



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
**For Holders of Existing Hertz Parent Interests: IRC Sections 354, 356, 368, and 1223.**

**For Holders of other Allowed Claims: IRC Sections 1001 and 1012.**

18 Can any resulting loss be recognized? ▶ **SEE ATTACHED STATEMENT.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶  
**THE ADJUSTMENTS TO BASIS WOULD BE TAKEN INTO ACCOUNT IN THE TAX YEAR OF THE HOLDER DURING WHICH THE EFFECTIVE DATE OCCURED (i.e., JUNE 30, 2021).**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ *D. Marc Havis* Date ▶ *8/12/2021*  
Print your name ▶ **D. Marc Havis** Title ▶ **Vice President - Global Tax**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Hertz Global Holdings, Inc.**

**FEIN: 61-1770902**

**Attachment to Form 8937**

**Report of Organizational Actions Affecting Basis of Securities**

Disclaimer: The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any shareholder's or note holder's specific circumstances. Shareholders and note holders are urged to review the bankruptcy plan documents available at the following link: <https://restructuring.primeclerk.com/hertz> and to consult their own tax advisors regarding U.S. tax consequences of the transaction described herein and the impact to tax basis resulting from the transaction.

**Hertz Global Holdings, Inc.**

**FEIN: 61-1770902**

**Attachment to Form 8937**

**Report of Organizational Actions Affecting Basis of Securities**

**Form 8937, Part I, Lines 9 and 10**

<b>Equity Interest Exchanged</b>	<b>CUSIP Number</b>
Existing Hertz Parent Interests	42806J106

<b>Unsecured Note Claims Extinguished</b>	<b>CUSIP Number</b>
5.500% Unsecured Note Claims	428040CS6
6.000% Unsecured Note Claims	428040CZ0
6.250% Unsecured Note Claims	428040CN7
7.125% Unsecured Note Claims	428040CY3

**Form 8937, Part II, Line 14**

On May 22, 2020 (the “Petition Date”), Hertz Global Holdings, Inc. (“Hertz Parent”), The Hertz Corporation (“Hertz”), a subsidiary of Hertz Parent, and certain of Hertz’s U.S. subsidiaries (together, the “Debtors”) filed voluntary petitions for relief (the “Bankruptcy Filing”) under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). On June 10, 2021 (the “Confirmation Date”), the Bankruptcy Court entered an order approving and confirming the Second Modified Third Amended Joint Chapter 11 Plan of Reorganization (together with the Plan Supplements, all schedules, and exhibits thereto, as modified, amended, or supplemented, the “Plan”). On June 30, 2021 (the “Effective Date” or “Emergence Date”), Hertz satisfied the conditions precedent to the Effective Date and the Plan became effective and was consummated. Unless otherwise noted, capitalized terms herein have the same meaning as used in the Plan or in the *Disclosure Statement for the Fourth Modified Second Amended Joint Chapter 11 Plan of Reorganization* (together with all schedules and exhibits thereto, and as modified, amended, and supplemented, the “Disclosure Statement”).

On the Effective Date, in a series of transactions pursuant to the Plan (the “Transaction”), the Debtors distributed cash to holders of certain claims (the “Allowed Claims”) as described below, in exchange for such holders’ cancellation and forgiveness of such claims. Concurrently, all of the Existing Hertz Parent Interests (i.e., the shares of common stock of Hertz Parent that were issued and outstanding prior to the Effective Date) were cancelled and extinguished and the

holders of the Existing Hertz Parent Interests received (i) cash, (ii) a portion of the total Reorganized Hertz Parent Common Interests (i.e., the shares of common stock of Hertz Parent) that were issued in the Transaction, and (iii) either new warrants or shareholder subscription rights (see further details below).

