any such Lease Vehicles, the Lessor and the Spanish Security Trustee shall have the right to otherwise dispose of such Lease Vehicles.

- (g) In each case, in accordance with the Servicing Standard, the Servicer shall:
- (i) designate (or redesignate, as the case may be) Spanish Vehicles on its computer systems as being leased hereunder;
 - (ii) direct payments due in connection with the Manufacturer Programs with respect to Program Vehicles to be deposited directly into the Spanish Collection Account;
 - (iii) direct that: (A) all sale proceeds received by the Servicer from sales of Spanish Vehicles (other than in connection with any related Manufacturer Program) are directly deposited; and (B) if a Spanish Leasing Company Amortization Event with respect to Spanish FleetCo has occurred and is continuing, that insurance proceeds and warranty payments in respect of such Spanish Vehicles are received directly by the Lessor (as the case may be), in each case into the Spanish Collection Account;
 - (iv) furnish the Servicer Report as provided in Sub-Clause 6.8 (*Servicer Records and Servicer Reports*);
 - (v) subject to Clause 2.5(a) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignation*), comply with any obligation to return vehicles to the Manufacturer in accordance with the relevant Manufacturer Program; and
 - (vi) otherwise administer and service the Lease Vehicles.
- (h) The Servicer shall have full power and authority, acting alone or through any party properly designated by it hereunder (including, without limitation, the related Sub-Servicers, if any, applied pursuant to Sub-Clause 6.7 (*Sub-Servicers*) below) to do any and all things in connection with its servicing and administration duties that it may deem necessary or desirable to accomplish such servicing and administration duties and that does not materially adversely (in the opinion of the Spanish Security Trustee) affect the interests of the Lessor or the Noteholders. Any permissive right of the Servicer contained in this Agreement shall not be construed as a duty.

6.3 Required Contractual Criteria

- (a) The Servicer shall, prior to the expiry of a Vehicle Purchasing Agreement to which Spanish FleetCo is a party, commence negotiations with the relevant Manufacturers and Dealers on behalf of Spanish FleetCo to renew such Vehicle Purchasing Agreement (where a renewal of the Vehicle Purchasing Agreement is sought) and in circumstances where entry into a Vehicle Purchasing Agreement with a new Manufacturer or Dealer is sought (subject to the conditions below) the Servicer shall negotiate the terms of such new Vehicle Purchasing Agreement on behalf of Spanish FleetCo including, without limitation, the Required Contractual Criteria (or seeking a waiver from the Spanish Security Trustee in relation to any deviations from the Required Contractual Criteria, provided that the Spanish Security Trustee shall not under any circumstance grant a waiver in respect of a deviation from the substance of paragraphs 1.5 and 1.6 of the Required Contractual Criteria). The Spanish Security Trustee shall grant a waiver in respect of any deviation from paragraph 1.3 of the Required Contractual Criteria such that the bonus payments or other amounts described in paragraph 1.3 of the Required Contractual Criteria are to be payable to or for the account of Spanish FleetCo, provided that each of the following requirements is met:

- (i) it receives the approval of the Spanish Security Trustee acting at the written direction of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed); and
 - (ii) subject to usual qualifications or reservations, the Servicer provides the Spanish Security Trustee with satisfactory legal, taxation and accounting reports or opinions establishing that the deviation will not affect the insolvency remoteness of Spanish FleetCo nor materially increase the tax liability of Spanish FleetCo.
- (b) With respect to Non-Program Vehicles only and in circumstances where Vehicles are to be acquired from a Dealer where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer that complies with the Required Contractual Criteria or an Auction Seller, the Servicer shall be able to negotiate with such Dealer or Auction Seller the terms of a new Vehicle Purchasing Agreement or Vehicle Purchasing Agreements on behalf of the Spanish FleetCo without being required to comply with the Required Contractual Criteria, provided that each of the following requirements is met:
 - (i) the number of Non-Program Vehicles acquired pursuant to such Vehicle Purchasing Agreement or Vehicle Purchasing Agreements with a single Dealer in a single or series of related transactions or Auction Seller in a single or series of transactions in the same auction process shall not exceed 50 Non-Program Vehicles;
 - (ii) at any time of determination, the aggregate Net Book Value of such Non-RCC Compliant Eligible Vehicles shall not be more than EUR 10,000,000; and
 - (iii) the Vehicle Purchasing Agreement provides that there is an absolute transfer of title of the Non-Program Vehicle from the relevant Dealer or Auction Seller to the Spanish FleetCo, immediately following the payment of the purchase price of the Non-Program Vehicle, and the Spanish FleetCo shall not under any circumstances have any obligations of any nature in favour of such Dealer or Auction Seller under the relevant Vehicle Purchasing Agreement following such payment.
- (c) With respect to Non-Program Vehicles only and during the Revolving Period, the Servicer shall be able to negotiate on behalf of the Spanish FleetCo the terms of an Intra-Group Vehicle Purchasing Agreement with other FleetCos or OpCos or other Affiliates of the Spanish FleetCo located in a different jurisdiction than the jurisdiction where the FleetCo is located, for the purchase of Non-Program Vehicles, provided that the following requirements are satisfied at all times:
 - (i) the purchase price to be paid for the purchase of the Non-Program Vehicles shall be the Net Book Value (as determined under US GAAP) of such Non-Program Vehicle;
 - (ii) an Intra-Group Vehicle Purchasing Agreement for Non-Program Vehicle shall be entered into each time any such Non-Program Vehicle is acquired pursuant to this Sub-Clause, in form and substance substantially the same as the template Intra-Group Vehicle Purchasing Agreement set out in Schedule VI (*Draft Intra-Group Vehicle Purchasing Agreement*);
 - (iii) once a Non-Program vehicle is acquired by the Spanish FleetCo pursuant to an Intra-Group Vehicle Purchasing Agreement, the same Non-Program

Vehicle may not be transferred or sold to any other FleetCo or Opco or other Affiliates of the Spanish FleetCo other than the disposal of such Non-Program vehicle at the expiry of the relevant Lease Term, and

- (iv) following a Level 1 Minimum Liquidity Breach, the Servicer shall be able to negotiate on behalf of the Spanish FleetCo the terms of an intra-group vehicle sale agreement with other FleetCos or OpCos.
- (d) The purchase of vehicles between Fleetcos and OpCos pursuant to the above paragraph shall cease if a Level 1 Minimum Liquidity Test Breach occurs.

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Sub-Clause 6.2 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

In addition, where necessary to enable the Servicer to deliver the services hereunder, for such purposes the Lessor authorises the Servicer to process personal data on behalf of the Lessor in accordance with this Sub-Clause 6.4 (*Servicing Standard and Data Protection*). When the Servicer processes such personal data, the Servicer shall take appropriate technical and organisational measures designed to protect against unauthorised or unlawful processing or personal data and against accidental loss or destruction of, or damage to, personal data. In particular, the Servicer shall process personal data only for the purposes contemplated by this Agreement and shall act only on the instructions of the Lessor (given for such purposes) and shall comply at all times with the principles and provisions set out in the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (and any subsequent amendments thereto) as if applicable to the Servicer directly and any other applicable laws. The Servicer shall answer the reasonable enquiries of the Lessor to enable the Lessor to monitor the Servicer's compliance with this Sub-Clause 6.4 (*Servicing Standard and Data Protection*) and the Servicer shall not sub-contract its processing of personal data without the prior written consent of the Lessor.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Spanish OpCo acts as Servicer of the Lessor pursuant to this Agreement, and, in such capacity, as the agent of the Lessor, for purposes of performing certain duties of the Lessor under this Agreement and the Spanish Related Documents.

6.6 Servicer's Monthly Fee

- (a) As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**Spanish Monthly Servicing Fee**") equal to one-twelfth of the Spanish Servicing Fee and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Sub-Clause 2.4(a) (*Lessee Right to Return*); provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.
- (b) All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and

clear of and without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set-off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegee, in such capacity, a "**Sub-Servicer**") the performance of part (but not all) of the Servicer's obligations as Servicer pursuant to this Agreement on the condition that:

- (a) the Servicer shall maintain up-to-date records of the Servicer's obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;
- (b) in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;
- (c) the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;
- (d) the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer's obligations under this Agreement;
- (e) any breach in the performance of the Servicer's obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of fourteen (14) Business Days of the earlier of:
 - (i) the Servicer becoming aware of the breach; and
 - (ii) receipt by the Servicer of written notice from the Lessor or the Spanish Security Trustee requiring the same to be remedied; and
- (f) neither the Lessor nor the Spanish Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer.

6.8 Servicer Records and Servicer Reports

- (a) On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the "**Servicer Records**"), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.
- (b) On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the Spanish Security Trustee the Servicer Records as of such date, which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the Spanish Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

- (c) On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the Spanish Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Sub-Clauses 6.8(a) and (b) (*Servicer Records and Servicer Reports*) since the preceding Business Day (such schedule as delivered each Business Day, a "**Servicer Report**"), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the Spanish Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.9 Powers of Attorney

Spanish FleetCo will grant immediately after the Closing Date and in any event within the following two Business Days after the Closing Date in favor of relevant persons within Spanish OpCo, the relevant power of attorney in substantially the form of Schedule V hereto, with faculties of delegation, so that they can bind Spanish FleetCo vis-à-vis third parties in relation to the service to be provided hereunder by the Servicer to Spanish FleetCo. Such power of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement or when the Lessor terminates such power of attorney.

6.10 Servicer's agency limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent Spanish FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorized to perform and discharge by this Agreement and for the period during which this Agreement so authorizes it to perform and discharge those functions and duties.

6.11 Resignation of Servicer

The Servicer may, by giving not less than fourteen (14) days' written notice to Spanish FleetCo and the Spanish Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the Spanish Facility Agreement are being repaid in full, a replacement Servicer satisfactory to Spanish FleetCo and the Spanish Security Trustee has been or will, simultaneously with the termination of the Servicer's appointment under this Agreement, be appointed (it being understood that it is Spanish FleetCo's obligation and not the Spanish Security Trustee's obligation to negotiate and make such appointment).

6.12 Tax certificate

As established in article 43.1.(f) of the Spanish General Tax Law 58/2003, of 17 December, the Servicer shall provide the Lessor with the relevant certificate issued by the Spanish Tax Authorities once every twelve months confirming that the Servicer has no pending tax obligations. Such certificates shall make reference to the Lessor as recipient of the services rendered by the Servicer and the fact that the issuance of such certificate has been made in order to avoid the secondary liability as established in article 43.1.(f) of the Spanish General Tax Law 58/2003, of 17 December.

6.13 Labor and Social Security information

The Servicer shall:

- (a) provide the Lessor on a quarterly basis during the term of this Agreement with updated certificates of compliance issued by the General Treasury of the Social Security which evidence its fulfillment with its social security payment obligations;

- (b) upon the request of the Lessor the Spanish Security Trustee at any time during the life of this Agreement, and upon 15 days written prior notice (but no more than once within a calendar month), provide the social security contribution bulletins corresponding to its employees; and
- (c) during normal business hours and upon 15 days prior written notice, provide to the Lessor, the Spanish Security Trustee, all documentary evidence of its fulfillment of its relevant labor payment obligations.

7 CERTAIN REPRESENTATIONS AND WARRANTIES

Spanish OpCo, as Lessee, represents and warrants to the Lessor and the Spanish Security Trustee that as of the Closing Date, and as of each Vehicle Lease Commencement Date, and each Additional Lessee represents and warrants to the Lessor and the Spanish Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organization; Power; Qualification

Such Lessee has been duly formed and is validly existing as a corporation, limited liability company or trust under the laws of its jurisdiction of organization, with corporate power under the laws of such jurisdiction to execute and deliver this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorization; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorized, executed and delivered on behalf of such Lessee and, assuming due authorization, execution and delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally or by general equitable principles, whether considered in a proceeding at law or in equity or by an implied covenant of good faith and fair dealing).

7.3 Compliance

The execution, delivery and performance by such Lessee of this Agreement and the Spanish Related Documents to which it is a party will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any security, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the Spanish Related Documents pursuant to the terms of, any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the certificate of incorporation or the by-laws of the Lessee.

7.4 Governmental Approvals

There is no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the Spanish Related Documents

(other than such consents, approvals, authorizations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorization, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 Spanish Supplemental Documents True and Correct

All information contained in any material Spanish Supplemental Document that has been submitted, or that may hereafter be submitted by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

8 CERTAIN AFFIRMATIVE COVENANTS

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the Spanish Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the Spanish Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to (i) maintain and preserve its limited liability existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

- (a) Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other Spanish Collateral;
- (b) At any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the Spanish Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the Spanish Security Trustee (or such other Person who may be designated from time to time by the Lessor or the Spanish Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other Spanish Collateral;
- (c) Permit any of the Lessor, the Spanish Security Trustee or the Issuer Security Trustee ((whose instructions, in turn, have been obtained in accordance with the terms of the

Spanish Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the Spanish Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the Spanish Security Trustee or the Issuer Security Trustee may reasonably request;

- (d) Upon the request of the Lessor, the Spanish Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the Spanish Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the Spanish Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and
- (e) During normal business hours and with prior notice of at least three (3) Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the Spanish Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled,

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Sub-Clause 8.2 (*Books, Records, Inspections and Access to Information*) that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisors, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the Spanish Security Trustee:

- (a) no later than the prescribed statutory deadline required by its articles of association and in any event by no later than 270 calendar days after the end of each financial year, its audited Annual Financial Statements together with the related auditors' report(s);
- (b) promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the Spanish Security Trustee pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on Spanish OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the Spanish Security Trustee from time to time) or (ii) on which such documents are posted on Spanish OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the Spanish Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the Spanish Security Trustee).

8.6 Preservation of rights

Preserve and/or exercise and/or enforce its rights and/or shall procure that the same are preserved, exercised or enforced on its behalf (including by the Spanish Security Trustee) in respect of the Spanish Vehicles, including but not limited to promptly notifying any Insolvency Official of a Manufacturer or Dealer of any retention of title existing in respect of one or more Spanish Vehicles in favour of the Lessor.

9 DEFAULT AND REMEDIES THEREFOR

9.1 Events of Default

Any one or more of the following will constitute an event of default (a "**Lease Event of Default**") as that term is used herein:

- 9.1.1** there occurs a default in the payment of any Rent or other amount payable by any Lessee under this Agreement unless such default in the payment is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;
- 9.1.2** any unauthorized assignment or transfer of this Agreement by any Lessee occurs;
- 9.1.3** the failure of any Lessee to observe or perform any other covenant, condition, agreement or provision hereof, including, but not limited to, usage, and maintenance that in any such case has a Lease Material Adverse Effect, and such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice thereof is delivered by the Lessor or the Spanish Security Trustee to such Lessee or the date an Authorized Officer of such Lessee obtains actual knowledge thereof;
- 9.1.4** if (i) any representation or warranty made by any Lessee herein is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing furnished by or on behalf of any Lessee to the Lessor or the Spanish Security Trustee is false or misleading on the date as of which the facts therein set forth are stated or certified, (ii) such inaccuracy, breach or falsehood has a Lease Material Adverse Effect, and (iii) the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the Spanish Security Trustee to the applicable Lessee and (y) the date an Authorized Officer of the applicable Lessee learns of such circumstance or condition;
- 9.1.5** an Event of Bankruptcy occurs with respect to Hertz or with respect to any Lessee;

- 9.1.6** this Agreement or any portion thereof ceases to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the Spanish Related Documents) or a proceeding shall be commenced by any Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to any Lessee that at such time is not leasing any Lease Vehicles hereunder;
- 9.1.7** a Servicer Default occurs; or
- 9.1.8** a Liquidation Event occurs.

For the avoidance of doubt, with respect to any Potential Lease Event of Default or Lease Event of Default, if the event or condition giving rise (directly or indirectly) to such Potential Lease Event of Default or Lease Event of Default, as applicable, ceases to be continuing (through cure, waiver or otherwise), then such Potential Lease Event of Default or Lease Event of Default, as applicable, will cease to exist and will be deemed to have been cured for every purpose under the Spanish Related Documents.

- 9.2** Effect of Lease Event of Default. If any Lease Event of Default set forth in Sub-Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, the Lessee's right of possession with respect to any Lease Vehicles leased hereunder shall be subject to the Lessor's option to terminate such right as set forth in Sub-Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 Rights of Lessor and Spanish Security Trustee Upon Lease Event of Default

- 9.3.1** If a Lease Event of Default shall occur and be continuing, then the Lessor may proceed by appropriate court action or actions, either at law or in equity, to enforce performance by any Lessee of the applicable covenants and terms of this Agreement or to recover damages for the breach hereof calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*).

- 9.3.2** If any Lease Event of Default set forth in Sub-Clauses 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, then (i) subject to the terms of this Clause 9.3.2, the Lessor or the Spanish Security Trustee (acting on the written instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed)) shall have the right to serve notice on the other parties hereto, a "**Master Lease Termination Notice**", and following service of such notice shall have the right to (a) to terminate any Lessee's rights of use and possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee, (b) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder and (c) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use or dispose of such Lease Vehicles for any purpose whatsoever and (ii) the Lessees, at the request of the Lessor or the Spanish Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed), shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the Spanish Security Trustee as the case may be.

The Lessor may not validly serve a Master Lease Termination Notice unless such decision to serve the Master Lease Termination Notice has been approved by any independent director (as defined in the relevant constitutional documents of the Lessor) on the board of directors of the Lessor.

9.3.3 Each and every power and remedy hereby specifically given to the Lessor will be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law, in equity or in bankruptcy and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor; *provided, however*, that the measure of damages recoverable against such Lessee will in any case be calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*). All such powers and remedies will be cumulative, and the exercise of one will not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder will impair any such power or remedy or will be construed to be a waiver of any default or any acquiescence therein; *provided that*, for the avoidance of doubt, any exercise of any such right or power shall remain subject to each condition expressly specified in any Related Document with respect to such exercise. Any extension of time for payment hereunder or other indulgence duly granted to any Lessee will not otherwise alter or affect the Lessor's rights or the obligations hereunder of such Lessee. The Lessor's acceptance of any payment after it will have become due hereunder will not be deemed to alter or affect the Lessor's rights hereunder with respect to any subsequent payments or defaults therein.

9.4 Liquidation Event and Non-Performance of Certain Covenants

- (a)** If a Liquidation Event shall have occurred and be continuing, the Spanish Security Trustee and the Issuer Security Trustee shall have the rights against each Lessee and the Spanish Collateral provided in the Spanish Security Trust Deed and Issuer Security Trust Deed, upon a Liquidation Event, including, in each case, the right to serve a Master Lease Termination Notice on the other parties hereto and following service of such notice shall have the right (i) to terminate any Lessee's rights of possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee (ii) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder and (iii) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever.
- (b)** During the continuance of a Liquidation Event, the Servicer shall return any or all Lease Vehicles that are Program Vehicles to the related Manufacturers in accordance with the instructions of the Lessor. To the extent any Manufacturer fails to accept any such Program Vehicles under the terms of the applicable Manufacturer Program, the Lessor shall have the right to otherwise dispose of such Program Vehicles and to direct the Servicer to dispose of such Program Vehicles in accordance with its instructions.
- (c)** Notwithstanding the exercise of any rights or remedies pursuant to this Sub-Clause 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*), the Lessor will, nevertheless, have a right to recover from such Lessee any and all amounts (for the avoidance of doubt, as limited by Sub-Clause 9.5 (*Measure of Damages*)) as may be then due.
- (d)** In addition, following the occurrence of a Liquidation Event, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-a-vis each Lessee, necessary or desirable to allow the Spanish Security Trustee to exercise the rights, remedies, powers, privileges and claims given to the Spanish Security Trustee pursuant to Sub-Clause 10.2 (*Rights of the Spanish Security Trustee upon Amortization Event or Certain Other Events of Default*) of the Spanish Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the Spanish Security Trustee pursuant to Clause 10 of the Spanish Facility Agreement

and that the Spanish Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.

- (e) The Spanish Security Trustee may only take possession of, or exercise any of the rights or remedies specified in this Agreement with respect to, such number of Lease Vehicles necessary to generate disposition proceeds in an aggregate amount sufficient to pay the Spanish Note with respect to which a Liquidation Event is then continuing as set forth in the Issuer Facility Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been pledged to secure such Spanish Note.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the Spanish Security Trustee exercises the remedies granted to the Lessor or the Spanish Security Trustee under Sub-Clause 8.6 (*Preservation of rights*), this Clause 9 (*Default and Remedies Therefor*) or Sub-Clause 10.2 of the Spanish Facility Agreement, the amount that the Lessor shall be permitted to recover from any Lessee as payment shall be equal to:

- (a) all Rent for each Lease Vehicle leased by such Lessee hereunder to the extent accrued and unpaid as of the earlier of the date of the return to the Lessor of such Lease Vehicle or disposition by the Servicer of such Lease Vehicle in accordance with the terms of this Agreement and all other payments payable under this Agreement by such Lessee, accrued and unpaid as of such date; *plus*
- (b) any reasonable out-of-pocket damages and expenses, including reasonable attorneys' fees and expenses that the Lessor or the Spanish Security Trustee will have sustained by reason of such a Lease Event of Default or Liquidation Event, together with reasonable sums for such attorneys' fees and such expenses as will be expended or incurred in the seizure, storage, rental or sale of the Lease Vehicles leased by such Lessee hereunder or in the enforcement of any right or privilege hereunder or in any consultation or action in such connection, in each case to the extent reasonably attributable to such Lessee; *plus*
- (c) interest from time to time on amounts due from such Lessee and unpaid under this Agreement at EURIBOR *plus* 1.0% computed from the date of such a Lease Event of Default or Liquidation Event or the date payments were originally due to the Lessor by such Lessee under this Agreement or from the date of each expenditure by the Lessor or the Spanish Security Trustee, as applicable, that is recoverable from such Lessee pursuant to this Clause 8.6 (*Default and Remedies Therefor*), as applicable, to and including the date payments are made by such Lessee.

9.6 Servicer Default

Any of the following events will constitute a default of the Servicer (a "**Servicer Default**") as that term is used herein:

- (a) the failure of the Servicer to comply with or perform any provision of this Agreement or any other Related Document and such failure is, in the opinion of the Spanish Security Trustee materially prejudicial to the Spanish Noteholder and in the case of a default which is remediable, such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice is delivered by the Lessor or the Spanish Security Trustee to the Servicer or the date an Authorized Officer of the Servicer obtains actual knowledge thereof;
- (b) an Event of Bankruptcy occurs with respect to the Servicer;

- (c) the failure of the Servicer to make any payment when due from it hereunder or under any of the other Spanish Related Documents or to deposit any Spanish Collections received by it into the Spanish Transaction Account when required under the Spanish Related Documents and, in each case, unless such failure is as a result of an administrative or technical error in such case payment has been made within three (3) Business Days;
- (d) if (I) any representation or warranty made by the Servicer relating to the Spanish Collateral in any Spanish Related Document is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing relating to the Spanish Collateral furnished by or on behalf of the Servicer to the Lessor or the Spanish Security Trustee pursuant to any Spanish Related Document is false or misleading on the date as of which the facts therein set forth are stated or certified, (II) such inaccuracy, breach or falsehood is, in the opinion of the Spanish Security Trustee materially prejudicial to the Spanish Noteholder, and (III) if such inaccuracy, breach or falsehood can be remedied, the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for at least fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the Spanish Security Trustee to the Servicer and (y) the date an Authorized Officer of the Servicer obtains actual knowledge of such circumstance or condition;
- (e) a Lease Event of Default occurs which gives rise to a right for the Lessor or the Spanish Security Trustee to serve a Master Lease Termination Notice; or
- (f) a Liquidation Event occurs.

In the event of a Servicer Default, the Lessor or the Spanish Security Trustee, in each case acting pursuant to Sub-Clause 9.23(d) (*Servicer Default*) of the Spanish Facility Agreement, shall have the right to replace the Servicer as servicer.

For the avoidance of doubt, with respect to any Servicer Default, if the event or condition giving rise (directly or indirectly) to such Servicer Default ceases to be continuing (through cure, waiver or otherwise), then such Servicer Default will cease to exist and will be deemed to have been cured for every purpose under the Spanish Related Documents.

9.7 Indemnity relating to the services provided under this Agreement

The Servicer shall fully indemnify and hold the Lessor harmless in respect of any and all labour and social security liabilities resulting, directly or indirectly, from the Servicer's failure to perform its labour and social security obligations under applicable laws.

9.8 Application of Proceeds

The proceeds of any sale or other disposition pursuant to Sub-Clause 9.2 (*Effect of Lease Event of Default*) or Sub-Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the Spanish Related Documents.

10 CERTIFICATION OF TRADE OR BUSINESS USE

Each Lessee hereby warrants and certifies that it intends to use the Lease Vehicles that are subject to this Agreement in connection with its trade or business.

11 [RESERVED]

12 **ADDITIONAL LESSEES**

Subject to prior consent of Spanish FleetCo (such consent not to be unreasonably withheld or delayed) and the Spanish Security Trustee (acting upon the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed)), any Affiliate of Spanish OpCo that was incorporated under the laws of Spain (each, a "**Permitted Lessee**") shall have the right to become a Lessee under and pursuant to the terms of this Agreement by complying with the provisions of this Clause 12 (*Additional Lessees*); *provided that* the Lessor shall provide its consent to such Permitted Lessee becoming a Lessee pursuant to the terms of this Clause 12 (*Additional Lessees*). If a Permitted Lessee desires to become a Lessee under this Agreement, then such Permitted Lessee shall execute (if appropriate) and deliver to the Lessor, the Spanish Security Trustee and the Issuer Security Trustee:

- 12.1 a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each, an "**Affiliate Joinder in Lease**");
- 12.2 the certificate of incorporation or other organizational documents for such Permitted Lessee, together with a copy of the by-laws or other organizational documents of such Permitted Lessee, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.3 copies of resolutions of the Board of Directors or other authorizing action of such Permitted Lessee authorizing or ratifying the execution, delivery and performance, respectively, of those documents and matters required of it with respect to this Agreement, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.4 a certificate of an Authorized Officer of such Permitted Lessee certifying the names of the individual or individuals authorized to sign the Affiliate Joinder in Lease and any other Related Documents to be executed by it, together with samples of the true signatures of each such individual;
- 12.5 an Officer's Certificate stating that such joinder by such Permitted Lessee complies with this Clause 12 (*Additional Lessees*) and an opinion of counsel, which may be based on an Officer's Certificate and is subject to customary exceptions and qualifications (including, without limitation, insolvency laws and principles of equity), stating that (a) all conditions precedent set forth in this Clause 12 (*Additional Lessees*) relating to such joinder by such Permitted Lessee have been complied with and (b) upon the due authorization, execution and delivery of such Affiliate Joinder in Lease by the parties thereto, such Affiliate Joinder in Lease will be enforceable against such Permitted Lessee; and
- 12.6 any additional documentation that the Lessor, the Spanish Security Trustee or the Issuer Security Trustee may reasonably require to evidence the assumption by such Permitted Lessee of the obligations and liabilities set forth in this Agreement.

13 **VALUE ADDED TAX AND STAMP TAXES**

13.1 **Sums payable exclusive of VAT**

All sums or other consideration set out in this Agreement or otherwise payable or provided by any party to any other party pursuant to this Agreement shall be deemed to be exclusive of any VAT which is or becomes chargeable (if any) on any supply or supplies for which sums or other consideration (or any part thereof) are the whole or part of the consideration for VAT purposes.

13.2 Payment of amounts in respect of VAT

Where, pursuant to the terms of this Agreement, any party (the "**Supplier**") makes a supply to any other party (the "**Recipient**") hereto for VAT purposes and VAT is or becomes chargeable on such supply (being VAT for which the Supplier is required to account to the relevant Tax Authority):

- (a) where the Supplier is the Lessee, the Recipient shall, following receipt from the Supplier of a valid VAT invoice in respect of such supply, pay to the Supplier (in addition to any other consideration for such supply) a sum equal to the amount of such VAT; and
- (b) where the Supplier is the Lessor, the Recipient shall pay to the Supplier (in addition to and at the same time as paying any other consideration for such supply) a sum equal to the amount of such VAT, and the Supplier shall, following receipt of such sum and (unless otherwise required pursuant to any Requirement of Law) not before, provide the Recipient with a valid VAT invoice in respect of such supply.

13.3 Cost and expenses

References in this Agreement to any fee, cost, loss, disbursement, commission, damages, expense, charge or other liability incurred by any party to this Agreement and in respect of which such party is to be reimbursed or indemnified by any other party under the terms of, or the amount of which is to be taken into account in any calculation or computation set out in this Agreement shall include such part of such fee, cost, loss, disbursement, commission, damages, expense, charge or other liability as represents any VAT, but only to the extent that such first party is not entitled to a refund (by way of a credit or repayment) in respect of such VAT from any relevant Tax Authority.