### ***Treatment of Existing Hertz Parent Interests***

Pursuant to the Plan, on the Effective Date, each holder of the Existing Parent Equity Interests was entitled to receive:

- i. Cash in an amount equal to \$1.53 per share of Existing Hertz Parent Interests held by such holder; and
- ii. Each holder's Pro Rata share of, as applicable:
  - (i) Three (3%) percent of total Reorganized Hertz Parent Common Interests, subject to dilution on account of the Management Equity Incentive Plan and New Warrants; and
  - (ii) The New Warrants:
    - a. provided that an Eligible Existing Hertz Shareholder may elect to receive its Pro Rata share of the Shareholder Subscription Rights instead of New Warrants.
    - b. provided, further an Eligible Existing Hertz Shareholder may elect prior to the Subscription Rights Expiration Deadline to have its Pro Rata share sold pursuant to the Shareholder Subscription Rights Auction and receive its proceeds instead of New Warrants.

### ***Treatment of Holders of Unsecured Funded Debt Claims***

Pursuant to the Plan, the following Unsecured Note Claims were allowed in the amount listed below:

- 5.500% Unsecured Note Claims - \$804,522,222.00
- 6.000% Unsecured Note Claims - \$926,700,000.00
- 6.250% Unsecured Note Claims - \$503,211,806.00
- 7.125% Unsecured Note Claims - \$511,083,333.00

ALOC Facility Claims were allowed only to the extent determined by the Bankruptcy Court and not greater than the amount equal to the letters of credit drawn plus all accrued and unpaid interest at the applicable rate, costs, and other fees. The ALOC Facility Claims, together with the Unsecured Note Claims are collectively referred to as the "Unsecured Funded Debt Claims."

Holders of the Unsecured Funded Debt Claims were entitled to receive, in full, cash payment on the allowed amount of such Claim. In addition, each holder of an Allowed Unsecured Funded Debt Claim was entitled to receive Bondholder Subscription Rights to acquire, to the extent it

was an Eligible Unsecured Funded Debt Holder, its Pro Rata Share of the amount of \$1,635,000,000.00 in Reorganized Hertz Parent Common Interests not acquired by Holders of Allowed Existing Hertz Parent Common Interests after taking into account all exercised Shareholder Subscription Rights.

### ***Treatment of Other Allowed Claims***

The following classes of other Allowed Claims were satisfied with cash in full and final satisfaction of such Allowed Claims:

- Other Priority Claims
- Other Secured Claims
- First Lien Claims
- Second Lien Note Claims
- HHN Notes Guarantee Claims
- General Unsecured Claims

Because these Allowed Claims were paid in full, in cash, the holders of these claims have no continuing interest in securities issued by the Debtors. Accordingly, there were no organizational actions that are reportable on Form 8937 and no further discussion of these Allowed Claims follows. The above-referenced Allowed Claimholders are urged to consult their tax advisor for the U.S. federal, state, local and other tax consequences applicable under the Plan.

### **Form 8937, Part II, Line 15**

The following summary of certain U.S. federal income tax consequences is for informational purposes only and is not a substitute for careful tax planning and advice based upon your individual circumstances. All holders of Claims and Interests of the Debtors are urged to consult their tax advisor for the U.S. federal, state, local and other tax consequences applicable under the Plan. For more information regarding the Transaction, please visit the website for Hertz's Bankruptcy Filing with links to Hertz's Plan of Reorganization and Disclosure Statements filed with the Bankruptcy Court, available at <https://restructuring.primeclerk.com/hertz>.

### **Effect on Basis to Holders of Claims that Constitute Stock or Securities**

The exchange of the Existing Hertz Parent Interests for the consideration previously described is intended to constitute a reorganization under Section 368(a) of the Internal Revenue Code (the "Tax Code"). The U.S. federal income tax consequences of the Plan to a holder of Existing Hertz Parent Interests depends, in part, on whether the New Warrants (or Shareholder Subscription Rights) constitute "stock" or "securities" of Hertz Parent for U.S. federal income tax purposes. Holders of the New Warrants (or Shareholder Subscription Rights) are urged to consult their own

tax advisors regarding the appropriate status for U.S. federal income tax purposes of the New Warrants (or Shareholder Subscription Rights).