14 SECURITY AND ASSIGNMENTS

14.1 Rights of Lessor pledged to Trustee

Each Lessee acknowledges that the Lessor has pledged or will pledge all of its rights under this Agreement to the Spanish Security Trustee pursuant to the Spanish Security Documents. Accordingly, each Lessee agrees that:

- (a) upon the occurrence of a Lease Event of Default or Liquidation Event, the Spanish Security Trustee may exercise (for and on behalf of the Lessor) any right or remedy against such Lessee provided for herein and such Lessee will not interpose as a defense that such claim should have been asserted by the Lessor;
- (b) upon the delivery by the Spanish Security Trustee of any notice to such Lessee stating that a Lease Event of Default or a Liquidation Event has occurred, such Lessee will, if so requested by the Spanish Security Trustee, comply with all obligations under this Agreement that are asserted by the Spanish Security Trustee, as the Lessor hereunder, irrespective of whether such Lessee has received any such notice from the Lessor; and
- (c) such Lessee acknowledges that pursuant to this Agreement it has agreed to make all payments of Rent hereunder (and any other payments hereunder) directly to the Spanish Security Trustee for deposit in the Spanish Transaction Account.

14.2 Right of the Lessor to Assign or Transfer its rights or obligations under this Agreement

The Lessor shall have the right to finance the acquisition and ownership of Lease Vehicles under this Agreement by, without limitation, selling, assigning or transferring any of its rights and/or obligations under this Agreement to the Issuer Security Trustee for the benefit of the

Noteholders; provided, however, that any such sale, assignment or transfer shall be subject to the rights and interest of the Lessees in the Lease Vehicles, including but not limited to the Lessees' right of quiet and peaceful possession of such Lease Vehicles as set forth in Sub-Clause 5.3 (*Non-Disturbance*) hereof, and under this Agreement.

14.3 Limitations on the Right of the Lessees to Assign or Transfer its rights or obligations under this Agreement

No Lessee shall assign or transfer or purport to assign or transfer any right or obligation under this Agreement to any other party.

14.4 Security

The Lessor may grant security interests in the Lease Vehicles leased by any Lessee hereunder without consent of any Lessee. Except for Permitted Security, each Lessee shall keep all Lease Vehicles free of all Security arising during the Term. If on the Vehicle Lease Expiration Date for any Lease Vehicle, there is Security on such Lease Vehicle, the Lessor may, in its discretion, remove such Security and any sum of money that may be paid by the Lessor in release or discharge thereof, including reasonable attorneys' fees and costs, will be paid by the Lessee of such Lease Vehicle upon demand by the Lessor.

15 NON-LIABILITY OF LESSOR

As between the Lessor and each Lessee, acceptance for lease of each Lease Vehicle pursuant to Sub-Clause 2.1(f) (*Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection*) shall constitute such Lessee's acknowledgment and agreement that such Lessee has fully inspected such Lease Vehicle, that such Lease Vehicle is in good order and condition and is of the manufacture, design, specifications and capacity selected by such Lessee, that such Lessee is satisfied that the same is suitable for this use. Each Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. Each Lessee acknowledges that the Lessor makes no representation, warranty or covenant, express or implied in any such case, as to the fitness, safeness, design, merchantability, condition, quality, durability, suitability, capacity or workmanship of the Lease Vehicles in any respect or in connection with or for any purposes or uses of any Lessee and makes no representation, warranty or covenant, express or implied in any such case, that the Lease Vehicles will satisfy the requirements of any law or any contract specification, and as between the Lessor and each Lessee, such Lessee agrees to bear all such risks at its sole cost and expense. Each Lessee specifically waives all rights to make claims against the Lessor and any Lease Vehicle for breach of any warranty of any kind whatsoever, and each Lessee leases each Lease Vehicle "as is." Upon the Lessor's acquisition of any Lease Vehicle identified in a request from any Lessee pursuant to Sub-Clause 2.1(d) above, the Lessor shall in no way be liable for any direct or indirect damages or inconvenience resulting from any defect in or loss, theft, damage or destruction of any Lease Vehicle or of the cargo or contents thereof or the time consumed in recovery repairing, adjusting, servicing or replacing the same and there shall be no abatement or apportionment of rental at such time. The Lessor shall not be liable for any failure to perform any provision hereof resulting from fire or other casualty, natural disaster, riot or other civil unrest, war, terrorism, strike or other labor difficulty, governmental regulation or restriction, or any cause beyond the Lessor's direct control. In no event shall the Lessor be liable for any inconveniences, loss of profits or any other special, incidental, or consequential damages, whatsoever or howsoever caused (including resulting from any defect in or any theft, damage, loss or failure of any Lease Vehicle).

The Lessor shall not be responsible for any liabilities (including any loss of profit) arising from any delay in the delivery of, or failure to deliver, any Lease Vehicle to any Lessee.

16 NON-PETITION AND NO RECOURSE

16.1 Non-Petition

Notwithstanding anything to the contrary in this Agreement or any Spanish Related Document, only the Spanish Security Trustee may pursue the remedies available under the general law or under the Spanish Security Trust Deed to enforce this Agreement, the Spanish Security or the Spanish Note and no other Person shall be entitled to proceed directly against Spanish FleetCo in respect hereof (unless the Spanish Security Trustee, having become bound to proceed in accordance with the terms of the Spanish Related Documents, fails or neglects to do so). Each party to this Agreement hereby agrees with and acknowledges to each of Spanish FleetCo and the Spanish Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against Spanish FleetCo for the purpose of obtaining payment of any amount due from Spanish FleetCo (other than serving a written demand subject to the terms of the Spanish Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Spanish FleetCo, provided that, the Spanish Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Spanish Related Documents and Spanish Security Documents.

The provisions of this Sub-Clause 16.1 (*Non-Petition*) shall survive the termination of this Agreement.

16.2 No Recourse

Each party to this Agreement agrees with and acknowledges to each of Spanish FleetCo and the Spanish Security Trustee that, notwithstanding any other provision of any Spanish Related Document, all obligations of Spanish FleetCo to such entity are limited in recourse as set out below:

- (a) sums payable to it in respect of any of the Spanish FleetCo's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the Spanish Security Trustee in respect of the Spanish Security whether pursuant to enforcement of the Spanish Security or otherwise; and
- (b) upon the Spanish Security Trustee giving written notice that it has determined in its opinion that there is no reasonable likelihood of there being any further realisations in respect of the Spanish Security (whether arising from an enforcement of the Spanish Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Spanish Related Documents, it shall have no further claim against Spanish FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

The provisions of this Sub-Clause 16.2 (*No Recourse*) shall survive the termination of this Agreement.

17 **[RESERVED]**

18 **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of Spain. With respect to any suit, action, dispute or proceedings relating to this Agreement, each party hereto irrevocably submits to the exclusive jurisdiction of the courts of first instance and agree that the courts of the city of Madrid are the most appropriate and convenient courts to settle any suit, action, dispute or proceedings and accordingly no party will argue to the contrary. The foregoing is for the benefit of the Spanish Security Trustee only. As a result, the Spanish Security Trustee shall not be prevented from taking proceedings relating to any suit, action, dispute or proceedings in any other courts with jurisdiction. To the extent permitted by law, the Spanish Security Trustee may take concurrent proceedings in any number of jurisdictions.

19 **NOTICES**

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of Clause 3.17 of the Master Definitions and Construction Agreement and Clause 23 (*Notices*) of the Spanish Security Trust Deed.

20 **ENTIRE AGREEMENT**

This Agreement and the other agreements specifically referenced herein constitute the entire agreement among the parties hereto and supersede any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof. This Agreement, together with the Manufacturer Programs, the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to this Agreement (including, for the avoidance of doubt, all related joinders, exhibits, annexes, schedules, attachments and appendices), in each case solely to the extent to which such Manufacturer Programs, schedules and documents relate to Lease Vehicles will constitute the entire agreement regarding the leasing of Lease Vehicles by the Lessor to each Lessee.

21 **MODIFICATION AND SEVERABILITY**

The terms of this Agreement will not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever unless the same shall be in writing and signed and delivered by the Lessor, the Servicer, the Spanish Security Trustee and each Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the Spanish Facility Agreement. If any part of this Agreement is not valid or enforceable according to law, all other parts will remain enforceable. For the avoidance of doubt, the execution and/or delivery of and/or performance under any Affiliate Joinder in Lease, Lease Vehicle Acquisition Schedule or Intra-Lease Lessee Transfer Schedule shall not constitute a waiver, alteration, modification, supplement or termination to or of this Agreement.

22 **SURVIVABILITY**

In the event that, during the term of this Agreement, any Lessee becomes liable for the payment or reimbursement of any obligations, claims or taxes pursuant to any provision hereof, such liability will continue, notwithstanding the expiration or termination of this Agreement, until all such amounts are paid or reimbursed by or on behalf of such Lessee.

23 [RESERVED]

24 COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

25 ELECTRONIC EXECUTION

This Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) may be transmitted and/or signed by facsimile or other electronic means (i.e., a "pdf" or "tiff"). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each party hereto. The words "execution," "signed," "signature," and words of like import in this Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) or in any amendment or other modification hereof (including, without limitation, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

26 LESSEE TERMINATION AND RESIGNATION

With respect to any Lessee except for Spanish OpCo, upon such Lessee (the "**Resigning Lessee**") delivering irrevocable written notice to the Lessor, the Servicer and the Spanish Security Trustee that such Resigning Lessee desires to resign its role as a Lessee hereunder (such notice, substantially in the form attached as Exhibit A hereto, a "**Lessee Resignation Notice**"), such Resigning Lessee shall immediately cease to be a Lessee hereunder, and, upon such occurrence, event or condition, the Lessor, the Servicer and the Spanish Security Trustee shall be deemed to have released, waived, remised, acquitted and discharged such Resigning Lessee and such Resigning Lessee's directors, officers, employees, managers, shareholders and members of and from any and all claims, expenses, damages, costs and liabilities arising or accruing in relation to such Resigning Lessee on or after the delivery of such Lessee Resignation Notice to the Lessor, the Servicer and the Spanish Security Trustee (the time of such delivery, the "**Lessee Resignation Notice Effective Date**"); provided that, as a condition to such release and discharge, the Resigning Lessee shall pay to the Lessor all payments due and payable with respect to each Lease Vehicle leased by Resigning Lessee hereunder, including without limitation any payment listed under Sub-Clause 4.7.1 and 4.7.2 (*Payments*), as applicable to each such Lease Vehicle, as of the Lessee Resignation Notice Effective Date; provided further that, the Resigning Lessee shall return or reallocate all Lease Vehicles at the direction of the Servicer in accordance with Sub-Clause 2.4 (*Return*); provided further that, with respect to any Resigning Lessee, such Resigning Lessee shall not be released or otherwise relieved under this Clause 26 (*Lessee Termination and Resignation*) from any claim, expense, damage, cost or liability arising or accruing prior to the Lessee Resignation Notice Effective Date with respect to such Resigning Transferor.

27 THIRD-PARTY BENEFICIARIES

The parties hereto acknowledge that the Issuer Security Trustee (for the benefit of the Noteholders and their assigns) shall be a third-party beneficiary hereunder.

28 TIME OF THE ESSENCE

Subject to any grace periods provided hereunder, time shall be of the essence of this Agreement as regards any time, date or period, whether as originally agreed or altered by agreement between all the parties (and, where required, with consent) or in any other manner provided in this Agreement, for the performance by each Lessee of its obligations under this Agreement.

29 GOVERNING LANGUAGE

This Agreement is in the English language. If this Agreement is translated into another language, the English text prevails, save that words in Spanish used in this Agreement and having specific legal meaning under Spanish law will prevail over the English translation.

30 POWER OF ATTORNEY

If an entity incorporated in the Netherlands is represented by an attorney or attorneys in connection with the signing, execution or delivery of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of the Netherlands and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement or caused it to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

Dutch FleetCo

STUURGROEP FLEET (NETHERLANDS) B.V.

By: _____

Lessor

STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA

By: _____

Lessee and Servicer

HERTZ DE ESPAÑA, S.L.U.

By: _____

Spanish Security Trustee

BNP PARIBAS TRUST CORPORATION UK LIMITED

By: _____

*This agreement, effective as of December 21, 2021, was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

ANNEX A

FORM OF AFFILIATE ACCESSION AGREEMENT

THIS AFFILIATE ACCESSION AGREEMENT (this “**Joinder**”) is executed as of _____, 20__ (with respect to this Joinder and the Joining Party, the “**Joinder Date**”), by _____, a _____ (“**Joining Party**”), and delivered to Stuurgroep Fleet (Netherlands) B.V., Sucursal en España, an entity incorporated in The Netherlands and acting through its Spanish branch (“**Spanish FleetCo**”), as lessor pursuant to the Spanish Master Lease and Servicing Agreement, dated as of 25 September 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Lease**”), among Dutch FleetCo, Spanish FleetCo, as Lessor, Hertz de España, S.L.U. (“**Spanish OpCo**”), as a Lessee and as Servicer, those affiliates of Spanish OpCo from time to time becoming Lessees thereunder (together with Spanish OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as Spanish security trustee (the “**Spanish Security Trustee**”). Capitalized terms used herein but not defined herein shall have the meanings provided for in the Lease.

RECITALS:

WHEREAS, the Joining Party is a Permitted Lessee; and

WHEREAS, the Joining Party desires to become a “**Lessee**” under and pursuant to the Lease.

NOW, THEREFORE, the Joining Party agrees as follows:

AGREEMENT:

1. The Joining Party hereby represents and warrants to and in favor of Spanish FleetCo and the Spanish Security Trustee that (i) the Joining Party is an Affiliate of Spanish OpCo, (ii) all of the conditions required to be satisfied pursuant to Clause 12 (*Additional Lessees*) of the Lease in respect of the Joining Party becoming a Lessee thereunder have been satisfied, and (iii) all of the representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) of the Lease with respect to the Lessees are true and correct as applied to the Joining Party as of the date hereof.
2. From and after the date hereof, the Joining Party hereby agrees to assume all of the obligations of a Lessee under the Lease and agrees to be bound by all of the terms, covenants and conditions therein.
3. By its execution and delivery of this Joinder, the Joining Party hereby becomes a Lessee for all purposes under the Lease. By its execution and delivery of this Joinder, Spanish FleetCo and the Spanish Security Trustee each acknowledges that the Joining Party is a Lessee for all purposes under the Lease.
4. This Joinder shall be governed by and construed in accordance with the laws of Spain. With respect to any suit, action, dispute or proceedings relating to this Agreement, each party hereto irrevocably submits to the exclusive jurisdiction of the courts of first instance and agree that the courts of the city of Madrid are the most appropriate and convenient courts to settle any suit, action, dispute or proceedings and accordingly no party will argue to the contrary. The foregoing is for the benefit of the Spanish Security Trustee only. As a result, the Spanish Security Trustee shall not be prevented from taking proceedings relating to any suit, action, dispute or proceedings in any other courts with jurisdiction. To the extent permitted by law, the Spanish Security Trustee may take concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be duly executed as of the day and year first above written.

[Name of Joining Party]

By: _____

Name: _____

Title: _____

Address: _____

Attention: _____

Telephone: _____

Facsimile: _____

Accepted and Acknowledged by:

STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA

By: _____

Name: _____

Title: _____

STUURGROEP FLEET (NETHERLANDS) B.V.

By: _____

Name: _____

Title: _____

HERTZ DE ESPAÑA, S.L.U.

By: _____

Name: _____

Title: _____

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED
as Spanish Security Trustee

Signed by: _____

Title:

Signed by: _____

Title:

A3730188344
WEIL:

EXHIBIT A
FORM OF LESSEE RESIGNATION NOTICE

[]

Stuurgroep Fleet (Netherlands) B.V., Sucursal en España, as LessorHertz de España, S.L.U., as Servicer

Re: Lessee Termination and Resignation

Ladies and Gentlemen:

Reference is hereby made to the Spanish Master Lease and Servicing Agreement, dated as of 25 September 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "**Spanish Master Lease**"), among Stuurgroep Fleet (Netherlands) B.V., as Dutch FleetCo, Spanish FleetCo, as Lessor, Hertz de España, S.L.U. ("**Spanish OpCo**"), as a Lessee and as Servicer, those affiliates of Hertz from time to time becoming Lessees thereunder (together with Spanish OpCo, the "**Lessees**") and BNP Paribas Trust Corporation UK Limited as Spanish Security Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Spanish Master Lease.

Pursuant to Clause 26 (*Lessee Termination and Resignation*) of the Spanish Master Lease, [] (the "**Resigning Lessee**") provides Spanish FleetCo, as Lessor, and Spanish OpCo, as Servicer, irrevocable, written notice that such Resigning Lessee desires to resign as "**Lessee**" under the Spanish Master Lease.

Nothing herein shall be construed to be an amendment or waiver of any requirements of the Spanish Master Lease.

[Name of Resigning Lessee]

By: _____

Name: _____

Title: _____

SCHEDULE I

Common Terms of Motor Third Party Liability Cover

Part A Non-vitiating endorsement

The Insurer undertakes to each Insured that this Policy will not be invalidated as regards the rights and interests of each such Insured and that the Insurer will not seek to avoid or deny any liability under this Policy because of any act or omission of any other Insured which has the effect of making this Policy void or voidable and/or entitles the Insurer to refuse indemnity in whole or in any material part in respect of any claims under this Policy as against such other Insured. For the purposes of this clause only "Insured" shall not include any "Authorised Driver".

Part B Severability of interest

The Insurer agrees that cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each Insured, provided that the total liability of the Insurers to all of the Insureds collectively shall not exceed the sums insured and the limits of indemnity (including any inner limits set by memorandum or endorsement stated in this Policy).

Part C Notice of non-payment of premium to be sent to the Spanish Security Trustee

No cancellation unless thirty (30) days' notice.

In the event of non-payment of premium, this Policy may at the sole discretion of the Insurer be cancelled by written notice to the Insureds and [●] [or replacement Spanish Security Trustee], stating when (not less than thirty (30) days thereafter) the cancellation shall be effective. Such notice of cancellation shall be withdrawn and shall be void and ineffective in the event that premium is paid by or on behalf of any of the Insureds prior to the proposed cancellation date.

Notices

The address for delivery of a notice to [●] [or replacement Spanish Security Trustee] will be as follows:

Address:

Tel:

Fax:

Email:

Attention:

SCHEDULE II

Insurance Broker Letter of Undertaking

Part A

Public/Product Liability Cover

To: [Lessor and the Spanish Security Trustee]

Dear Sirs

Letter of Undertaking

HERTZ DE ESPAÑA, S.L.U. (the "Company")

1. We confirm that the Public/Product Liability Cover providing protection against public and product liability in respect of Vehicles has been effected for the account of the Company, Stuurgroep Fleet (Netherlands) B.V., Sucursal en España and BNP Paribas Trust Corporation UK Limited.
2. We confirm that such Public/Product Liability Cover is in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry.
3. We confirm that such Public/Product Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by Spanish law.

Yours faithfully

.....
Date: [●]

Part B
Motor Third Party Liability

To: [Lessor]

Dear Sirs

Letter of Undertaking

HERTZ DE ESPAÑA, S.L.U. (the "Company")

1. We confirm that the Motor Third Party Liability Cover providing protection which is required as a matter of law, including providing protection against (i) liability in respect of bodily injury or death caused to third parties, and (ii) loss or damage to property belonging to third parties, in each case arising out of the use of any Vehicle has been effected for the account of the Company, Stuurgroep Fleet (Netherlands) B.V., Sucursal en España, and to the extent that each or either of the aforementioned parties are required to do so as a matter of law in the jurisdiction in which each or either of them or a Vehicle is located, for any other Person.
2. We confirm that such Motor Third Party Liability Cover is in an amount which is at or above any applicable minimum limits of indemnity/ liability required as a matter of law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry.
3. We confirm that such Motor Third Party Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by Spanish law.

Yours faithfully

.....
Date: [●]

SCHEDULE III
Required Contractual Criteria for Vehicle Purchasing Agreements

1 PROVISIONS TO BE APPLIED TO ALL VEHICLE PURCHASING AGREEMENTS TO BE ENTERED INTO BY SPANISH FLEETCO

Each Vehicle Purchasing Agreement will in substance satisfy the following contractual requirements:

1.1 Parties

Vehicle Purchasing Agreements to which Spanish FleetCo is a party may include contractual terms permitting the accession of Spanish OpCo (or another Affiliate of The Hertz Corporation other than Spanish FleetCo) as an additional purchaser/seller.

If any Vehicle Purchasing Agreement provides that Spanish OpCo (or any other Affiliate of The Hertz Corporation other than Spanish FleetCo) may purchase/sell Vehicles in accordance with the terms of such Vehicle Purchasing Agreement, the obligations of Spanish FleetCo and Spanish OpCo (or other Affiliate of The Hertz Corporation other than Spanish FleetCo, as applicable) under that Vehicle Purchasing Agreement will in all cases need to be several, and provide that Spanish FleetCo will not have any liability for the obligations of Spanish OpCo (or such other Affiliate of The Hertz Corporation, as applicable).

Alternatively, existing Vehicle Purchasing Agreements to which Spanish OpCo (or other Affiliate of The Hertz Corporation other than Spanish FleetCo) is a party may be amended to provide that Spanish FleetCo may accede to such Vehicle Purchasing Agreements (satisfying the Spanish Required Contractual Criteria) and that Spanish FleetCo will not have any liability for the obligations of Spanish OpCo (or other Affiliate of The Hertz Corporation).

1.2 Separate obligations

Each Vehicle Purchasing Agreement will satisfy the following criteria:

- (a) Spanish FleetCo shall not under any circumstances have any liability for the obligations of Spanish OpCo (in its capacity as guarantor, purchaser of vehicles or otherwise) thereunder; and
- (b) to the extent that Spanish OpCo (or any other Affiliate of The Hertz Corporation other than Spanish FleetCo) enters into or is a party to any other Vehicle Purchasing Agreements with the same Manufacturer/Dealer (each such Vehicle Purchasing Agreement to which Spanish OpCo or other Affiliate of The Hertz Corporation other than Spanish FleetCo is a party being a "**Spanish OpCo Specific Agreement**"), Spanish FleetCo shall not under any circumstances have any liability for the obligations of Spanish OpCo (or such other Affiliate of The Hertz Corporation, as the case may be) under such Spanish OpCo Specific Agreement.

1.3 Volume Rebates etc.

A Vehicle Purchasing Agreement may provide that any bonus payment or other amount (howsoever described) payable or to be made available by a Manufacturer/Dealer as a result of Spanish FleetCo (or Spanish FleetCo and/or Spanish OpCo (and/or any other relevant Affiliate of The Hertz Corporation) under such Vehicle Purchasing Agreement and/or any Spanish OpCo Specific Agreement, as applicable) meeting any minimum vehicle purchase level in that relevant year, be payable to or for the account of Spanish OpCo (rather than

Spanish FleetCo). For the avoidance of doubt, Spanish FleetCo may however take the benefit of reductions applied to purchase prices applicable to vehicles as a result of any such minimum vehicle purchase levels being reached.

Notwithstanding the foregoing where a Vehicle Purchasing Agreement provides that in the event that any minimum vehicle purchase level in the relevant year is not met:

- (a) any bonus, payment, benefit or reductions applied to purchase prices on Vehicles purchased by Spanish FleetCo or other amount (howsoever described) is recoverable by or repayable to a Manufacturer y/Dealer; or
- (b) any penalty or other amount (howsoever described) is payable to such Manufacturer/Dealer,

such Vehicle Purchasing Agreement shall provide that, in each case, such amounts will only be reclaimed from, payable by, or otherwise recoverable from Spanish OpCo or another Affiliate of The Hertz Corporation other than Spanish FleetCo.

1.4 Confidentiality and public disclosure of terms of Vehicle Purchasing

Each Vehicle Purchasing Agreement will need to be disclosed to the Spanish Security Trustee and possibly other Enhancement Providers.

1.5 Non-petition

Each Vehicle Purchasing Agreement will contain an irrevocable and unconditional covenant or undertaking given by the relevant Manufacturer/Dealer that such Manufacturer/Dealer shall not be entitled and shall not initiate or take any step in connection with:

- (a) liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of Spanish FleetCo; or
- (b) the appointment of an insolvency officer in relation to Spanish FleetCo or any of its assets whatsoever,

provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling one year and one day after the Legal Final Payment Date.

1.6 Limited recourse

Each Vehicle Purchasing Agreement will contain an irrevocable covenant or undertaking given by the relevant Manufacturer/Dealer that such Manufacturer/Dealer shall not be entitled to, and shall not, initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by Spanish FleetCo under the relevant Vehicle Purchasing Agreement; this covenant will be unconditional except that the relevant Manufacturer/Dealer may commence legal proceedings to the extent that the only relief sought against Spanish FleetCo pursuant to such proceedings is the re-possession of relevant Vehicle(s) pursuant to applicable retention of title provisions provided for under the relevant Vehicle Purchasing Agreement, provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling one year and one day after the Legal Final Payment Date.

2 PROVISIONS TO BE APPLIED TO ALL MANUFACTURER PROGRAMS TO BE ENTERED INTO BY A FLEETCO

Each Manufacturer Program will in substance satisfy the following additional contractual requirements:

2.1 Assignment and transfers

Each Manufacturer Program will contain terms that permit Spanish FleetCo to assign by way of security or pledge any of its rights under such agreement to the Spanish Security Trustee. Any such right to grant security to the relevant Spanish Security Trustee must be unrestricted. Unless pursuant to an Intra-Group Transfer (as defined below) by a Manufacturer (which shall not require consent from Spanish FleetCo), each Manufacturer Program will provide that the Manufacturer/Dealer may not assign, transfer or novate its obligations under such agreement without the prior written consent of Spanish FleetCo. Spanish FleetCo shall not provide such consent unless the Manufacturer/Dealer enters into a guarantee materially in the form set out in Schedule 3 (*Draft Transfer and Guarantee Language to be included in Pro Forma Manufacturer Programs*) or accepts joint and several liability in respect of the transferred obligations substantially on the terms set out in Schedule IV (*Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Programs*). For the purposes hereof, an **"Intra-Group Transfer"** means an assignment, transfer or novation by a Manufacturer of its obligations under a Manufacturer Program to an Affiliate of such Manufacturer which would satisfy the definition of **"Investment Grade Manufacturer"** upon such Affiliate becoming a Manufacturer. For the avoidance of doubt, Manufacturers/Dealers may assign their rights under Manufacturer Programs without the prior written consent of Spanish FleetCo.

2.2 Set-off

Each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Manufacturer Program or under applicable law to set-off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by Spanish FleetCo in relation to Vehicles ordered by (but not delivered to) Spanish FleetCo by such Manufacturer/Dealer under that Manufacturer Program, against (ii) amounts owed by the Manufacturer/Dealer to Spanish FleetCo under such Manufacturer Program, provided that, each Vehicle Purchasing Agreement entered into or renewed on or after the Closing Date will provide that the Manufacturer /Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Vehicle Purchasing Agreement or under applicable law to set-off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by Spanish FleetCo under that Vehicle Purchasing Agreement, against (ii) amounts owed by the Manufacturer/Dealer to Spanish FleetCo under that Manufacturer Program or any other Vehicle Purchasing Agreement, save and except in relation to any Manufacturer Programme with Daimler AG, Seat, S.A., Volkswagen Group España Distribución, S.A. and/or any of their respective Affiliates or successors or any corporation into which such entities may be merged or converted or with which they may be consolidated or any corporation resulting from any merger, conversion or consolidation of such entities (the **"Non-Accepting Entities"**) or any Dealers or agents (or Affiliates or successors thereof) selling Vehicles manufactured or purchased from the Non-Accepting Entities if such Manufacturer Programme does not provide for waiver of set-off in accordance with paragraph 2.2 (Set-off) hereof, in which case such amounts may be reclaimed from, payable by, or otherwise recoverable from Spanish FleetCo.

Notwithstanding the foregoing the Manufacturer/Dealers will be entitled to set off any amount owed by Spanish FleetCo in respect of turn-back related damages against any amount of Repurchase Price owed by it to Spanish FleetCo. The Servicer shall use reasonable efforts to

procure that each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives all rights to set-off (however arising and whether at law or in equity) any amount:

- (a) owed to it by Spanish OpCo under such Manufacturer Program; or
- (b) owed to it by Spanish OpCo (or any other Affiliate of The Hertz Corporation other than Spanish FleetCo) under any other agreement (including any Spanish OpCo Specific Agreement),

in any such case against amounts owed by the Manufacturer/Dealer to Spanish FleetCo under the relevant Manufacturer Program.

2.3 Manufacturer's/Dealer's obligations to be 'unconditional'

No Manufacturer Program may contain terms that provide that the Repurchase Obligations of the Manufacturer/Dealer are conditional in any respect other than, in relation to (a) a force majeure event¹ or (b) compliance with applicable turn-back procedures (including any Programme Minimum Term or Programme Maximum Term) and/or (c) turn-back standards in relation to the condition of the relevant Vehicle. For the avoidance of doubt, no Manufacturer Program may provide that the obligations of the Manufacturer/Dealer thereunder are conditional upon:

- (a) any minimum number of Vehicles being purchased (i) by Spanish FleetCo under such Manufacturer Program; and/or (ii) by Spanish OpCo or any other Person under such Manufacturer Program or any Spanish OpCo Specific Agreement; or
- (b) the solvency of Spanish FleetCo; or
- (c) the solvency of any other Affiliate of The Hertz Corporation other than Spanish FleetCo.