The exchange of the Existing Hertz Parent Interests for the consideration issued in the Transaction is intended to be treated as part of a tax-deferred “recapitalization” within the meaning of Section 368(a) of the Tax Code. A holder of a Claim that received consideration in exchange for such Claim as part of a reorganization generally would not recognize gain or loss unless the holder also received cash or other property (including, but not limited to, the New Warrants (or Rights) in the instance they do not constitute “stock” or “securities”) in the exchange. In such a case, the holder generally would recognize gain (but not loss) on the exchange, but only up to the amount of any cash and generally the fair market value of the other property received that does not constitute “stock” or “securities” for U.S. federal income tax purposes.

A holder’s tax basis in its Reorganized Hertz Parent Common Interests and New Warrants (or Shareholder Subscription Rights) (provided the Warrants (or Rights) qualify as “stock” or “securities”) received in the Transaction in exchange for a Claim would generally equal such holder’s adjusted tax basis in the Allowed Existing Hertz Parent Interests surrendered, less the amount of cash and the fair market value of any other property received, plus the amount of gain recognized by the holder. If the New Warrants (or Shareholder Subscription Rights) do not qualify as “stock” or “securities” under Section 368 of the Tax Code, a holder’s tax basis in its Reorganized Hertz Parent Common Interests received would equal its basis in the Allowed Existing Hertz Parent Interests surrendered, increased by any gain recognized in the exchange and decreased by the amount of Cash and the fair market value of the New Warrants (or Shareholder Subscription Rights) received by such holder. A holder’s tax basis in other non-stock property received generally will be such property’s fair market value as of the Effective Date.

### **Effect on Basis to U.S. Holders of Unsecured Funded Debt Claims**

For exchanges of Claims (other than those of holders of Existing Hertz Parent Interests) by holders of Unsecured Funded Debt Claims in the Transaction, such holder generally will recognize gain or loss in an amount equal to the difference between (i) the sum of the amount of Cash received and the fair market value of any other property received (including, but not limited to, any Bondholder Subscription Rights received) and (ii) its adjusted tax basis in the surrendered Claim. A holder’s adjusted tax basis in the surrendered Claim generally will equal the cost of the Claim (or income recognized with respect thereto), decreased by any amortizable bond premium in respect of the Claim which has been previously taken into account. In addition, if a holder has elected to include market discount in income as it accrues, then the holder’s tax basis in a Claim will be increased by any market discount previously included in gross income.

**Form 8937, Part II, Line 16**

To the extent that a Claim constituted a “stock” or “security” for U.S. federal income tax purposes and the exchange for consideration in the Transaction constituted a reorganization pursuant to Section 368(a) of the Tax Code, a holder’s aggregate tax basis in the Reorganized Hertz Parent Interests received in respect of its Claims will generally equal such holder’s aggregate tax basis in its respective Claim surrendered in the Transaction, increased by any gain recognized and decreased by any non-stock consideration received (*e.g.*, cash and the fair market value of other property to the extent such other property does not constitute “stock” or “securities” for U.S. federal income tax purposes). Such tax basis is allocated among the Hertz Parent Common Interests, Shareholder Subscription Rights or New Warrants received (as applicable to the holder) in proportion to the fair market values of such interests.

The tax basis of the non-stock consideration received by holders (*e.g.*, cash and other property received that does constitute a “stock” or “security” for U.S. federal income tax purposes) would equal the fair market value of the non-stock consideration received.

**Form 8937, Part II, Line 18**

To the extent the exchanges in the Transaction are treated as reorganizations under Section 368(a) of the Tax Code for U.S. federal income tax purposes, generally no loss may be recognized with respect to Existing Hertz Parent Interests.