2.4 Termination provisions

To the extent that a Manufacturer/Dealer requires express termination provisions to be included in any Manufacturer Program, such Manufacturer Program may provide that a Manufacturer/Dealer is entitled (upon expiry of a predetermined notice period or otherwise) to terminate such agreement before its scheduled expiry date upon the occurrence of certain events (e.g. liquidation, bankruptcy, insolvency, failure to pay, late payment, partial payment, breach or serious breach of obligations, or any similar or analogous events); provided always that the Manufacturer/Dealer shall not under any circumstances have the right to terminate its obligations (subject to and in accordance with any eligibility criteria and Programme Minimum Term or Programme Maximum Term) to repurchase (or, if applicable to perform its guaranteed obligations thereunder) in respect of any Vehicle shipped to Spanish FleetCo or its order prior to the termination of such Manufacturer Program.

2.5 Retention of title in favour of Spanish FleetCo

The Manufacturer Program entered into with the Top Two Non-Investment Grade Manufacturers will, where credit terms are made available to the relevant Manufacturer/Dealer (in relation to the payment by it of applicable repurchase prices for Vehicles) provide that title to the relevant Vehicle will remain with Spanish FleetCo until the sale proceeds are

¹ For these purposes, a 'force majeure event' will be constituted by any event which (a) was not foreseen by the parties, (b) is outside their control and could not have been avoided by taking due care or by compliance in all material respects with obligations under the VPA and (c) prevents performance of the obligations of one or more parties under the contract.

received by Spanish FleetCo. In practice Spanish FleetCo may return the registration documents for a Vehicle when it is turned back to such Top Two Non-Investment Grade Manufacturers.

A3730188353
WEIL:

SCHEDULE IV

Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Program

This should be included in each relevant pro forma Manufacturer Program, and should be adapted to the relevant Manufacturer Program. This language should only be used where the Existing Supplier agrees to be jointly and severally liable with the New Supplier. Local counsel should be consulted to ensure that it is duly executed and complies with the applicable law.

1 TRANSFERS BY THE SUPPLIER

The Supplier (the "**Existing Supplier**") may transfer by means of take-over of contract (*contractsoverneming*) (the "**Transfer**") to another entity which has all consents and approvals required in order to perform its obligations under this Agreement (the "**New Supplier**") all of its rights and obligations with regard to all or any of the vehicles subject of this Agreement as shall be specified (the "**Relevant Vehicles**").

2.1 Conditions of transfer

A Transfer will not be effective unless FleetCo receives in compliance with paragraph 1.2 (*Procedure for transfer*) and at least 2 (two) Business Days before the date on which the Transfer is intended to take effect (the "**Transfer Date**"):

- (a) notification from the Existing Supplier of the name and contact details of the New Supplier;
- (b) acknowledgment from the New Supplier of its agreement to be bound by the terms of this Agreement including, without limitation, the Required Contractual Criteria;
- (c) acknowledgment that in no event will Spanish FleetCo be required to deliver any Relevant Vehicle to the New Supplier or its agent outside Spain;
- (d) a duly completed and executed acknowledgment of joint and several liability substantially in the form set out in Annex 2 (the "**Acknowledgment**") from the Existing Supplier and the New Supplier.

2.2 Procedure for transfer

- (a) Subject to conditions set out in paragraph 1.1 (*Conditions of transfer*) a Transfer shall be effected in accordance with subparagraph (b) below not less than 2 (two) Business Days following receipt by FleetCo of a duly completed transfer certificate substantially in the form set out in Annex 1 (the "**Transfer Certificate**") delivered to it by the Existing Supplier and the New Supplier.
- (b) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Supplier seeks to transfer its rights and obligations under this Agreement in respect of the Relevant Vehicles, each of FleetCo and the Existing Supplier shall be released from further obligations towards one another in respect of the Relevant Vehicles under this Agreement and their respective rights against one another under this Agreement in respect of the Relevant Vehicles shall be cancelled (being the "**Discharged Rights and Obligations**");

- (ii) each of Spanish FleetCo and the New Supplier shall assume obligations towards one another and/or acquire rights against one another which shall be the same as the Discharged Rights and Obligations insofar as Spanish FleetCo and the New Supplier have assumed and/or acquired the same in place of FleetCo and the Existing Supplier; and
- (iii) the New Supplier shall become a party to the New Agreement.

2.3 Definitions

In this paragraph and in the Transfer Certificate the following words shall bear the following meaning:

“Business Day” means any day (other than a Saturday or Sunday) when commercial banks are open for general business in Spain;

“New Agreement” means this Agreement as it shall apply to the New Supplier pursuant to paragraph 1;

“Repurchase Obligations” means the obligations of the Supplier to re-purchase from Spanish FleetCo, at the applicable Repurchase Price, Relevant Vehicles in accordance with the terms of the Agreement; and

“Repurchase Price” means the purchase price or other consideration payable by the Supplier to Spanish FleetCo for the re-purchase by the Supplier of any Relevant Vehicles.

Annex 1
Form of Transfer Certificate

To: Stuurgroep Fleet (Netherlands) B.V., Sucursal en España and Hertz de España, S.L.U.

From: [The Existing Supplier] (the “**Supplier**”) and [The New Supplier] (the “**New Supplier**”)

Dated: [Date]

Stuurgroep Fleet (Netherlands) B.V., Sucursal en España - Agreement dated [•] (the “Agreement”)

1 We refer to the Agreement. This is a Transfer Certificate as defined in Sub-Clause 1.2 of the Agreement and constitutes a deed of take-over of contract (*akte van contractsoverneming*). Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.

2 We refer to paragraph 1.2 (*Procedure for transfer*):

(a) In accordance with paragraph 1.2 (*Procedure for transfer*), the Existing Supplier hereby transfers by means of take-over of contract (*contractsoverneming*) to the New Supplier, which transfer is hereby accepted by the New Supplier, all of the Existing Supplier’s rights and obligations relating to [the following vehicles set out below] (the “**Relevant Vehicles**”):

[Vehicle Registration Numbers]

OR

[all vehicles which have been or, as the case may be, which may be purchased by FleetCo under the Agreement (the “**Relevant Vehicles**”)]

(b) The proposed Transfer Date is the later of [•] or 2 (two) Business Days after the date you receive this Transfer Certificate.

(c) The address, telephone number, fax number and attention details for notices of the New Supplier are:

Address: [Address]

Tel: [Telephone]

Fax: [Fax]

Attn: [Name]

- 3 The New Supplier expressly acknowledges its agreement to be bound by the terms of the Agreement including, without limitation, the provisions set out in Schedule III (*Required Contractual Criteria for Vehicle Purchasing Agreements*).
- 4 This Transfer Certificate constitutes a deed of take-over of contract (*akte van contractsoverneming*).
- 5 The New Supplier acknowledges that it will not transfer its obligations under the New Agreement without the prior written consent of FleetCo and the Existing Supplier.
- 6 The New Supplier acknowledges that FleetCo will not be required, under any circumstances, to deliver any Relevant Vehicle to the New Supplier or its agent outside Spain.
- 7 This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.
- 8 This Transfer Certificate is governed by Spanish law.

[Existing Supplier] [New Supplier]

By: By:

For co-operation (*medewerking*) to the above transfers of contract:

Stuurgroep Fleet (Netherlands) B.V., Sucursal en España

By:

Hertz de España, S.L.U.

By:

Annex 2

Form of Acknowledgement of Joint and Several Liability

To: Stuurgroep Fleet (Netherlands) B.V., Sucursal en España (“**Spanish FleetCo**”)

From: [EXISTING SUPPLIER] (the “**Existing Supplier**”) and [NEW SUPPLIER] (the “**New Supplier**”) and, together with the Existing Supplier, the “**Co-Obligors**”)

Date: [date]

Stuurgroep Fleet (Netherlands) B.V., Sucursal en España — Agreement dated [date] (the “Agreement”)

- 1 We refer to the Agreement. This is an Acknowledgment as defined in Sub-Clause [1.1(d)] of the Agreement. Terms defined in the Agreement have the same meaning in this Acknowledgment unless given a different meaning in this Acknowledgment.
- 2 The Co-Obligors agree and acknowledge that they are jointly and severally liable for the due and punctual performance of each and every liability (whether arising in contract or otherwise) the New Supplier may now or hereafter have toward Spanish FleetCo under the terms of the Agreement. The Existing Supplier promises to pay to Spanish FleetCo from time to time and upon 2 (two) Business Days’ written notice all liabilities from time to time due and payable (but unpaid following a notice to the New Supplier of such fact) by the New Supplier under or pursuant to the Agreement or on account of any breach thereof.
- 3 Spanish FleetCo may take action against, or release or compromise the liability of, either Co-Obligor, or grant time or other indulgence, without affecting the liability of the other Co-Obligor under paragraph 2 above. Spanish FleetCo may take action against the Co-Obligors together or such one or more of them as Spanish FleetCo shall think fit.
- 4 The obligations of each Co-Obligor contained in this Acknowledgment in paragraph 2 above and the rights, powers and remedies conferred in respect of that Co-Obligor upon Spanish FleetCo by this Acknowledgment shall not be discharged, impaired or otherwise affected by:
 - (i) the liquidation, winding-up, dissolution, administration or reorganisation of the other Co-Obligor or any change in its status, function, control or ownership;
 - (ii) any of the obligations of the other Co-Obligor under the Agreement being or becoming unenforceable in any respect;
 - (iii) time, waiver, release or other indulgence granted to the other Co-Obligor in respect of its obligations under the Agreement; or
 - (iv) any other act, event or omission which, but for this paragraph 4, might operate to discharge, impair or otherwise affect any of the obligations of the Existing Supplier contained in paragraph 2 above or any of the rights, powers or remedies conferred upon Spanish FleetCo under that paragraph 2.

5 This Acknowledgement is governed by Spanish law.

[Existing Supplier]

[New Supplier]

By:

By:

A3730188359
WEIL:

SCHEDULE V
FORM OF POWER OF ATTORNEY

Poder General

Power of Attorney

En la ciudad de _____, el _____ de _____ 2018.

In the city of _____, on _____ 2018.

- (i) Dña. Maria José Porrero Valor, mayor de edad, de nacionalidad española, con domicilio profesional en Las Rozas (Madrid), calle José Echegaray, número 6, Edificio B-1, y titular de DNI número [*], en vigor, actuando en nombre y representación de **Hertz de España, S.L.**, sociedad de responsabilidad limitada constituida y existente bajo las leyes de España, con domicilio social en calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (España) y número de identificación fiscal español (NIF) B-28121549,
- (ii) Dña. Beatriz Díez Arranz, mayor de edad, de nacionalidad española con domicilio profesional en calle Serrano 41, 4º, 28001, Madrid, y titular de DNI número [*], en vigor, actuando en nombre y representación de **Intertrust (Spain), S.L.U.** sociedad de responsabilidad limitada constituida y existente bajo las leyes de España, con domicilio social en Calle Serrano 41, 4º, 28001 Madrid, España, con número de identificación fiscal español (NIF) B-80911837 e inscrito en el Registro Mercantil de Madrid al Tomo: 8.524, Libro: 0, Folio: 1, Sección: 8 y Hoja: M-137331, inscripción primera,
- (i) Ms. Maria José Porrero Valor, of legal age, of Spanish nationality, with professional address in Las Rozas (Madrid), calle José Echegaray, número 6, Edificio B-1, and holder of Spanish Identity Number [*], in force, acting in the name and on behalf of **Hertz de España, S.L.**, a limited liability company incorporated and existing under the laws of the Kingdom of Spain, with registered office at calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (Spain) and Spanish Tax Id number /NIF) B-28121549,
- (ii) Ms. Beatriz Díez Arranz, of legal age, of Spanish nationality, with professional address in calle Serrano 41, 4º, 28001, Madrid and holder of Spanish Identity Number [*], in force, acting in the name and on behalf of **Intertrust (Spain), S.L.U.** a company incorporated under the laws of Spain, having its seat and its place of business at Calle Serrano 41, 4º, 28001 Madrid, Spain, with Tax ID number B-80911837, and registered in the Trade Register of Madrid at Volume: 8.524, Book: 0, Folio: 1, Section: 8 and File: M-137331, 1st Inscription,

ambos a su vez actuando en nombre y representación de **Stuurgroep Fleet (Netherlands) B.V., Sucursal en España**, sucursal válidamente constituida y existente de acuerdo con las leyes de España, inscrita en el Registro Mercantil de Madrid al Tomo 37748, folio M-672439, Hoja 1, con domicilio social en calle Jacinto Benavente 2, edificio B, 3ª planta, Las Rozas, Madrid (España) (en adelante, la **"Poderdante"**) en su condición de representantes permanentes mancomunados, por el presente otorgan un poder general tan amplio y suficiente como sea legalmente necesario en favor de:

- **Hertz de España, S.L.**, sociedad de responsabilidad limitada constituida y existente bajo las leyes de España, con domicilio social en calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (España) y número de identificación fiscal español (NIF) B-28121549

(en adelante, el **"Apoderado"**), para que, por sí solo, actuando indistinta y solidariamente, pueda ejercitar las facultades y llevar a cabo las actuaciones contenidas en este poder en nombre y representación de la Poderdante, en los términos y condiciones que el Apoderado estime convenientes, incluso incurriendo en multirepresentación, autocontratación, o conflicto de intereses, en el marco del contrato denominado *"Spanish Master Lease and Servicing Agreement"* suscrito el **25 de Septiembre** de 2018 por Stuurgroep Fleet (Netherlands) B.V., la Poderdante, Hertz de España, S.L. y cualquier entidad vinculada con Hertz de España, S.L. que se convierta en un "Arrendatario" de conformidad con los términos del *"Spanish Master Lease and Servicing Agreement"* (el **"Contrato"**)

both in turn acting in the name and on behalf of **Stuurgroep Fleet (Netherlands) B.V., Spanish Branch**, a branch validly incorporated and existing under the laws of Spain, registered with the Commercial Registry of Madrid under Volume 37748, sheet M-672439, Page 1, whose registered office is at calle Jacinto Benavente 2, edificio B, 3ª planta, Las Rozas, Madrid (Spain) (the **"Grantor"**); in their capacity as joint permanent representatives, hereby grant a power of attorney as wide and sufficient as may be required by law in favour of:

- **Hertz de España, S.L.**, a limited liability company incorporated and existing under the laws of the Kingdom of Spain, with registered office at calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (Spain) and Spanish Tax Id number) B-28121549

(hereinafter the **"Attorney"**), so that it may exercise the powers and carry out any of the actions in this power of attorney in the name and on behalf of the Grantor on the terms and conditions that the Attorney may deem appropriate, even if that involves multiple representation, self-dealing, or conflicts of interest, in the context of the so called agreement *"Spanish Master Lease and Servicing Agreement"* entered into on **25 September** 2018 by Stuurgroep Fleet (Netherlands) B.V., the Grantor, Hertz de España, S.L. and any affiliate of Hertz de España, S.L. that becomes a "Lessee" under and pursuant to the terms of the Spanish Master Lease and Servicing Agreement (the **"Agreement"**)

1. Suscribir cualesquiera contratos de arrendamiento de vehículos y realizar cualesquiera actuaciones relacionadas con el arrendamiento, en particular pero sin limitación alguna:
 - a) actuar como agente en el marco la devolución o disposición de los vehículos arrendados;
 - b) gestionar y organizar la devolución o disposición de los vehículos arrendados, incluyendo, sin limitación alguna su transporte a otras instalaciones;
 - c) Organizar la disposición de los vehículos;
 - d) preparar y entregar todo tipo de documentación firmada de transferencia de los vehículos arrendados, informes firmados sobre el estado de los vehículos y declaraciones firmadas del odómetro, entre otros;
 - e) calcular cualesquiera importes relativos al arrendamiento de vehículos, así como preparar y entregar informes sobre dichas cantidades, incluyendo, sin limitación alguna los costes de depreciación, las rentas, las cantidades pagaderas por siniestros, los pagos predeterminados, los pagos por devolución anticipada, las cantidades de redesignación, cantidades de actualización de supuestos de depreciación, los valores residuales asumidos, los costes capitalizados, la depreciación acumulada y el valor contable neto;
1. Execute any vehicle lease agreements and take any actions related with these leases, in particular, but not limited to;
 - a) act as agent as part of the return or disposal of the leased vehicles;
 - b) arrange and manage the return or disposal of leased vehicles, including but not limited to their transportation to other premises;
 - c) Arrange the disposal of the vehicles:
 - d) prepare and deliver all kinds of signed leased vehicle transfer documents, signed vehicle condition reports and signed odometer statements, among others;
 - e) calculate any sums relating to the rental of vehicles, as well as prepare and deliver reports on those sums, including, but not limited to, depreciation charges, rental costs, sums payable for claims, special default payment amounts, early return payment amounts, redesignation amounts, depreciation assumption true-up amounts, accepted residual values, capitalized costs, accumulated depreciation and net book value;

- | | |
|--|--|
| <p>f) administrar y mantener los vehículos arrendados, incluyendo la realización de los pagos directos que resulten necesarios, depositando los ingresos de venta recibidos y proporcionando el informe de mantenimiento, de acuerdo con los términos del contrato de arrendamiento y mantenimiento;</p> <p>g) llevar a cabo, directa o indirectamente, todas las acciones en conexión con los deberes de mantenimiento y administración de los vehículos que el Apoderado considere necesarias o convenientes para cumplir con dichos deberes, siempre que no afecten negativamente de forma material los intereses de la Sociedad: y</p> <p>h) Crear, mantener y a poner a disposición de terceros registros con información sobre los vehículos arrendados, sobre la delegación de poderes en favor de cualesquiera sub-prestadores de servicios y sobre cualquier otro tipo de información de acuerdo con lo establecido en el Contrato.</p> | <p>f) administer and maintain the leased vehicles, including the making of direct payments as are necessary, depositing the sales revenues received and providing the maintenance report, in accordance with the terms of the lease and maintenance agreement;</p> <p>g) carry out, directly or indirectly, all actions in connection with duties of maintenance and administration of the vehicles that the Attorney considers necessary or desirable to fulfil those duties, provided that these do not have a material adverse effect on the Company's interests; and</p> <p>h) Create, maintain and make records available to third parties with information regarding the leased vehicles, the delegation of powers to any "Sub-servicer" and with respect to any other type of information in accordance with the provisions of the Agreement.</p> |
|--|--|

- | | |
|---|---|
| <p>2. Administrar, cobrar y autorizar el cobro de cualesquiera importes adeudados a la Poderdante en relación con el Contrato.</p> | <p>2. Administer, collect and authorize collection of any amounts receivable by the Grantor in the context of the Agreement.</p> |
| <p>3. Rendir, ajustar, compensar y conformar saldos y cuentas, aprobándolas o impugnándolas. Convenir, fijar y finiquitar saldos.</p> | <p>3. Yield, adjust, setoff and certify balances and accounts, approving or challenging them. Agree, fix and settle balances.</p> |

- | | |
|---|---|
| <p>4. Celebrar todos los contratos de naturaleza comercial o mercantil que sean apropiados en relación con las obligaciones establecidas en el Contrato, tanto con terceros independientes como con sociedades del Grupo o empresas asociadas al mismo, y que entrañen obligaciones de prestar o recibir servicios, obligaciones de hacer o de no hacer, que supongan prestaciones de tracto único o de tracto sucesivo, y con facultad para suscribir toda clase de documentos públicos o privados necesarios para la validez, exigibilidad y cumplimiento de los contratos firmados, y con plenos poderes para negociar las estipulaciones y términos de tales contratos, con independencia de su clase, así como para modificar o resolver cualquiera de las relaciones contractuales comerciales o mercantiles mencionadas.</p> | <p>4. Enter into all contracts of a commercial or mercantile nature as in relation with the obligations established in the Agreement, either with independent third parties or with group companies or associated companies, and perform or receive services, obligations to do or to refrain from doing, involving a one-time performance or continuous performance, with authority to sign all types of public or private documents required for the validity, enforceability and performance of the agreements signed, and with full powers to negotiate the provisions and terms of the contracts, regardless of their category, and to modify or terminate those commercial or mercantile contractual relationships.</p> |
| <p>5. Suscribir cualquier contrato o documento, público o privado, que el Apoderado considere necesario o conveniente en relación con el Contrato, así como llevar a cabo cuantos actos conexos o convenientes para el completo cumplimiento del mandato recibido por la Otorgante en relación con el Contrato.</p> | <p>5. To enter into any and all agreements or documents, whether public or private, that the Attorney may deem necessary or convenient in relation to the Agreement, and to carry out any other related or complementary actions which are necessary or advisable for the complete fulfilment of the mandate received by the Grantor in connection with the Agreement.</p> |
| <p>6. Delegar todas o parte de las facultades antes mencionadas en cualquier persona que se considere apropiada.</p> <p>(i) Conceder las autorizaciones que se consideren necesarias para conferir todas o parte de las facultades enumeradas en este documento.</p> | <p>6. Delegate the whole or part of the above powers to all persons deemed appropriate.</p> <p>(i) Grant the authorizations deemed appropriate to confer all or part of the powers enumerated in this document.</p> |

(ii) Revocar, en todo o en parte, las delegaciones efectuadas y/o las facultades conferidas de acuerdo con el presente documento.

(ii) Revoke, in full or in part, the delegations made and/or powers granted by virtue of this document.

La Poderdante se compromete a indemnizar al Apoderado por The Grantor hereby undertakes to indemnify the Attorney against cualquier coste, reclamación, gasto y responsabilidad en que el all costs, claims, expenses and liabilities incurred by the Attorney, Apoderado, o cualquiera de sus representantes, incurran en or any of their representatives, in connection with anything lawfully relación con cualquier actuación conforme a ley realizada por done by any of them pursuant to this Power of Attorney, except in cualquiera de ellos en virtud del presente Poder, excepto en caso case of gross negligence or wilful misconduct. de negligencia grave y dolo.

A petición de la Poderdante el Apoderado proporcionará a la Upon request by the Grantor the Attorney will provide the Grantor Poderdante cualquier documento firmado (o cualquier información with any signed document (or other information which the Grantor que la Poderdante pueda razonablemente solicitar en cada may reasonably request from time to time) in relation to this power momento) en relación con el presente Poder. of attorney

El presente Poder se regirá e interpretará de acuerdo con las leyes This Power of Attorney shall be governed by the laws of Spain and comunes de España y los Juzgados y Tribunales de España the Spain Courts shall have exclusive jurisdiction to settle any tendrán exclusiva jurisdicción para dirimir cuantas cuestiones dispute which may arise from or in connection with it. pudieran derivarse del presente Poder.

El presente Poder estará en vigor por un periodo de cinco (5) años This power of attorney shall be in force for a period of five (5) years desde la fecha indicada en el encabezamiento, salvo que sea from the date of the execution hereof, unless revoked at an earlier revocado con anterioridad de conformidad con los términos del date in accordance with the terms of this power of attorney. presente Poder.

El presente Poder podrá ser revocado por escrito en cualquier This Power of Attorney may be revoked at any time by the Grantor momento por la Poderdante. provided such revocation is in writing.

En testimonio de lo cual, se otorga este poder especial en el lugar In witness whereof, this special power of attorney is duly granted on y fecha indicados en el encabezamiento. the date and place set out at the beginning of this document.

Firma /Signature

Firma /Signature

Dña. María José Porrero Valor, en nombre y representación de **Hertz de España, S.L.**, en su condición de representante permanente mancomunado de **Stuurgroep Fleet (Netherlands) B.V., Sucursal en España**

Ms. María José Porrero Valor, in the name and on behalf of **Hertz de España, S.L.**, in its capacity as joint permanent representative of **Stuurgroep Fleet (Netherlands) B.V., Sucursal en España**

Dña. Beatriz Díez Arranz, en nombre y representación de **Intertrust (Spain), S.L.U.**, en su condición de representante permanente mancomunado de **Stuurgroep Fleet (Netherlands) B.V., Sucursal en España**

Ms. Beatriz Díez Arranz, in the name and on behalf of **Intertrust (Spain), S.L.U.**, in its capacity as joint permanent representative of **Stuurgroep Fleet (Netherlands) B.V., Sucursal en España**

SCHEDULE VI

Draft Intra-Group Vehicle Purchasing Agreement

_____202[•]

STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA

AND

[•]

INTRA-GROUP VEHICLE PURCHASING AGREEMENT

THIS INTRA-GROUP VEHICLE PURCHASING AGREEMENT (this "**Agreement**") is made on [•] 202[•],

BETWEEN:

(1) **STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA**, an entity incorporated in The Netherlands acting through its Spanish branch ("**Spanish FleetCo**" or the "**Purchaser**"); and

(2) [•],

("[•]" or the "**Seller**").

The Seller and the Purchaser shall be hereinafter jointly referred to as the "Parties".

WHEREAS:

[•]

NOW THEREFORE IT IS HEREBY AGREED:

1 SALE AND PURCHASE AND FURTHER UNDERTAKINGS

- 1.1. The Seller hereby sells to the Purchaser and the Purchaser hereby acquires from the Seller the vehicles identified in the Schedule to this Agreement (the "Vehicles").
- 1.2. From the moment of execution of this Agreement, title to the relevant Vehicle will automatically pass to the Purchaser.
- 1.3. The risk inherent to each Vehicle will pass to the Purchaser from the moment of the sale effected hereby.
- 1.4. The Parties hereby agree that the sale effected hereby is made on arm's length terms.
- 1.5. For the avoidance of doubt, the Purchaser shall have no liability in connection with the obligations of the Seller under this Agreement. The Seller undertakes to the Purchaser that if the Purchaser incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) arising out of, in connection with or based on the sale effected hereby, the Seller shall indemnify the Purchaser an amount equal to the amount so incurred by the Purchaser within five Business Days of written demand.

2 CONSIDERATION

The purchase price to be paid by the Purchaser to the Seller for the purchase of the Vehicles by the Purchaser under this Agreement shall be the Net Book Value (as determined under US GAAP) of the Vehicles sold under this Agreement (the "**Purchase Price**").

WEIL:

3 REPRESENTATIONS AND WARRANTIES

3.1 The Seller's Representations

The Seller warrants and represents to the Purchaser that as at the date of this Agreement:

- 3.1.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder;
- 3.1.2 the officer or attorney signing this Agreement on behalf of the Seller is duly authorised to do so, and no further approvals and/or authorisations are necessary from the relevant corporate bodies of the Seller for the Seller to enter into this Agreement and perform its obligations hereunder;
- 3.1.3 no steps have been taken for its liquidation, dissolution, declaration of insolvency ("[•]") or analogous circumstance and no liquidator, administrator, receiver or analogous person has been appointed over its assets;
- 3.1.4 it holds full legal title ("[•]") to the Vehicles;
- 3.1.5 the Vehicles are freely transferrable and no charge, lien, security interest or other type of third party rights falls over the Vehicles, except for any rights that the Seller's customers may have as a result of the rental of the Vehicles from the Seller in the ordinary course of business; and
- 3.1.6 the Vehicles are duly registered with the Registry of Vehicles and have the relevant documentation in order to validly circulate in [•].

3.2 The Purchaser's Representations

The Purchaser warrants and represents to the Seller that as at the date of this Agreement:

- 3.2.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder; and
- 3.2.2 the officer or attorney signing this Agreement on behalf of the Purchaser is duly authorised to do so, and no further approvals and/or authorisations are necessary from the relevant corporate bodies of the Purchaser for the Purchaser to enter into this Agreement and perform its obligations hereunder.

4 LIMITED RECOURSE

- 4.1 The Seller may commence legal proceedings against the Purchaser to the extent that the only relief sought against the Purchaser pursuant to such proceedings is the re-possession by the Seller of the Vehicle in the event of non-payment by the Purchaser of the Purchase Price relating to a Vehicle.

4.2 The Seller hereby covenants and undertakes that, other than as specified in paragraph 4.1 above, the Seller shall not be entitled to and shall not initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by the Purchaser hereunder.

5 NON-PETITION

The Seller shall not be entitled to and shall not take any step-in connection with:

5.1.1 The liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of the Purchaser;
or

5.1.2 the appointment of an insolvency officer in relation to the Purchaser or any of its assets whatsoever.

6 SET-OFF

Each Party hereto acknowledges and agrees that all amounts due under this Agreement shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

7 ASSIGNMENT

7.1 Assignment by the Purchaser

The Purchaser may assign, pledge or transfer by way of security its rights under this Agreement to a security trustee or similar person appointed in relation to a finance transaction without restriction and without the need to obtain the consent of the Seller or any other person.

7.2 Assignment by the Seller

The Seller may not assign, pledge, transfer or novate its obligations under this Agreement without the prior written consent of the Purchaser.

8 SURVIVAL OF CERTAIN PROVISIONS

Clauses 4 (Limited recourse) and 5 (Non-petition) of this Agreement are irrevocable and shall remain in full force and effect notwithstanding the termination of this Agreement.

9 GOVERNING LAW AND JURISDICTION

9.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Spain.

9.2 Jurisdiction

With respect to any suit, action or proceedings relating to this Agreement, each party irrevocably submits to the exclusive jurisdiction of the courts of Madrid, Spain.

10 **COUNTERPARTS**

This Agreement may be executed in one or more counterparts, and each such counterpart (when executed) shall be deemed an original. Such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorised representatives, have caused this Agreement to be executed and delivered on the date first above written.

SIGNATURE PAGE TO THE SALE AND PURCHASE AGREEMENT

The Purchaser

STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA

By: _____

Name:

Title:

The Seller

[•]

By: _____

Name:

Title:

WEIL:

Schedule
Description of Vehicles Sold

8

WEIL:

INDEMNIFICATION AGREEMENT, dated as of _____, 2021, between Hertz Global Holdings, Inc., a Delaware corporation (the “Company”), and [_____] (“Indemnitee”).

WHEREAS, qualified persons are reluctant to serve corporations as directors or otherwise unless they are provided with broad indemnification and insurance against claims arising out of their service to and activities on behalf of the corporations;

WHEREAS, the Company desires and has requested Indemnitee to serve as [a director] [an officer] of the Company and, in order to induce the Indemnitee to serve as [a director] [an officer] of the Company, the Company is willing to grant the Indemnitee the indemnification provided for herein;

WHEREAS, Indemnitee is willing to so serve on the basis that such indemnification be provided;

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and the advancement of expenses; and

WHEREAS, the Company has determined that attracting and retaining such persons is in the best interests of the Company’s stockholders and, in consideration of Indemnitee’s service to the Company and the covenants and agreements set forth below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree that it is reasonable, prudent and necessary for the Company to indemnify such persons to the fullest extent permitted by applicable law and to provide reasonable assurance regarding insurance.

NOW, THEREFORE, the Company and Indemnitee, intending to be legally bound, hereby agree as follows:

1. Defined Terms; Construction.

(a) Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

- (i) “Change in Control” means, and shall be deemed to have occurred if, on or after the date of this Agreement, (1) any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its subsidiaries acting in such capacity, becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 20% of the total voting power represented by the Company’s then outstanding Voting Securities without the prior approval of at least two-thirds of the members of the board of directors of the Company then in office, (2) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of the Company and any new director whose election by the board of directors of the Company or nomination for election by the Company’s stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, (3) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or consolidation that would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 50% of the total voting power represented by

the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, (4) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of related transactions) all or substantially all of its assets, or (5) the Company shall file or have filed against it, and such filing shall not be dismissed, any bankruptcy, insolvency or dissolution proceedings, or a trustee, administrator or creditors committee shall be appointed to manage or supervise the affairs of the Company.

- (ii) “Corporate Status” means the status of a person who is or was a director (or a member of any committee of a board of directors), officer, employee or agent (including without limitation a manager of a limited liability company) of the Company or any of its subsidiaries, or of any predecessor thereof, or is or was serving at the request of the Company as a director (or a member of any committee of a board of directors), officer, employee or agent (including without limitation a manager of a limited liability company) of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, or of any predecessor thereof, including service with respect to an employee benefit plan.
- (iii) “Determination” means a determination that either (x) there is a reasonable basis for the conclusion that indemnification of Indemnitee is proper in the circumstances because Indemnitee met a particular standard of conduct (a “Favorable Determination”) or (y) there is no reasonable basis for the conclusion that indemnification of Indemnitee is proper in the circumstances because Indemnitee met a particular standard of conduct (an “Adverse Determination”). An Adverse Determination shall include the decision that a Determination was required in connection with indemnification and the decision as to the applicable standard of conduct.
- (iv) “DGCL” means the General Corporation Law of the State of Delaware, as amended from time to time.
- (v) “Expenses” shall be broadly construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys’ fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by Indemnitee for which Indemnitee is not otherwise compensated by the Company or any third party), actually and reasonably incurred by Indemnitee in connection with either the investigation, defense or appeal of an action, suit or proceeding or establishing or enforcing a right to indemnification under this Agreement or otherwise incurred in connection with a claim that is indemnifiable hereunder.
- (vi) “Independent Legal Counsel” means an attorney or firm of attorneys competent to render an opinion under the applicable law, selected in accordance with the provisions of Section 4(e), who has not otherwise performed any services for the Company or any of its subsidiaries or for Indemnitee within the last three years (other than with respect to matters concerning the rights of Indemnitee under this Agreement or of other Indemnitees under indemnity agreements similar to this Agreement).

- (vii) “Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including without limitation a claim, demand, discovery request, witness testimony, formal or informal investigation, inquiry, administrative hearing, arbitration or other form of alternative dispute resolution, mediation, including an appeal from any of the foregoing.
 - (viii) “Voting Securities” means any securities of the Company that vote generally in the election of directors.
- (b) Construction. For purposes of this Agreement,
- (i) References to the Company and any of its “subsidiaries” shall include any corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise that before or after the date of this Agreement is party to a merger or consolidation with the Company or any such subsidiary or that is a successor to the Company as contemplated by Section 7(d) (whether or not such successor has executed and delivered the written agreement contemplated by Section 7(d)).
 - (ii) References to “fines” shall include any excise taxes assessed on Indemnitee with respect to an employee benefit plan.
 - (iii) References to a “witness” in connection with a Proceeding shall include any interviewee or person called upon to produce documents in connection with such Proceeding.

2. Indemnification.

- (a) General Indemnification. The Company shall indemnify Indemnitee, to the fullest extent permitted by applicable law in effect on the date hereof or as amended to increase the scope of permitted indemnification, against Expenses, losses, liabilities, judgments, fines, penalties and amounts paid in settlement (including all interest, taxes, assessments and other charges in connection therewith) incurred by Indemnitee or on Indemnitee’s behalf in connection with any Proceeding in any way connected with, resulting from or relating to Indemnitee’s Corporate Status.
- (b) Additional Indemnification Regarding Expenses. Without limiting the foregoing, in the event any Proceeding is initiated by Indemnitee or the Company or any of its subsidiaries to enforce or interpret this Agreement or any rights of Indemnitee to indemnification or advancement of Expenses (or related obligations of Indemnitee) under the Company’s or any such subsidiary’s certificate of incorporation, bylaws or other organizational agreement or instrument, any other agreement to which Indemnitee and the Company or any of its subsidiaries are party, any vote of stockholders or directors of the Company or any of its subsidiaries, the DGCL, any other applicable law or any liability insurance policy, the Company shall indemnify Indemnitee against all Expenses incurred by Indemnitee or on Indemnitee’s behalf in connection with such Proceeding, whether or not Indemnitee is successful in such Proceeding, except to the extent that the court presiding over such Proceeding determines that material assertions made by Indemnitee in such Proceeding were in bad faith or were frivolous.
- (c) Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for a portion of any Expenses, losses, liabilities, judgments, fines, penalties and amounts paid in settlement incurred by Indemnitee, but not

for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for such portion.

- (d) Other Rights to Indemnification. The indemnification and advancement of expenses (including attorneys' fees) and costs provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may now or in the future be entitled under the Company's certificate of incorporation, bylaws or other organizational agreement or instrument, any agreement, any vote of stockholders or directors, the DGCL, any other applicable law or any liability insurance policy; provided that (i) to the extent that Indemnitee is entitled to be indemnified by the Company and by any stockholder of the Company or any affiliate (other than the Company and its subsidiaries) of any such stockholder or any insurer under a policy procured by any such stockholder or affiliate, the obligations of the Company hereunder shall be primary and the obligations of such stockholder, affiliate or insurer secondary, and (ii) the Company shall not be entitled to contribution or indemnification from or subrogation against such stockholder, affiliate or insurer.
- (e) Exceptions. Any other provision herein to the contrary notwithstanding, the Company shall not be obligated under the Agreement to indemnify or advance expenses to Indemnitee:
- (i) For Expenses incurred in connection with Proceedings initiated or brought voluntarily by the Indemnitee and not by way of defense, counterclaim or crossclaim, except (x) as contemplated by Section 2(b), (y) in specific cases if the board of directors of the Company has approved the initiation or bringing of such Proceeding, and (z) as may be required by law.
 - (ii) For any profits arising from the purchase and sale by the Indemnitee of securities within the meaning of Section 16(b) of the Exchange Act or any similar successor statute that the Company is entitled thereunder to recover from Indemnitee.
 - (iii) In any circumstance where such indemnification has been determined by a final (not interlocutory) judgment or other adjudication of a court or arbitration or administrative body of competent jurisdiction as to which there is no further right or option of appeal or the time within which an appeal must be filed has expired without such filing to be prohibited by law.
- (f) Subrogation. Except as set forth in Section 2(d)(ii) of this Agreement, in the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute such documents and do such acts as the Company may reasonably request to secure such rights and to enable the Company effectively to bring suit to enforce such rights.

3. Advancement of Expenses.

The Company shall pay all Expenses incurred by Indemnitee in connection with any Proceeding in any way connected with, resulting from or relating to Indemnitee's Corporate Status, other than a Proceeding initiated by Indemnitee for which the Company would not be obligated to indemnify Indemnitee pursuant to Section 2(e), in advance of the final disposition of such Proceeding and without regard to whether Indemnitee will ultimately be entitled to be indemnified for such Expenses and without regard to whether an Adverse Determination has been made, except as contemplated by the last sentence of Section 4(f). To the fullest extent required by applicable law, such payments of Expenses in advance of the final disposition of the Proceeding shall be made only upon the Company's receipt of an undertaking, by or on behalf of Indemnitee, to repay the advanced amounts to the extent

that it is ultimately determined that Indemnitee is not entitled to be indemnified, held harmless or exonerated by the Company under the provisions of this Agreement, the Charter, the Bylaws, applicable law or otherwise. Indemnitee shall repay such amounts advanced only if and to the extent that it shall ultimately be determined in a decision by a court of competent jurisdiction from which no appeal can be taken that Indemnitee is not entitled to be indemnified by the Company for such Expenses. Such repayment obligation shall be unsecured and shall not bear interest. The Company may not require the Indemnitee to post any bond or otherwise provide any security for such advancement.

4. Indemnification Procedure.

- (a) Notice of Proceeding; Cooperation. Indemnitee shall give the Company notice in writing as soon as practicable, and in any event, no later than 30 days after Indemnitee becomes aware, of any Proceeding for which indemnification will or could be sought under this Agreement, provided that any failure or delay in giving such notice shall not relieve the Company of its obligations under this Agreement unless and to the extent that (i) none of the Company and its subsidiaries are party to or aware of such Proceeding and (ii) the Company is materially prejudiced by such failure.
- (b) Settlement. The Company will not, without the prior written consent of Indemnitee, which may be provided or withheld in Indemnitee's sole discretion, effect any settlement of any Proceeding against Indemnitee or which could have been brought against Indemnitee unless such settlement solely involves the payment of money by persons other than Indemnitee and includes an unconditional release of Indemnitee from all liability on any matters that are the subject of such Proceeding and an acknowledgment that Indemnitee denies all wrongdoing in connection with such matters. The Company shall not be obligated to indemnify Indemnitee against amounts paid in settlement of a Proceeding against Indemnitee if such settlement is effected by Indemnitee without the Company's prior written consent, which shall not be unreasonably withheld.
- (c) Request for Payment; Timing of Payment. To obtain indemnification payments or advances under this Agreement, Indemnitee shall submit to the Company a written request therefor, together with such invoices or other supporting information as may be reasonably requested by the Company and reasonably available to Indemnitee. The Company shall make indemnification payments or advances, as applicable, to Indemnitee no later than 30 days after receipt of the written request of Indemnitee (together with supporting documentation).
- (d) Determination. The Company intends that Indemnitee shall be indemnified to the fullest extent permitted by law as provided in Section 2 and that no Determination shall be required in connection with such indemnification. In no event shall a Determination be required in connection with advancement of Expenses pursuant to Section 3 or in connection with indemnification for Expenses incurred as a witness or incurred in connection with any Proceeding or portion thereof with respect to which Indemnitee has been successful on the merits or otherwise. Any decision that a Determination is required by law in connection with any other indemnification of Indemnitee, and any such Determination, shall be made within 30 days after receipt of Indemnitee's written request for indemnification, as follows:
 - (i) If no Change in Control has occurred, (w) by a majority vote of the directors of the Company who are not parties to such Proceeding, even though less than a quorum, with the advice of Independent Legal Counsel, or (x) by a committee of such directors designated by majority vote of such directors, even though less than a quorum, with the advice of Independent Legal Counsel, or (y) if there are no such directors, or if such directors so direct, by Independent Legal Counsel in a written opinion to the Company and Indemnitee, or (z) by the stockholders of the Company.

- (ii) If a Change in Control has occurred, by Independent Legal Counsel in a written opinion to the Company and Indemnitee.

The Company shall pay all Expenses incurred by Indemnitee in connection with a Determination.

- (e) Independent Legal Counsel. If there has not been a Change in Control, Independent Legal Counsel shall be selected by the board of directors of the Company and approved by Indemnitee (which approval shall not be unreasonably withheld or delayed). If there has been a Change in Control, Independent Legal Counsel shall be selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld or delayed). The Company shall pay the fees and expenses of Independent Legal Counsel and indemnify Independent Legal Counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to its engagement.
- (f) Consequences of Determination; Remedies of Indemnitee. The Company shall be bound by and shall have no right to challenge a Favorable Determination. If an Adverse Determination is made, or if for any other reason the Company does not make timely indemnification payments or advances of Expenses, Indemnitee shall have the right to commence a Proceeding before a court of competent jurisdiction to challenge such Adverse Determination and/or to require the Company to make such payments or advances. Indemnitee shall be entitled to be indemnified for all Expenses incurred in connection with such a Proceeding in accordance with Section 2(b) and to have such Expenses advanced by the Company in accordance with Section 3. If Indemnitee fails to challenge an Adverse Determination, or if Indemnitee challenges an Adverse Determination and such Adverse Determination has been upheld (including, if applicable, by reason of such challenge having been untimely) by a final judgment of a court of competent jurisdiction from which no appeal can be taken, then, to the extent and only to the extent required by such Adverse Determination or final judgment, the Company shall not be obligated to indemnify or advance Expenses to Indemnitee under this Agreement.
- (g) Presumptions; Burden and Standard of Proof. In connection with any Determination, or any review of any Determination, by any person, including a court:
 - (i) It shall be a presumption that a Determination is not required.
 - (ii) It shall be a presumption that Indemnitee has met the applicable standard of conduct and that indemnification of Indemnitee is proper in the circumstances.
 - (iii) The burden of proof shall be on the Company to overcome the presumptions set forth in the preceding clauses (i) and (ii), and each such presumption shall be overcome only if the Company establishes that there is no reasonable basis to support it.
 - (iv) The termination of any Proceeding by judgment, order, finding, settlement (whether with or without court approval) or conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not create a presumption that indemnification is not proper or that Indemnitee did not meet the applicable standard of conduct or that a court has determined that indemnification is not permitted by this Agreement or otherwise.
 - (v) Neither the failure of any person or persons to have made a Determination nor an Adverse Determination by any person or persons shall be a defense to Indemnitee's claim or create a presumption that Indemnitee did not meet the

applicable standard of conduct, and any Proceeding commenced by Indemnitee pursuant to Section 4(f) shall be *de novo* with respect to all determinations of fact and law.

5. Directors and Officers Liability Insurance.

- (a) Maintenance of Insurance. For the duration of Indemnitee's service as a director and/or officer of the Company, and thereafter for so long as Indemnitee shall be subject to any pending or possible Proceeding indemnifiable hereunder, the Company shall use commercially reasonable efforts (taking into account the scope and amount of coverage available relative to the cost thereof) to cause to be maintained in effect policies of directors' and officers' liability insurance providing coverage for Indemnitee of the Company that is at least substantially comparable in scope and amount to that provided by the Company's current policies of directors' and officers' liability insurance. Upon request, the Company shall provide Indemnitee with a copy of all directors' and officers' liability insurance applications, binders, policies, declarations, endorsements and other related materials, and will notify Indemnitee of any material changes that have been made to such documents. In all policies of directors' and officers' liability insurance obtained by the Company, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits, subject to the same limitations, as are accorded to the directors and officers of the Company most favorably insured by such policy.
- (b) Notice to Insurers. Upon receipt of notice of a Proceeding pursuant to Section 4(a), the Company shall give or cause to be given prompt notice of such Proceeding to all insurers providing liability insurance in accordance with the procedures set forth in all applicable or potentially applicable policies. The Company shall thereafter take all necessary action to cause such insurers to pay all amounts payable in accordance with the terms of such policies.

6. Exculpation, etc.

- (a) Limitation of Liability. Indemnitee shall not be personally liable to the Company or any of its subsidiaries or to the stockholders of the Company or any such subsidiary for monetary damages for breach of fiduciary duty as a director of the Company or any such subsidiary; provided, however, that the foregoing shall not eliminate or limit the liability of the Indemnitee (i) for any breach of the Indemnitee's duty of loyalty to the Company or such subsidiary or the stockholders thereof; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law; (iii) under Section 174 of the DGCL or any similar provision of other applicable corporations law; or (iv) for any transaction from which the Indemnitee derived an improper personal benefit. If the DGCL or such other applicable law shall be amended to permit further elimination or limitation of the personal liability of directors, then the liability of the Indemnitee shall, automatically, without any further action, be eliminated or limited to the fullest extent permitted by the DGCL or such other applicable law as so amended.
- (b) Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company or any of its subsidiaries against Indemnitee or Indemnitee's estate, spouses, heirs, executors, personal or legal representatives, administrators or assigns after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period, provided that if any shorter period of limitations is otherwise applicable to any such cause of action, such shorter period shall govern.

7. Miscellaneous.

- (a) Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (ii) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (iii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.
- (b) Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed duly given (i) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, (ii) on the first business day following the date of dispatch if delivered by a recognized next-day courier service or (iii) on the third business day following the date of mailing if delivered by domestic registered or certified mail, properly addressed, or on the fifth business day following the date of mailing if sent by airmail from a country outside of North America, to Indemnitee as shown on the signature page of this Agreement, to the Company at the address shown on the signature page of this Agreement, or in either case as subsequently modified by written notice.
- (c) Amendment and Termination. No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in writing signed by all the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver.
- (d) Successors and Assigns. This Agreement shall be binding upon the Company and its respective successors and assigns, including without limitation any acquiror of all or substantially all of the Company's assets or business and any survivor of any merger or consolidation to which the Company is party, and shall inure to the benefit of the Indemnitee and the Indemnitee's estate, spouses, heirs, executors, personal or legal representatives, administrators and assigns. The Company shall require and cause any such successor, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement as if it were named as the Company herein, and the Company shall not permit any such purchase of assets or business, acquisition of securities or merger or consolidation to occur until such written agreement has been executed and delivered. No such assumption and agreement shall relieve the Company of any of its obligations hereunder, and this Agreement shall not otherwise be assignable by the Company.
- (e) Choice of Law; Consent to Jurisdiction. This Agreement shall be governed by and its provisions construed in accordance with the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware, without regard to the conflict of law principles thereof. The Company and Indemnitee each hereby irrevocably consents to the jurisdiction of the courts of the State of Delaware for all purposes in connection with any Proceeding which arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Delaware.

- (f) Integration and Entire Agreement. This Agreement sets forth the entire understanding between the parties hereto and supersedes and merges all previous written and oral negotiations, commitments, understandings and agreements relating to the subject matter hereof between the parties hereto, provided that the provisions hereof shall not supersede the provisions of the Company's respective certificates of incorporation, bylaws or other organizational agreement or instrument, any agreement, any vote of stockholders or directors, the DGCL or other applicable law, to the extent any such provisions shall be more favorable to Indemnitee than the provisions hereof.
- (g) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original. Delivery of an executed counterpart of a signature page of this Agreement by facsimile transmission or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.
- (h) Effectiveness. Without limiting anything in this agreement, the indemnification and other rights provided to the Indemnitee pursuant to this Agreement shall apply to all acts or omissions of the Indemnitee from and after the time that the Indemnitee's Corporate Status first commenced.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

HERTZ GLOBAL HOLDINGS, INC.

By:

Name:

Title:

Address: 8501 Williams Road
Estero, FL 33928

AGREED TO AND ACCEPTED:

[Name]

Address: _____

**Hertz Global Holdings, Inc.
The Hertz Corporation**

List of Subsidiaries

Legal Entity	State or Jurisdiction of Incorporation	Doing Business As
Hertz Global Holdings, Inc.	Delaware	
Rental Car Intermediate Holdings, LLC	Delaware	
The Hertz Corporation	Delaware	Firefly, Hertz Car Sales, Hertz Rent-A-Car, Thrifty, Dollar Rent A Car, Thrifty Car Rental
 <u>U.S. and Countries Outside Europe</u>		
United States		
Thrifty Insurance Agency, Inc.	Arkansas	
Dollar Thrifty Automotive Group, Inc.	Delaware	
Executive Ventures, Ltd.	Delaware	
Firefly Rent A Car LLC	Delaware	Firefly
Hertz Aircraft, LLC	Delaware	
Hertz Canada Vehicles Partnership	Delaware	
Hertz Car Exchange, Inc.	Delaware	
Hertz Car Sales LLC	Delaware	Hertz Car Sales
Hertz Dealership One LLC	Delaware	
Hertz Fleet Services, LLC	Delaware	
Hertz Funding Corp.	Delaware	
Hertz General Interest LLC	Delaware	
Hertz Global Services Corporation	Delaware	
Hertz International, Ltd.	Delaware	
Hertz Investments, Ltd.	Delaware	
Hertz Local Edition Corp.	Delaware	
Hertz Local Edition Transporting, Inc.	Delaware	
Hertz NL Holdings, Inc.	Delaware	
Hertz System, Inc.	Delaware	
Hertz Technologies, Inc.	Delaware	
Hertz Transporting, Inc.	Delaware	
Hertz Vehicle Financing II LP	Delaware	
Hertz Vehicle Financing III LLC	Delaware	
Hertz Vehicle Financing LLC	Delaware	
Hertz Vehicle Interim Financing LLC	Delaware	
Hertz Vehicle Sales Corporation	Delaware	
Hertz Vehicles LLC	Delaware	
HIL2 LLC	Delaware	
HVF II GP Corp.	Delaware	
Navigation Solutions, L.L.C.	Delaware	
Rental Car Group Company, LLC	Delaware	
SellerCo FSHCO Company	Delaware	
Smartz Vehicle Rental Corporation	Delaware	

Hertz Corporate Center Property Owners' Association, Inc.	Florida	
SellerCo Corporation	Illinois	
SellerCo Mobility Solutions, Inc.	Illinois	
Dollar Rent A Car, Inc.	Oklahoma	
DTG Operations, Inc.	Oklahoma	Dollar Airport Parking Dollar Rent A Car Firefly Quik Stop Thrifty Airport Parking Thrifty Airport Valet Parking Thrifty Car Rental Thrifty Car Sales Outlet Thrifty Parking Thrifty Truck Rental
DTG Supply, LLC	Oklahoma	
Rental Car Finance LLC	Oklahoma	
Thrifty Car Sales, Inc.	Oklahoma	
Thrifty Rent-A-Car System, LLC	Oklahoma	
Thrifty, LLC	Oklahoma	
TRAC Asia Pacific, Inc.	Oklahoma	
Australia		
Ace Tourist Rentals (Aus) Pty Limited	Australia	
Hertz Note Issuer Pty Limited	Australia	
HA Fleet Pty Ltd.	Australia	
HA Lease Pty. Ltd.	Australia	
Hertz Asia Pacific Pty. Ltd.	Australia	
Hertz Australia Pty. Limited	Australia	
Hertz Investment (Holdings) Pty. Limited	Australia	
Hertz Superannuation Pty. Ltd.	Australia	
Bermuda		
HIRE (Bermuda) Limited	Bermuda	
Brazil		
Hertz Do Brasil Ltda.	Brazil	
Canada		
3216173 Nova Scotia Company	Nova Scotia	
CMGC Canada Acquisition ULC	Nova Scotia	
DTG Canada Corp.	Nova Scotia	
Hertz Canada (N.S.) Company	Nova Scotia	
2232560 Ontario Inc.	Ontario	
2240919 Ontario Inc.	Ontario	
Dollar Thrifty Automotive Group Canada Inc.	Ontario	
DTGC Car Rental L.P.	Ontario	
HC Limited Partnership	Ontario	
HCE Limited Partnership	Ontario	
Hertz Canada Finance Co., Ltd. (In Quebec-Financement Hertz Canada Ltee.)	Ontario	

Hertz Canada Limited	Ontario	Dollar Firefly Hertz 24/7 Thrifty Thrifty Car Rental
TCL Funding Limited Partnership	Ontario	
SellerCo Fleet Leasing, Ltd.	Quebec	
China		
Hertz Car Rental Consulting (Shanghai) Co. Ltd.	People's Republic of China	
Japan		
Hertz Asia Pacific (Japan), Ltd.	Japan	
New Zealand		
Hertz New Zealand Holdings Limited	New Zealand	
Hertz New Zealand Limited	New Zealand	
Tourism Enterprises Ltd	New Zealand	
Puerto Rico		
Hertz Puerto Rico Holdings Inc.	Puerto Rico	
Puerto Ricancars, Inc.	Puerto Rico	
Singapore		
Hertz Asia Pacific Pte. Ltd.	Singapore	
South Korea		
Hertz Asia Pacific Korea Ltd	South Korea	
	<u>EUROPE</u>	
Belgium		
Hertz Belgium b.v.b.a.	Belgium	
Hertz Claim Management bvba	Belgium	
Czech Republic		
Hertz Autopujcovna s.r.o.	Czech Republic	
France		
EILEO SAS	France	
Hertz Claim Management SAS	France	
Hertz France S.A.S.	France	
RAC Finance, SAS	France	
Germany		
Hertz Autovermietung GmbH	Germany	
Hertz Claim Management GmbH	Germany	
Ireland		
Apex Processing Limited	Ireland	
Dan Ryan Car Rentals Limited	Ireland	
Hertz Europe Service Centre Limited	Ireland	
HERTZ FLEET LIMITED	Ireland	
Hertz International RE Limited	Ireland	
Probus Insurance Company Europe DAC	Ireland	
Italy		
Hertz Claim Management S.r.l.	Italy	
Hertz Fleet (Italiana) Srl	Italy	

Hertz Italiana Srl	Italy
Luxembourg	
HERTZ LUXEMBOURG, S.A.R.L.	Luxembourg
Monaco	
Hertz Monaco, S.A.M.	Monaco
The Netherlands	
Hertz Automobielen Nederland B.V.	Netherlands
Hertz Claim Management B.V.	Netherlands
Hertz Europe Holdings B.V.	Netherlands
Hertz Holdings Netherlands 2 B.V.	Netherlands
International Fleet Financing No. 2 B.V.	Netherlands
Stuurgroep Fleet (Netherlands) B.V.	Netherlands
Stuurgroep Holland B.V.	Netherlands
Van Wijk Beheer B.V.	Netherlands
Van Wijk European Car Rental Service B.V.	Netherlands
Slovakia	
Hertz Autopozicovna s.r.o.	Slovakia
Spain	
Hertz Claim Management SL	Spain
Hertz de Espana, S.L.	Spain
United Kingdom	
Daimler Hire Limited	United Kingdom
Hertz (U.K.) Limited	United Kingdom
Hertz Accident Support Ltd.	United Kingdom
Hertz Claim Management Limited	United Kingdom
Hertz Europe Limited	United Kingdom
Hertz Holdings III UK Limited	United Kingdom
Hertz UK Receivables Limited	United Kingdom
Hertz Vehicle Financing U.K. Limited	United Kingdom

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement on Form S-8 (File No. 333-260913) pertaining to the Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan of our reports dated February 23, 2022, with respect to the consolidated financial statements of Hertz Global Holdings, Inc. and the effectiveness of internal control over financial reporting of Hertz Global Holdings, Inc. included in this Annual Report (Form 10-K) of Hertz Global Holdings, Inc. for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Tampa, Florida

February 23, 2022

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Mark Fields, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2021 of Hertz Global Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2022

By: /s/ MARK FIELDS
Mark Fields
Interim Chief Executive Officer and Director

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)

I, Kenny Cheung, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2021 of Hertz Global Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2022

By: /s/ KENNY CHEUNG

Kenny Cheung
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Mark Fields, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2021 of The Hertz Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2022

By: /s/ MARK FIELDS

Mark Fields
Interim Chief Executive Officer and Director

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)

I, Kenny Cheung, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2021 of The Hertz Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2022

By: /s/ KENNY CHEUNG

Kenny Cheung
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Annual Report of Hertz Global Holdings, Inc. (the "Company") on Form 10-K for the period ending December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Fields, Interim Chief Executive Officer and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report, to which this statement is furnished as an Exhibit, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2022

By: /s/ MARK FIELDS

Mark Fields
Interim Chief Executive Officer and Director

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Annual Report of Hertz Global Holdings, Inc. (the "Company") on Form 10-K for the period ending December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kenny Cheung, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report, to which this statement is furnished as an Exhibit, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2022

By: /s/ KENNY CHEUNG
Kenny Cheung
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Annual Report of The Hertz Corporation (the "Company") on Form 10-K for the period ending December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Fields, Interim Chief Executive Officer and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report, to which this statement is furnished as an Exhibit, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2022

By: /s/ MARK FIELDS

Mark Fields
Interim Chief Executive Officer and Director

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Annual Report of The Hertz Corporation (the "Company") on Form 10-K for the period ending December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kenny Cheung, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report, to which this statement is furnished as an Exhibit, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2022

By: /s/ KENNY CHEUNG

Kenny Cheung
Executive Vice President and Chief Financial Officer